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SESA GOA LIMITED

Regd. Office: Sesa Ghor, 20 EDC Complex, Patto, Panaji, Goa - 403001



NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of Sesa Goa Limited (the "Company") will be held on Monday, 18th October, 2010 at 10.00 A.M. at Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa, to transact the following business:

- To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions of the Companies Act, 1956 the consent of the shareholders of the Company be and is hereby accorded to the Company to increase the investment limits of the Company to an amount not exceeding Rs.16000,00,00,000/- (Rupees Sixteen Thousand Crores only).
RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to determine the actual sums to be invested within the sanctioned limits and all matters arising out of or incidental to the proposed investment, as set out in the Explanatory Statement and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."
- To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT in partial modification of the resolution passed earlier, the consent of the Company be and is hereby accorded, in terms of Section 293 (1)(d) and other applicable provisions, if any, of the Companies Act, 1956, as amended or restated, to the Board of Directors of the Company to borrow from time to time any sum or sums of moneys together with moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) that may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs.15000,00,00,000/- (Rupees Fifteen Thousand Crores only).
RESOLVED FURTHER THAT the Board be and is hereby authorized to severally delegate all or any of its powers herein conferred to any Committee of directors or any executive director or directors or any other officer of the Company, in order to give effect to the above resolutions.
RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."
- To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT in partial modification of resolution passed at the Annual General Meeting of the Company held on 22nd December, 2006 and pursuant to provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 the remuneration of Mr. Amit Pradhan, Wholetime Director, be and is re-fixed with base salary of Rs.2,25,000/- per month, effective from 1st April, 2010 for the unexpired period of his Contract upto 30th April, 2011, in the revised scale of Rs.1,50,000/- to Rs.5,00,000/- with corresponding increase in benefits, with a liberty to the Board of Directors to alter and vary such terms and conditions including remuneration so as not to exceed the limits specified in Part I, i.e. in case of profit, and Part II, i.e. in case of inadequacy of profit, of Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be agreed to by the Board of Directors and Mr. Amit Pradhan.
RESOLVED FURTHER THAT the Company hereby accords its approval to the re-appointment of Mr. Amit Pradhan as Wholetime Director of the Company effective from 1st May, 2011 upto 31st March, 2013 and to the payment of remuneration with base salary of Rs.2,25,000/- per month in the scale of Rs.1,50,000/- to Rs.5,00,000/- more particularly set out in the Explanatory Statement attached to the Notice convening this General Meeting with a liberty to the Board of Directors to alter and vary such terms and conditions including remuneration so as not to exceed the limits specified in Part I i.e., in case of profit and Part II, i.e., in case of inadequacy of profit of Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be agreed to by the Board of Directors and Mr. Amit Pradhan during the aforesaid period."

By Order of the Board
SESA GOA LIMITED

C.D. CHITNIS
SECRETARY & GM-LEGAL

Place : Panaji-Goa
Dated : 25th August, 2010

NOTES:

- The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business set out above is annexed hereto.
- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- The information as required to be provided under the Listing Agreement with the Stock Exchanges, regarding the Director who is proposed to be re-appointed is given hereunder:

Name : Mr. Amit Pradhan
Age : 55 years
Qualifications : M.Sc. (Physics) from IIT Delhi.
Expertise : 32 years of experience in Materials Management
Shareholding : 1340 shares
Other Directorships /
Committee Memberships :

Sr. No.	Name of the Company	Position held	Committee Type	Membership Status
1.	Sesa Industries Limited	Director	Audit Remuneration	Member Member

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

The following Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 (the Act), sets out all material facts relating to the business mentioned in the accompanying Notice dated 25th August, 2010.

Item No. 1

The Company proposes to raise its investment limits under Section 372A of the Companies Act, 1956 which is presently Rs. 7125.36 crores based on Audited Balance Sheet of the Company as at 31st March, 2010.

In terms of Section 372(1)(c) of the Companies Act, 1956, which inter alia, provides that the acquisition, by way of subscription, purchase or otherwise of the securities of any other body corporate exceeding sixty per cent of the Company's paid-up share capital and free reserves or one hundred per cent of its free reserves, whichever is more requires approval of the shareholders by way of a Special Resolution, provided that the same is also consented to by all the directors at a meeting of the Board. Section 372A of the Companies Act, 1956, states that the Board of Directors in their usual dealings with the funds of the Company are permitted to make investments in other bodies corporate upto sixty percent of the paid-up share capital and free reserves of the Company or less than one hundred per cent of the free reserves of the Company whichever is more. Any investment, in excess of the aforesaid percentage, is subject to the prior approval of the members of the Company by passing a Special Resolution.

As supported by its latest closing balance sheet, the Company has investible surplus cash of approximately Rs. 6000 crores and is also generating cash on a regular

basis from its operations. The current cash levels are in excess of current requirements of its present operations. It is believed that these surplus resources of the Company ought to be utilized in a manner which has a significant growth potential and also to potentially diversify the current business lines. Accordingly, the Company is desirous of seeking your consent for such proposal as contained in the Special Resolution appended in this notice to pursue the significant growth potential and diversify the current business lines by investing an amount not exceeding Rs.16000,00,00,000/- (Rupees Sixteen Thousand Crores only), which will be partly through internal accruals and partly through borrowings.

In this background, it may be noted that:

- (a) The Company is exploring opportunities to invest in iron ore, steel, coal, other allied metal and natural resources. The investment limits increased above would provide the Company with the flexibility to pursue these opportunities.
- (b) In addition the Company has been presented with a unique opportunity to acquire a substantial stake in Cairn India Limited CIL as part of a transaction being undertaken by Vedanta, the parent of the Company. The Company has been offered to acquire upto 383,985,368 equity shares of Rs. 10/- each (fully paid up) representing upto 20% of the equity share capital of CIL on a fully diluted basis, either:
 - (i) under the Open Offer undertaken triggered in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (as amended), along with Vedanta Resources Plc ("Vedanta"), Twin Star Energy Holding Limited (formerly known as THL Aluminium Limited) ("TSEL") and / or any of Vedanta's subsidiaries (Vedanta together with TSEL and / or any of Vedanta's subsidiaries, the "Acquirers"); and / or
 - (ii) in the event of any shortfall in the Open Offer from (1) Vedanta, TSEL and / or any of Vedanta's subsidiaries; or (2) Cairn UK Holdings Limited ("CUHK") (which acquisition shall include the payment of a non-compete fee on terms described in the Open Offer),

Although not a controlling stake on its own, along with the Acquirers, who will acquire up to 40% of the share capital of CIL, they will hold up to an aggregate of 60% of the share capital of CIL, which will provide them with control over CIL. Therefore by acquiring upto a 20% stake in CIL, the Company together with the Acquirers will have the ability to control CIL, and will be able to guide the management of CIL.

The addition of a high quality asset in an attractive natural resources segment could deliver significant strategic and value benefit to the Company. From the Company's perspective, the benefits would be as follows:

- World class assets with significant growth potential;
- Opportunity to participate in a controlling interest and procure the benefit from the value unlocked as part of the Vedanta group;
- Superior investment returns on excess capital;
- Immediate EPS enhancement at the Company;
- Path to 50 mtpa iron ore expansion programme unaffected.

It is proposed to authorize the Board of Directors to make such investments as the Board of Directors may deem fit.

None of the Directors is in any way concerned or interested in the aforesaid resolution.

Item No. 2

Section 293(1)(d) of the Companies Act requires the consent of the shareholders of a company at a general meeting to enable the Board of Directors to borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose.

Since the current borrowing powers of the Board of Directors may not be sufficient to borrow funds, the approval of the shareholders is being sought by an ordinary resolution for an enabling authority in favour of the Board to increase its borrowing power.

The Board of Directors recommends the passing of the resolutions.

The Directors of the Company may be deemed to be concerned or interested in the passing of the resolutions to the extent of Securities that may be considered debt that may be issued / allotted to them or to the companies in which they are directors or members. Other than as stated above, none of the Directors is in any way interested in these resolutions.

Item No. 3

The Board of Directors of the Company, at its Meeting held on 19th July, 2010 and as recommended by the Remuneration Committee of the Board, refixed the remuneration of Mr.Amit Pradhan, Wholetime Director with effect from 1st April, 2010 for the unexpired period of his contract upto 30th April, 2011, with base salary of Rs.2,25,000/- per month in the revised scale of Rs.1,50,000/- to Rs.5,00,000/- with corresponding increase in benefits, other terms and conditions remaining the same.

The Board also re-appointed Mr. Amit Pradhan as Wholetime Director of the Company, effective from 1st May, 2011 upto 31st March, 2013 subject to the approval of the Shareholders at the General Meeting of the Company on a base salary of Rs.2,25,000/- per month in the scale of Rs.1,50,000/- to Rs.5,00,000/- as recommended by the Remuneration Committee.

Mr. Amit Pradhan is M.Sc. (Physics) from IIT Delhi with 32 years experience in Materials and Project Management.

The remuneration proposed and reproduced herein below is within the norms to the Schedule XIII of the Companies Act, 1956 as amended:

(A) Base Salary : Rs.2,25,000/- per month (in the scale of Rs.1,50,000/- to Rs.5,00,000/-). Salary shall normally be subject to review for competitiveness periodically thereafter, being adjusted as appropriate and as approved by the Board.

(B) Executive Allowance : 20% of monthly Base Salary payable each month.

(C) Performance linked pay : Eligible for variable performance payments, normally made once annually following the end of the preceding fiscal year. Payments will be linked to individual, team and business performance achieved that year and may range upto 100% of annual salary paid as approved by the Board.

(D) Perquisites : In addition to Base Salary, Performance linked pay and Executive Allowance are classified in 3 categories as under:

Category A

- i) Housing - As per rules of the Company.
- ii) Medical Reimbursement - Expenses incurred for self and family will be as per the rules of the Company.
- iii) Leave Travel Concession - For self and family once in a year in accordance with the rules of the Company.
- iv) Leave - Five weeks leave inclusive of travel time for each year of completed service. The availment/accumulation and encashment of leave will be as per rules of the Company.
- v) Club Fees - Annual membership and entrance fees shall be borne by the Company for upto two clubs. However, life membership fees will not be paid by the Company.
- vi) Personal Accident Insurance - Coverage by Policy for Rs.25,00,000/-.

For the purpose of Category A "Family" means wife, dependent children and dependent parents.

Category B

The Company's contribution to Provident Fund and Superannuation Fund will be as per rules of the Company.

Gratuity - As per the rules of the Company and from the date of commencement of employment with the Company.

Category C

The Company shall provide car, driver and mobile phone for business and personal use and telephone/fax/internet facility at the principal place of residence.

In case of loss or inadequacy of profits, in any year, remuneration shall be payable within the ceiling mentioned in Part II of Schedule XIII of the Companies Act, 1956 or any amendments thereto.

Mr. Amit Pradhan will not be entitled to sitting fees for attending Board/Committee Meetings of the Company.

The remuneration is subject to the provisions of the Income Tax Act, as applicable from time to time.

Mr. Amit Pradhan is interested in the Resolution, which if passed, will benefit him. No other Director is interested in this item.

Copy of the existing contract of Mr. Amit Pradhan is available for inspection at the Registered Office of the Company on any working day during office hours.

The Board commends passing of the resolution.

The above statement under Item 3 may also be regarded as abstract of the terms and conditions and memorandum of interest under Section 302 of the Companies Act, 1956.

By Order of the Board
SESA GOA LIMITED

Place : Panaji-Goa

Dated : 25th August, 2010

C.D. CHITNIS
SECRETARY & GM-LEGAL

SESA GOA LIMITED

Regd. Office: Sesa Ghor, 20 EDC Complex, Patto, Panaji, Goa - 403001

ATTENDANCE SLIP

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

(For demat holding)

DP ID :

(For Physical holding)

Folio No. :

Client ID :

I hereby record my presence at the Extraordinary General Meeting of the Company on Monday 18th October, 2010 at 10.00 A.M. at Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa.

Signature of the equity shareholder or proxy _____

Note: Shareholders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after affixing their signature on it.

SESA GOA LIMITED

Regd. Office: Sesa Ghor, 20 EDC Complex, Patto, Panaji, Goa - 403001

PROXY FORM

I/We _____
of _____ being a member/members of SESA GOA LIMITED, hereby
appoint _____
of _____ or failing him _____
of _____ or failing him _____
of _____

as my /our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held on Monday 18th October, 2010 at 10.00 A.M. at Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa and at any adjournment thereof.

Signed this _____ day of _____ 2010

Re. 1
Revenue
Stamp

Signature

Folio No./ DP ID & Client ID _____

- Note:**
1. The Proxy need NOT be a member.
 2. The proxy form duly signed across revenue stamp should be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting.

BOOK-POST

If undelivered, please return to :
Karvy Computershare Pvt. Ltd,
Unit: **SESA GOA LIMITED,**
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081.