

SESA GOA LIMITED
 Regd. Office: Sesa Chor, 20 BDC Complex, Patto, Panjim, Goa-403001.
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2011


(Rs. in lakh except as stated)

S. No.	Particulars	CONSOLIDATED				STANDARDISED			
		Quarter ended 31.12.2011	Quarter ended 30.09.2011	Corresponding quarter ended 31.12.2010	Year ended 31.03.2011	Quarter ended 31.12.2011	Quarter ended 30.09.2011	Corresponding quarter ended 31.12.2010	Year ended 31.03.2011
1	a) Sales / Income from operations Less: Excise duty	2877.06	855.10	2501.23	5996.15	6219.51	10151.29	4857.60	8249.59
	Less: Ocean freight	21.97	19.09	15.24	56.20	46.22	43.55	50.20	63.68
	Less: Other operating income	2855.09	836.01	2485.99	5937.98	6173.29	10086.63	4799.40	8188.91
	Total Income	12.80	5.60	12.85	31.83	43.11	69.65	4437.39	7447.45
2	Expenditure	217.91	(85.24)	59.10	23.68	(219.82)	(47.48)	69.00	(12.13)
	a) Increase in stock in trade and work in progress	179.66	150.70	91.30	427.66	263.86	396.18	427.05	257.04
	b) Consumption of raw materials	95.59	71.93	71.30	280.47	220.11	295.31	199.59	166.23
	c) Consumption of stores								
	d) Contractors for inland transportation & other services								
	e) Other services	134.60	49.11	153.60	394.05	581.53	754.03	255.01	535.11
	f) Purchase of ITC	142.13	65.70	131.60	276.41	319.56	523.93	185.29	389.21
	g) Export duty	448.48	87.22	116.73	881.09	297.02	661.98	263.64	536.99
	h) Exchange loss (gain) on Foreign Currency Loans and Convertible Bonds	177.93	234.09	(2.45)	424.14	54.07	48.78	80.28	229.45
	i) Depreciation	63.80	62.50	49.57	180.63	140.57	207.08	309.21	52.25
	j) Other expenditure	26.34	24.31	20.76	77.55	59.32	96.38	133.17	86.89
	k) Less: Costs / expenses recovered	133.37	93.81	227.29	408.80	531.92	746.73	62.09	43.06
	Total Expenditure	(8.29)	(13)	(5.34)	(13.28)	(17.21)	(27.94)	(19.28)	(27.84)
3	Profit/(Loss) from operations before other income & interest (1-2)	1765.15	788.14	1037.82	3914.24	2608.18	4187.20	2827.38	2214.80
4	Other Income	890.92	1.60	1217.17	2973.12	2973.12	4067.82	1481.43	3825.91
5	Profit/(Loss) before interest and tax (3+4)	1856.07	789.74	1259.99	6887.36	5581.30	8255.02	4308.81	6040.71
6	Interest	72.98	51.61	13.39	173.88	41.23	39.12	189.12	155.35
7	Profit/(Loss) from ordinary activities before tax (5-6)	1783.09	738.13	1246.60	6713.48	5540.07	8294.14	4119.69	5885.36
8	Tax expense comprises current & deferred tax	166.36	(9.91)	257.25	625.88	559.24	1337.24	1470.65	405.7
9	Profit/(Loss) after tax (7-8)	1616.73	748.04	989.35	6087.60	4980.83	6956.90	2649.04	5879.66
10	Minority interest	669.69	3.28	1068.29	2411.46	2769.89	4322.45	1033.73	2222.42
11	Share in the profit of an associate	121.03		3.00	111.93	9.67			
12	Net profit/(Loss) for the group (9-10+11)	691.52	748	1055.29	1833.39	2252.02	4212.45	1615.33	3322.80
13	Paid up equity capital (Face value Rs.1)	86.91	86.91	86.97	86.91	86.97	86.91	86.91	86.91
14	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year								
15	Earnings per share (Rs.) (Non annualised)*	7.86*	0.01*	12.41*	17.84*	32.07*	49.17	11.87*	39.08
	- Basic EPS	7.86*	0.01*	12.10*	17.64*	32.06*	48.17	11.87*	39.30
16	Aggregate of public shareholding and promoter group	389987804	389987804	380389940	389987804	380389940	389987804	389987804	389987804
	- Number of shares	44.87	44.87	44.27	44.87	44.27	44.87	44.87	44.87
	- Percentage of shareholding								
17	Promoters and Promoter Group Shareholding								
(a)	Mediated / Encumbered								
	Number of Shares								
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)								
(b)	Non-encumbered								
	Number of Shares	479113619	479113619	479113619	479113619	479113619	479113619	479113619	479113619
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100	100	100
	Percentage of Shares (as a % of the total share capital of the company)	55.13	55.13	55.73	55.13	55.73	55.13	55.73	55.13

Segment Information	CONSOLIDATED						STANDALONE					
	Quarter ended 31.12.2011	Quarter ended 30.09.2011	Corresponding quarter ended 31.12.2010	Nine Months ended 31.12.2011	Corresponding Nine Months ended 31.12.2010	Year ended 31.03.2011	Quarter ended 31.12.2011	Quarter ended 30.09.2011	Corresponding quarter ended 31.12.2010	Nine Months ended 31.12.2011	Corresponding Nine Months ended 31.12.2010	Year ended 31.03.2011
	Unaudited			Audited			Unaudited			Audited		
Segment Revenues												
Iron ore	2390.34	594.29	2088.98	4920.39	5069.80	8993.69	1774.75	561.36	1576.37	3858.06	4061.49	6792.30
Metallurgical coke	142.01	117.02	121.86	400.06	369.47	806.51	143.01	117.02	121.68	400.06	369.47	806.51
Pig Iron	203.82	186.57	159.19	583.17	495.19	974.20	203.82	186.57	159.19	583.17	495.19	974.20
Total	2736.87	897.88	2370.04	5873.62	5935.46	9774.40	2119.26	864.95	1696.25	4811.31	4830.95	7872.81
Less: Inter-segment revenues												
Iron ore	41.41	24.24	31.61	93.97	85.46	207.19	21.22	2.43	-	73.78	-	304.80
Metallurgical coke	77.20	83.27	87.22	261.66	264.35	354.78	77.20	83.27	-	261.66	-	354.78
Pig Iron												
Total	119.61	107.51	118.83	355.63	349.81	561.96	98.42	107.70	-	335.44	-	459.72
Net Revenue from Operations	2617.26	790.37	2251.20	5517.99	5585.61	9212.44	2019.86	757.25	1696.25	4475.87	4430.96	7613.49
Add: Interest and Investment Income	16.83	49.75	124.95	218.17	383.83	532.57	13.84	40.48	111.82	186.84	353.83	494.79
Enterprises Revenue	2634.09	840.12	2376.15	5736.16	5969.44	9745.01	2033.40	797.73	1810.07	4662.61	4784.79	8108.28
Segment Results - Profit/(Loss) before tax, Interest, Investment Income and other non recurring income.												
Iron ore	1059.29	237.12	1154.78	2387.58	2846.22	4882.93	787.09	211.48	872.03	1842.48	2184.06	3746.63
Metallurgical coke	(17.34)	(4.31)	22.17	6.26	83.59	89.01	(17.34)	(4.31)	26.86	6.26	84.35	89.01
Pig Iron	18.09	3.51	34.58	34.09	99.09	141.08	18.09	3.51	34.09	34.09	141.08	141.08
Total	1060.04	236.32	1211.53	2427.90	3029.50	5114.02	787.84	210.68	892.89	1882.82	2269.41	3975.72
Less: Interest expenses	72.96	51.61	13.39	375.88	41.23	38.12	71.93	50.69	13.17	171.82	40.57	36.63
Less: Exchange loss/(gain) on Foreign Currency loans and Convertible Bonds	177.99	234.09	(2.45)	424.14	52.07	48.78	185.91	217.26	(2.38)	399.21	52.25	48.78
Add: Interest Income	1.30	2.09	38.92	11.55	129.11	173.36	1.27	2.03	38.82	11.43	126.25	173.01
Investment Income	15.82	47.66	86.03	204.61	254.72	359.21	12.27	38.45	73.60	179.81	225.08	321.78
Profit/(Loss) before tax	825.86	37.27	1322.54	2048.04	3320.03	5597.69	539.94	(16.79)	993.92	1499.73	2329.42	4335.89
Capital Employed												
Iron ore	4415.40	4139.76	3159.40	4418.40	3159.40	3516.42	1971.39	1733.19	1341.59	1971.39	1341.59	1578.81
Metallurgical coke	184.53	183.45	76.12	184.53	76.12	28.23	184.53	183.45	108.75	184.53	108.75	24.23
Pig Iron	281.42	239.29	281.42	281.42	201.58	236.18	281.42	239.29	261.42	281.42	236.18	215.98
Unallocated	13699.28	13435.63	9273.02	13699.28	9273.02	10037.76	14387.46	14272.02	9939.38	14387.46	9939.38	10726.78
Total	18481.63	17958.15	12719.17	18481.63	12719.17	13806.57	16634.80	16435.00	11989.72	16634.80	11989.72	12556.92

NOTES:

- The Company, along with its subsidiary Sesa Resources Limited, has acquired an equity stake aggregating 20% for Rs. 13,074.84 crore (including 1.5% for Rs. 939.94 crore during the quarter) in the equity share capital of Calkin India Ltd ("CIL"). With effect from 7th December, 2011, CIL has become an associate company and accordingly, the company's share of profits in CIL, attributable to the period after acquisition till 31st December 2011, have been recognised in the consolidated financial results (SL no 11) in accordance with Accounting Standard (AS) 23 under the Companies (Accounting Standard) Rules, 2006.
- The Company, through its wholly owned subsidiary, Bloom Fountain Limited has acquired 51% stake in Western Cluster Limited, Uthara (WCL) for a cash consideration of Rs. 411.20 crore. WCL will develop the western cluster Iron Ore Project in Liberia which includes development of iron ore deposits, necessary transportation and shipping infrastructure for export of iron ore.
- The Supreme Court of India has on 26th August, 2011 ordered a ban on iron ore mining and direct sales in the State of Karnataka. Further, by an Order dated 23rd September, 2011, the Court has inter alia appointed a Monitoring Committee to carry out an e-auction of the inventories of iron ore lying at the mines in that State. Consequently, the debursal of net proceeds of Rs. 81.62 crore against sale of iron ore is expected to be received after the final decision from the Supreme Court.
- There were 2168 Foreign Currency Convertible Bonds of USD 100,000 each outstanding as at 1st April, 2011 and 31st December, 2011. There were no conversions into equity shares during the nine months ended 31st December, 2011.
- Consequent to merger of erstwhile subsidiary Sesa Industries Limited, the figures of the Pig Iron segment were incorporated in the Company's results on stand-alone basis from the quarter ended 31st March, 2011. The figures for the quarter and nine months ended 31st December, 2011 are therefore not comparable with those of the corresponding quarter and nine months of the previous period on stand-alone basis.
- The above results were subjected to a limited review by the statutory auditors, reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25th January, 2012.
- The Board of Directors at its meeting held on 25th January, 2012 has declared an interim dividend of Rs. 2 per equity share of Rs. 1 each (200%). The record date for payment of interim dividend is 2nd February, 2012.
- Figures for the previous periods have been regrouped / rearranged as necessary to conform to the current period's classification.
- There were no outstanding investor complaints at the beginning and at the end of the quarter. During the quarter ended 31st December, 2011, no investor complaints were received.


P. K. Mukherjee
 Managing Director

Place: Panaji, Goa
 Date: 25th January, 2012



SESA GROUP



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Sesa Goa Limited
Unaudited Consolidated Results for the
Third Quarter and Nine Months Ended 31 December 2011

25 January 2012

Highlights for the Quarter

■ **Financial Performance**

- FBDT at ₹ 852 crore
- PAT (Incl. income from associate) at ₹ 692 crore
- EPS at ₹ 7.96

- Acquired additional 1.5% of Cairn India, taking total holding to 20%.
- Agreed to acquire 100% equity stake in Goa Energy Private Limited ("GEPL") which owns a 30 MW waste heat recovery power plant in Goa

■ **Interim Dividend**

- Interim dividend of ₹ 2.0 per share of ₹ 1 each.

■ **Awards**

- Ranked Amongst the "Top Ten Leaders" for CDLI (Carbon Disclosure Leadership Index) in the CDP 2011, India 200 Report.
- Received "Silver Certificate of Merit at India Manufacturing Excellence Awards (IMEA) 2011" presented by ET in partnership with Frost & Sullivan to Pig Iron & Met Coke Divisions.

Goa, 25 January 2012: Sesa Goa Limited ("SGL" or the "Company") today announced its unaudited consolidated results for the third quarter ("Q3") and nine months ("nine months period") ended 31 December 2011.

Unaudited Consolidated Financial Summary

(in ₹ crore, except as stated)

	Quarter ended			Nine months ended		
	2011	31-Dec 2010	Change	2011	31-Dec 2010	Change
Net Sales/Income from operations	2617	2,250	16%	5,516	5,581	(1%)
Cash Profit (PBDT)	852	1,346	(37%)	2,126	3,379	(37%)
Net Profit (PAT)*	570	1,065	(46%)	1,411	2,752	(49%)
Net Profit (PAT) Incl. Associate Income**	692	1,065	(35%)	1,533	2,752	(44%)
Earnings Per Share (₹.)#						
Basic	7.96	12.41	(36%)	17.64	32.07	(45%)
Diluted	7.96	12.18	(35%)	17.64	32.06	(45%)
Sales						
Iron Ore (million tonnes)	5.04	4.78	5%	10.83	11.49	(6%)
Pig Iron ('000 tonnes)	68	63	8%	191	201	(5%)

- #Non annualised
- *Excluding attributable profit from associate.
- **Associate Income from Cairn India Limited of ₹122 crores has been taken from December 08, 2011.
- Iron ore sales is inclusive of captive consumption in Pig Iron Division (0.06 million tonnes in Q3 as compared to 0.11 million tonnes in the corresponding prior quarter)

Operating Performance

During Q3, iron ore sales were 5.04 mt compared with 4.78 mt (4.36 mt excluding Orissa) in the corresponding prior quarter. During nine months period, sales were 10.83 mt compared with 11.49 mt (10.02 mt excluding Orissa) in the corresponding prior period.

At Karnataka, we sold 0.64 mt of iron ore in Q3 via e-auctions, and 2.45 mt of iron ore for the nine months period, as compared with 0.63 mt and 1.57 mt in the corresponding prior periods. At Goa, we sold 4.40 mt of iron ore in Q3, and 8.38 mt of iron ore in the nine months period, as compared with 3.74 mt and 8.44 mt in the corresponding prior periods.

During Q3, iron ore production was 3.33 mt compared with 4.70 mt (4.29 mt excluding Orissa) in the corresponding prior quarter. During nine months period, production was 8.84 mt as compared with 13.31 mt (11.90 mt excluding Orissa) in the corresponding prior period. The decline is mainly on account of the ban on mining operations in Karnataka and planned reduction in inventories. The ban was imposed by the Hon'ble Supreme Court of India on 26 August 2011 and continues to be in force.

During Q3, pig iron production was at 64,108 tonnes a marginal decline of 6% and sales volumes were at 68,020 tonnes, an increase of 8% as compared with the corresponding prior quarter. Production and sales volumes of pig iron during nine months period was at 189,615 tonnes and 190,710 tonnes. The production & sales volumes were affected on account of low availability of iron ore from Karnataka and decline in the demand from foundries.

Financial Performance

Cash Profit (PBDT) for Q3 and nine months period were ₹ 852 crores and ₹ 2,126 crores, a decline of 37% on both periods compared with the corresponding prior periods. The profit was impacted on account of higher export duty, lower income from investments; higher interest cost, and mark to market loss on foreign currency borrowings.

During Q3, Sesa Goa Limited acquired 24,307,241 equity shares of Cairn India Limited ("CIL") and 4,500,000 equity shares of CIL were acquired by its subsidiary Sesa Resources Limited aggregating to approximately 1.5% of total paid up share capital of CIL from Cairn UK Holding Limited at an average price of ₹ 325 per share on the open market.

With this acquisition Sesa Goa Limited along with its subsidiary, Sesa Resources Limited holds 20% of the share capital of CIL effective 08 December 2011, and has accounted for CIL as an associate effective from this date.

Goa Energy Private Limited ("GEPL")

During the quarter, Sesa Goa Limited and Videocon Industries Limited along with other Shareholders of GEPL have signed a definitive Share Purchase Agreement under which Sesa has agreed to acquire 100% of the outstanding common shares of GEPL for a cash consideration of ₹ 53.72 crores on a cash free basis, including net working capital of ₹ 2.75 crores and taking over an existing debt of ₹ 47.28 crores.

GEPL owns and operates a 30 MW waste heat recovery power plant in Goa which utilizes the Waste heat and gases from SGL's Coke making and Pig Iron facilities.

Interim Dividend

Board of Directors has recommended an interim dividend of 200% i.e. ₹ 2.0 per share on equity share of ₹ 1.00 each. The record date for the payment of interim dividend is 02 February 2012.

Liquidity and Investment

As at 31 December 2011, the Company had a total debt of ₹ 4,381 crores with cash and cash equivalents of ₹ 451 crores consisting of ₹ 442 crores in debt mutual funds and ₹ 9 crores in fixed deposits and cash with banks.

Expansion Progress

Expansion of the pig iron capacity to 625 ktpa and the associated expansion of metallurgical coke capacity to 560 ktpa are nearing completion for commissioning in current quarter, marginally behind expected timelines on account of construction delays.

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About Sesa

Sesa is India's largest producer and exporter of iron ore in the private sector. The company is a majority owned and controlled subsidiary of Vedanta Resources plc, the London listed FTSE 100 diversified metals and mining major. For more than five decades, Sesa has been involved in iron ore exploration, mining, beneficiation and exports. Sesa has iron ore mining operations in Goa and Karnataka. It has recently acquired 51% stake in Western Cluster Limited, a Liberia based company engaged in developing the Western Cluster Iron Ore Deposits into a large integrated Iron Ore Project. Sesa is also into manufacturing pig iron and metallurgical coke, with a 0.28 mtpa metallurgical coke plant and a 0.25 mtpa pig iron plant in Goa.

Disclaimer

This press release contains "forward-looking statements" - that is, statements related to future, not past, events and may be interpreted as 'forward looking statements' within the meaning of applicable laws and regulations. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the company's operations include a downtrend in the steel, pig iron & met coke industry - global or domestic or both, significant changes in political, economic, business, competitive or regulatory environment in India or key markets abroad and from numerous other matters of national, regional & global scale including but not limited to natural calamity, tax laws, litigations, Government policies & regulations, fluctuations in interest and or exchange rates of Indian Rupee, etc. Any forward-looking information in this press release has been prepared on the basis of a number of assumptions, which may prove to be incorrect. This press release should not be relied upon as a recommendation or forecast by Sesa Goa Ltd. The views expressed herein may contain information derived from publicly available sources that have not been independently verified; no representation or warranty is made as to the accuracy, completeness or reliability of this information. We do not undertake to update our forward-looking statements.

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REVIEW REPORT TO THE BOARD OF DIRECTORS OF SESA GOA LIMITED ON LIMITED REVIEW OF UNAUDITED FINANCIAL RESULTS

1. We have reviewed the accompanying statement of Unaudited Financial Results for the quarter and the nine months ended 31st December, 2011, Standalone and Consolidated (the "Statement") of Sesa Goa Limited (the "Company"). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The Statement, to the extent it relates to the Consolidated Unaudited Financial Results, includes the results of the following entities [subsidiaries, unless otherwise stated]: (a) Sesa Resources Limited; (b) Sesa Mining Corporation Limited; (c) Bloom Fountain Limited; (d) Western Cluster Limited and (e) Cairn India Limited, an associate.
4. The Statement, to the extent it relates to the Consolidated Unaudited Financial Results, reflects the group's share of revenue of Rs. Nil for the quarter ended 31st December, 2011 and Rs. Nil for the nine months ended on that date and the group's share of profit of Rs. Nil for the quarter ended 31st December, 2011 and Rs. Nil for the nine months ended on that date and capital employed 'Iron ore' of Rs. 55,222 lacs as at 31st December, 2011, in respect of two subsidiaries, Bloom Fountain Limited and Western Cluster Limited, whose results have been reviewed by other auditors / another firm of chartered accountants. Accordingly, our review of the Statement, in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the reports of the other auditors / the other firm of chartered accountants, furnished to us.
5. The Statement, to the extent it relates to the Consolidated Unaudited Financial Results, also reflects the group's share of profit of Rs. 121,93 lacs in respect of the consolidated profit of an associate, Cairn India Limited, for the period 8th December 2011 (date when that entity became an associate) to 31st December, 2011 whose results for the period 1st December, 2011 to 31st December 2011 have been reviewed by other auditors and adjusted for significant transactions of the associate for the period 1st December 2011 to 7th December, 2011 as made by the management. We have accordingly considered the report of the other auditors furnished to us, for the purposes of our review of the Statement, in so far as it relates to the group's share of profit included in respect of this associate.

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6. Based on our review, read with our comments in paragraphs 4 and 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. Further, we also report that we have traced the number of shares as well as the percentage of shareholdings in respect of the aggregate amount of public shareholdings and the number of shares as well as the percentage of shares pledged/encumbered in respect of the aggregate amount of promoter and promoter group in terms of Clause 35 of the Listing Agreements and the particulars relating to the undisputed investor complaints from the details furnished by the Registrars.

For **DELOITTE HASKINS & SELLS,**
Chartered Accountants,
(Registration No. 117366W),



Rajesh K Hiranandani
Partner
(Membership No. 36920)

Goa, 25th January, 2012

