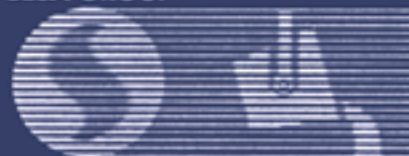


SESA INDUSTRIES LIMITED

17th Annual Report 2009-2010



SESA GROUP



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Sesa Industries Limited

Corporate Information

Directors:

P. G. Kakodkar
Chairman

G.D. Kamat

A. Pradhan

P. K. Mukherjee
Managing Director

Secretary:

Mahesh Devjani

Auditors:

M/s. Deloitte Haskins & Sells
Chartered Accountants
Mumbai

Registered office:

Sesa Industries Limited
Sesa Ghor,
20 EDC Complex,
Patto, Panaji,
Goa - 403 001

Bankers:

Canara Bank
Bank of India

Factory:

Navelim/Amona Village, Bicholim Taluka, Goa,
India

Notice of Annual General Meeting

Notice is hereby given that the Seventeenth Annual General Meeting of SESA INDUSTRIES LIMITED will be held on Monday, 19th July, 2010 at 10.00 A.M. at Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa, to transact the following business:

Ordinary business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. G. D. Kamat who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board

SESA INDUSTRIES LIMITED

Mahesh Devjani

Company Secretary

Place: Panaji- Goa

Dated: 19th April, 2010

Notes:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday 6th July 2010 to Thursday 8th July 2010 (both days inclusive).
- c) The particulars of Mr. G. D. Kamat who is proposed to be re-appointed are given below:

Name: Mr. G. D. Kamat

Age: 75 years

Qualifications: B.A., L.L.B.

Expertise: Over 45 years experience in the field of Legal Practice and Judiciary. Retd. as Chief Justice of Gujarat High Court in 1996. Presently engaged in Judicial work relating to Arbitration and Conciliation.

Shareholding: Nil

Other Directorships /
Committee Memberships:

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

Directors' Report

To the Members,

The Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March 2010 is presented herewith.

Financial Results

	2009-10 (Rs. in crore)	2008-09 (Rs. in crore)
Profit/(Loss) for the year, before provisions for depreciation and tax	133.20	92.30
Less: Depreciation	(7.90)	(7.57)
Provision for Taxation		
– Current Tax	(41.00)	(26.00)
– Deferred tax	-	(1.00)
– Fringe Benefit Tax	-	(0.06)
Profit after Depreciation and Tax	84.30	57.67
Balance brought forward from the previous year	199.18	141.51
Balance carried to Balance Sheet	283.48	199.18

The merger of the Company with Holding Company, Sesa Goa Limited was approved by the Single Judge of the Bombay High Court at Goa. However, on appeal made by a shareholder to the Division Bench of the same Court, the Order of the Single Judge was set aside. The Company has filed Special Leave Petition in the Supreme Court of India against the order of the Division Bench. The Directors report of the Company is therefore being presented to its shareholders.

Appropriation of Profit

In view of pending merger of the Company with the Holding Company, Sesa Goa Limited, the Board of Directors have decided neither to recommend any dividend for the year 2009-10 nor to transfer any amount to General Reserve.

Operations

While there was an improvement in the latter part of the year, demand and prices levels remained subdued over most of the year. Sesa Industries Limited focused on higher production and volume sales to offset difficult market conditions. And, with both the blast furnaces operating at the optimum level, the Company attained its highest ever annual production of 279,450 MT.

On the raw materials front, there was scarcity in availability of the iron ore in the last quarter of year due to closure of mines in Karnataka and non availability of railway rakes.

In order to push production, the Company relied on its in-house technology capabilities. By taking up enhances refractory cooling measures, one of the blast furnaces, which was due for capital repair is slated to continue production for one more year because of its good refractory condition.

Outlook

Going forward, while demand is expected to be buoyant, especially from the auto sector, engineering goods sector and the pump, price movements of the key raw material (iron ore and met coke) could hamper profitable growth

The trends points to a substantial increase in raw material prices. Coke, particular is expected to rise significantly from its present average of around US\$360-400/Mt to above US\$470/MT. The prices of iron ore are also expected to be firm with increasing demand from the Chinese steel industry. There could also be issue with availability of ore due to local problems in Karnataka and Orissa. Having said so, with growing demand much of the price increase can be passed on to customers and one expects a the trend of rising pig iron prices seen in Q4, 2009-10 to continue in 2010-11. However, there are limitations to the price increase as it competes with the substitutable iron scrap prices.

Overall, there is optimism about prospects in 2010. Having said so, one has to prepare for volatility arising out of end user demand and raw material price fluctuations.

Directors' Responsibility Statement

Your Directors confirm that:

- (i) the applicable accounting standards have been followed along with proper explanations relating to material departures, if any, for preparation of the annual accounts;
- (ii) the accounting policies have been selected and applied consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2010 and of the profits of the Company for that year;
- (iii) proper and sufficient care has been taken to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud or other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

Quality/Environment/ISO and Safety Certifications

The certifications under ISO: 9001-2008, ISO: 14001-2004 and OHSAS: 18001-2007 for Quality Management, Environment Management and Safety Management respectively have been maintained. The company has also implemented 5S workplace management system and has been certified by Quality Circle Forum of India (QCFI).

Awards

During the year, the company was awarded with the following accolades

- Sesa Industries received National Award for Excellence in Water Management 2009 as "Water Efficient Unit" organised by Confederation of Indian Industry (CII) by CII-Sohrabji Godrej Green Business Centre.
- Sesa Industries Ltd won the International Safety Award for 2009 by British Safety Council for the second consecutive year.
- Sesa Industries Limited also won the Corporate Social Responsibility Award in Environment category from Green Triangle Society - Goa.

Safety

The FSI is an index, which considers both the frequency rate of accidents and severity rate of accidents. The safety performance is given below:

	FSI	
	2009-10	2008-09
	1.648	0.109

Directors

Mr. G. D. Kamat, Director will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Conservation of Energy, Technology Absorption Foreign Exchange Earnings and Outgo

Particulars prescribed under Section 217 (1) (e) of the Companies Act, 1956, are given in Annexure A which forms part of this Report.

Conservation of Ecology

Under the tree plantation programme, about 1,100 saplings were planted around the facilities at Amona. The Company has installed water sprinklers in the raw material yard for further reduction of fugitive dust emission. All industrial waste water is re-used after treating.

Auditors

The Company's Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Directors' Report continued

Employees/Stakeholders

The Directors record their hearty appreciation for the co-operation and support rendered by the employees at all the levels of the Company. The Directors thank the employee union, shareholders, customers, suppliers, bankers, government authorities, local bodies around plant area and all the other business associates for their support to the Company and its Management.

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are given in Annexure B.

For and on behalf of the Board of Directors

P.G. Kakodkar

Chairman

Place: Panaji-Goa

Dated: 19th April 2010

Annexure – A to Directors' Report

Information as per Section 217 (1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March 2010.

(A) Conservation of Energy,

With production increasing by about 29% during 2009-10, the Company achieved an overall reduction of 6% in specific energy consumption. While some of this reduction is due to better capacity utilization through higher production, some is contributed by the successful implementation of various energy conservation measures including automation. With the stabilisation of the power plant set up on BOO basis, all the blast furnace gas is being fully utilised for generation of power.

(B) Technology Absorption

Particulars with respect to Technology Absorption are given below in the prescribed Form B:

Research and Development (R&D)

1. Specific areas in which R & D carried out by the Company:

Mudgun capacity was increased by 30% to improve the furnace operation especially the tap hole condition. In addition, pig iron casting machine speed was increased to cater to higher production.

2. Benefits derived as a result of the above R&D:

Improved production and efficient handling of hot metal

3. Future plans of action:

Developmental work is being actively pursued to reduce the costs of production and further improvement in quality of the pig iron produced.

4. Expenditure on R&D:

	2009-10 (Rs. in crore)	2008-09 (Rs. in crore)
a) Capital	-	-
b) Recurring (revenue)	0.14	0.07
c) Total	0.14	0.07
d) Total R&D expenditure as a percentage of total turnover	0.03%	0.01%

Technology Absorption, Adaptation and Innovation

1. Efforts made towards technology absorption, adaptation and innovation:

The Company maintains close contact and continuous interaction with other pig iron producers, other consultants, its foreign associates and more importantly the niche customers (to be an inseparable partner in their value chain).

2. Benefits derived as a result of the above efforts:

- Improvements in the cost effective technology for the manufacture of superior quality Low Phosphorus/Low Sulphur Foundry Grade Pig Iron to a consistent quality at consistently high productivity levels.
- Modifications and improvements in the design of blast furnace lining for achieving longer campaign life.
- Higher productivity.

(C) Foreign Exchange Earnings and Outgo

The Foreign Exchange earnings and outgo of the Company during the year under report amounted to Rs. 2.93 crore and Rs. 0.06 (Details given in Schedule 17) respectively.

For and on behalf of the Board of Directors

P.G. Kakodkar

Chairman

Place: Panaji-Goa

Dated: 19th April 2010

Annexure - B to Directors Report

Particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forming part of the Directors Report for the year ended 31st March 2010

Sr. No.	Name of the Employee	Designation/Nature of Duties	Gross Remuneration (Rs. in crore)	Qualification	Experience in years	Date of Commencement of Employment	Age of Employee (Years)	Last Employment held before the joining the Company
1	2	3	4	5	6	7	8	9
(A) Employed throughout the financial year – NIL								
(B) Employed for part of the financial year								
1	Patnaik Tapan	G M - Pig Iron Plant	0.13	B.Sc. Engg (Met)	30	20-09-1990	53	Orissa Sponge Iron Ltd.
2	Sardar N.P.	G M - Mktg Iron & Coke	0.13	B.Tech (Met Engg)	28	12-12-1990	51	ABB Ltd.

Notes:

- 1 Remuneration as shown above includes Salary, House Rent Allowance, Performance Pay, Commission (in case of Managing Director), Company's Contribution to Provident Fund & Annuity Fund, Leave Travel Assistance and expenditure by the Company on accomodation, medical and other facilities, wherever applicable, as per contracts of service. In addition the Whole Time Directors/ employees are entitled to Gratuity and they are also covered under Group Personal Accident Insurance Policy.
- 2 None of the employees mentioned above is a relative of any Director of the Company.
- 3 The nature of employment is contractual.
- 4 No employee holds by himself or alongwith his/her spouse and dependent children, two percent or more equity shares of the Company.

For and on behalf of the Board of Directors

P.G Kakodkar
Chairman

Place: Panaji – Goa
Dated: 19th April 2010

Report on Corporate Governance

1. Company's Philosophy on Code of Corporate Governance

Sesa Industries Limited (SIL) is an unlisted subsidiary of Sesa Goa Limited. It remains committed to the principles of good corporate governance in line with Sesa Goa's philosophy of corporate governance. This chapter is SIL's voluntary disclosure on corporate governance practices. As an unlisted entity, it is not bound by the guidelines of clause 49 of the listing agreement, yet it is developing structures and systems that make it compliant in practice and spirit.

2. Board of Directors

The composition of the Board of Directors is as follows:

- 1 promoter, executive Director
- 3 non-executive Director two of whom are independent Directors of which one is the Chairman of the Board.

Table 1: Attendance of each Director at the Board of Directors meetings during the year and at the last AGM is as follows:

Name of Directors 1	Category 2	No. of meetings held 3	Attendance Particulars		Number of other Directorships and Committee Memberships		
			Board Meeting 4	Last AGM 5	Other Directorships* 6	Committee Memberships** 7	Committee Chairmanship** 8
P. G. Kakodkar (Chairman)	NED	5	2	No	9	3	3
G. D. Kamat (w.e.f 20th October 2009)	NED	3	3	NA	1	1	-
H. P. U. K. Nair (resigned w.e.f. 1st October 2009)	NED	2	2	Yes	1	1	-
A. Pradhan	NED	5	5	Yes	1	1	-
M D Phal (resigned w.e.f. 1st May 2009)	NED	1	1	NA	1	-	-
P.K. Mukherjee	MD	5	5	Yes	3	1	-

MD: Managing Director. NED: Non Executive Director, NA: Not applicable

* Excluding foreign companies, private limited companies and companies under Section 25 of the Companies Act, 1956.

** Memberships/Chairmanships of only the Audit Committees and Shareholders/Investors Grievance Committees of all public limited companies have been considered.

None of the Directors on the Company's Board is a member of more than Ten Committees and Chairman of more than Five Committees across all the Companies in which he is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other Public Companies. None of the Directors hold the office of Director in more than Fifteen Companies.

Number of Board Meetings held, and the dates on which held

5 Board Meetings were held during the financial year ended 31st March 2010.

The dates on which the Board Meetings were held are 20th April 2009, 29th July 2009, 20th October 2009, 18th January 2010 and 25th March 2010.

Shareholdings of Non-Executive Directors as on 31st March 2010: NIL

Table 2: Directors' Profile

Table 2 below gives a brief description of the Directors on the Board of SIL

Sr.No.	Name	Age	Qualification	Experience	Other Directorships*
i.	P.G. Kakodkar DIN: 00027669	73	M.A.(Economics)	Appointed as Director on 28th January 2004. Over 40 years experience in State Bank of India, (SBI) Retd. as Chairman of SBI. He is currently I.T. and Banking Consultant.	<ul style="list-style-type: none"> - Goa Carbon Ltd. - Uttam Galva Steel Ltd. - Financial Technologies (India) Ltd. - Fomento Resorts and Hotels Ltd. - Centrum Finance Ltd. - Sesa Goa Limited - Multi Commodity Exchange of India Ltd. - IBX Forex Ltd. - Anand Rathi Financial Services Ltd
ii.	G.D. Kamat DIN: 00015932	75	B.A., L.L.B.	Appointed as Director on 20th October 2009. Over 45 years experience in the field of Legal Practice and Judiciary. Retired as Chief Justice of Gujarat High Court in 1996. Presently engaged in Judicial work relating to Arbitration and Conciliation.	<ul style="list-style-type: none"> - Sesa Goa Limited
iii	A. Pradhan DIN: 00128568	55	M.Sc. (Physics) from I.I.T. Delhi	Appointed as Director on 1st July 2000. 32 years of experience in Materials/ Project Management.	<ul style="list-style-type: none"> - Sesa Goa Limited
iv.	P.K. Mukherjee DIN: 00015999	54	B.Com (Hons.) F.C.A., A.I.C.W.A.	Appointed as Director on 1st July 2000 and Managing Director from 1st April, 2006. 31 years experience in Finance, Accounts, Costing, Taxation, Legal and Management.	<ul style="list-style-type: none"> - Sesa Goa Limited

* Excluding foreign companies, Private Limited Companies and Companies under Section 25 of the Companies Act, 1956.

3. Board Level Committees

There are four Board level Committees. This includes the Audit Committee, the Remuneration Committee, the Banking and Authorisation Committee and Share Transfer Committee.

Audit Committee

The Audit Committee comprises the following 3 Non-Executive Directors and the Chairman is an independent Director:

- P. G. Kakodkar – Chairman
- H.P.U.K. Nair (resigned w.e.f. 1st October 2009)
- Amit Pradhan
- G.D. Kamat (appointed w.e.f. 20th October 2009)

Mr. P. G. Kakodkar, Chairman, has accounting and related financial management expertise. The other members of the Audit Committee have wide exposure in the respective areas.

Four Audit Committee Meetings were held during the financial year ended 31st March 2010. The dates on which the said meetings were held are 20th April 2009, 29th July 2009, 20th October 2009 and 18th January 2010.

Table 3: Attendance Record of Company's Audit Committee

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
P G Kakodkar	Chairman	NED	4	2
A. Pradhan	Member	NED	4	3
H. P. U. K. Nair (resigned w.e.f. 1st October 2009)	Member	NED	2	2
G.D. Kamat (w.e.f. 20th October 2009)	Member	NED	2	2

Note:

NED: Non-Executive Director

Mr. H. P. U. K. Nair ceased to be a member from 1st October 2009 consequent to his resignation from Board and Mr. G.D. Kamat was appointed as member w.e.f. 20th October 2009

The representatives of Statutory Auditors, Internal Auditors and Mr. P. K. Mukherjee, Managing Director, attended all the meetings as invitees.

Mr. M. Devjani, Company Secretary, acts as the Secretary to the Committee.

All the members of the Audit Committee except Mr. P. G. Kakodkar were present at the last Annual General Meeting of the Company held on 13th August 2009, who could not attend due to ill health.

Remuneration Committee

The Remuneration Committee comprises the following 2 non-executive Directors and the Chairman is an independent Director:

- Mr. P. G. Kakodkar – Chairman
- Mr. H.P.U.K. Nair (resigned w.e.f. 1st October 2009)

The Remuneration Committee is responsible for recommending the compensation payable to the Whole Time Directors, based on defined performance criteria.

One Meeting of the Remuneration Committee was held during the financial year ended 31st March 2010 i.e. on 20th April 2009.

Table 4: Attendance Record of Company's Remuneration Committee

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
P G Kakodkar	Chairman	NED	1	1
H. P. U. K. Nair	Member	NED	1	1

Note:

NED: Non-Executive Director

Remuneration Policy:

Non-Executive Directors

The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during financial year 2009-10 apart from the sitting fees paid for attending different Board level meetings

Sitting Fees

The Company pays sitting fees to Non-Executive Directors for attending the meetings of the Board and Committee of Directors.

Managing and Executive Directors

The Company pays remuneration to its Managing Director by way of salary and to its Executive Directors by way of salary, executive allowance, performance linked pay and perquisites. The salary is approved by the Board of Directors on recommendation of the Remuneration Committee and the salary is paid within the overall limits approved by the members of the Company. The Board on the recommendation of Remuneration Committee approves the annual increment effective 1st April each year.

SESA INDUSTRIES LIMITED

Report on Corporate Governance continued

Service Contracts, Severance Fees and notice period with Managing Director:

Managing Director:

Period of contract: 3 years

Termination of the contract: By either party giving the other six months notice. If he ceases to hold the office of Director, he shall ipso facto and immediately cease to be Managing Director and the Contract shall come to an end without any obligation on either party.

Severance fees: Nil

Details of remuneration to Managing Director for the year are as under:

Name	Salary	Perquisites	Retirement Benefits	Total
Mr. P. K. Mukherjee	Re. 1	–	–	Re. 1

The sitting fees paid to the Directors for attending Board meetings and Committee meetings during the year 2009-10 are as under:

Name	(Rs.) Sitting Fees
Mr. P. G. Kakodkar	50,000
Mr. G.D. Kamat	50,000

4. Banking and Authorization Committee

This Committee comprised of Mr.P.K. Mukherjee (MD), Mr. A. Pradhan, Mr.Sushil Gupta and Ms.Lalita Correia Afonso.

The Committee met once during the financial year ended 31st March 2010 on 18th December, 2009

Table 5: Attendance Record of Company's Banking and Authorization Committee

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
Mr.P.K. Mukherjee	Chairman	MD	1	1
Mr. A. Pradhan	Member	NED	1	–
Mr. Sushil Gupta	Member	–	1	–
Ms.Lalita Correia Afonso	Member	–	1	1

5. Share Transfer Committee

The Company has a Share Transfer Committee to approve the share transfers. Share Transfer Committee comprises one executive Director and one non-Executive Director as follows:

- Mr. P.K. Mukherjee – Managing Director
- Mr. Amit Pradhan – Non-Executive Director

The Committee meets monthly to approve the share transfers.

The Committee also reviews investor related issues and recommends measures to improve investor services.

Details of number of complaints received and disposed off during the year are as under:

Shareholders

Sr. No.	Nature of Complaint	Opening Balance	Received	Disposed off	Pending
i.	Non-receipt of Share Certificates after transfer	0	3	3	0
ii.	Non receipt of annual report	0	1	1	0
iii.	Merger	0	1	1	0
Total		0	5	5	0

Outstanding complaints as on 31st March 2010 were Nil.

The number of pending share transfers as on 31st March 2010 were Nil.

6. General Body Meetings

Location and time, where last three Annual General Meetings were held:

Year	AGM	Location	Date	Time
2006-2007	AGM	Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa	29th September 2007	10.00 A.M.
2007-2008	AGM	Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa	23rd July 2008	10.00 A.M.
2008-2009	AGM	Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa	13th August 2009	10.00 A.M.

No special resolution was put through postal ballot during the year ended on 31st March 2010.

Details of special resolutions passed in the General Meetings during the last three financial years are as follows:

Date of General Meeting	Number of Special Resolutions passed	Details of the Special Resolutions
29 September 2007	1	Approval to commence and carry on all or any of the business set out in clauses 52 (a), 52 (b) and 52 (c) of the 'Other Objects' Clause III (C) of the Memorandum of Association of the Company.

7. a. Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large.

Transactions with related parties are disclosed in note no. 15 of Schedule 17 to the Accounts in the Annual Report.

b. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

No penalty or stricture was imposed on the Company on any matter relating to capital markets during the last three years.

The Company is subjected to investigation by Serious Fraud Investigation Office (SFIO), Ministry of Corporate Affairs, New Delhi and the investigation is in progress. The Company is providing all information to SFIO and extended co-operation. The Company understands from the order that this investigation has been initiated pursuant to a report of the Registrar of Companies that recommended such an investigation and the order directs inquiry into allegations made in certain complaints. The investigation originates from the complaint filed by one of the shareholders against Sesa Goa Limited, the Company and their directors in 2003 prior to the acquisition of the Holding Company, Sesa Goa Limited by Vedanta in April 2007.

8. Means of Communication

The Company is a Subsidiary of Sesa Goa Limited and derives benefits of economy of scale and shares common central services as a part of the Sesa Group. The shareholders are kept informed through system of common administration of the Sesa Group and a common system of information and feedback. The Corporate website of the Company is www.sesagoa.com.

SESA INDUSTRIES LIMITED

Report on Corporate Governance continued

9. General Shareholders' Information

i. Annual General Meeting

Date: Monday 19th July 2010

Time: 10.00 A.M.

Venue: Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa

ii. Book Closure Date

Tuesday, 6th July, 2010 to Thursday, 8th July, 2010 (both days inclusive)

iii. Registrar and Transfer Agents

(Share transfers & Communication regarding share certificates, dividends and change of address)

In house facility at its Registered Office at:

Sesa Industries Limited

'Sesa Ghor', 20 EDC Complex,

Patto, Panaji Goa 403001

iv. Share Transfer System

Share transfer requests are processed and despatched to the shareholders within an average period of 35 days from the date of receipt.

Share Transfer Committee Meetings are held once in a month.

v. Distribution of Shareholding as on 31st March 2010

Shareholding of Nominal value of Rs. 10/-	No. of shareholders	% of Total shareholders	Amount in Rs. crore	% of Amount
Up to 5000	18,327	98.44	1.84	9.25
5001 – 10000	191	1.03	0.15	0.74
10001 – 20000	58	0.31	0.09	0.44
20001 – 30000	15	0.08	0.04	0.20
30001 – 40000	5	0.03	0.02	0.09
40001 – 50000	5	0.03	0.02	0.11
50001 – 100000	7	0.04	0.05	0.22
100001 and above	8	0.04	17.79	88.95
Total	18,616	100.00	20.00	100.00

According to Categories of shareholders as at 31st March 2010

Category	No. of shares held	% of shareholding
a. Promoter's holding	17,650,284	88.25
b. Banks, Mutual funds, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Govt. Institutions)	1,140	0.01
c. Private Corporate Bodies	51,893	0.26
d. Indian Public	2,294,105	11.47
e. NRI's	2578	0.01
Total	20,000,000	100.00

The equity shares of the Company are not listed on Stock Exchange.

Corporate Identity No. (CIN) is U27105GA1993PLC001355

vi. Plant Locations

Navelim/Amona Village,

Bicholim Taluka – Goa.

vii. Address for Correspondence

(in respect of share transfers and any other query relating to the shares of the Company)

Secretarial Department

Sesa Industries Limited

Sesa Ghor, 20 EDC Complex,

Patto, Panaji Goa 403001.

Auditors' Report

To the members of SESA INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of **SESA INDUSTRIES LIMITED** ("the Company") as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, ("CARO") issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of CARO.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) we have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on 31st March, 2010; and
 - (iii) in the case of the Cash Flow Statement of the cash flows for the year ended on 31st March, 2010.
5. On the basis of written representations received from the directors as on 31st March, 2010, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of section 274(1)(g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No. 117366W)

Sanjiv V. Pilgaonkar

Partner
(Membership No.39826)

MUMBAI
19th April 2010

Annexure to the Auditors' Report (Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/result, the provisions of clause (xiii) of paragraph 4 of CARO are not applicable.
- (ii) In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of the Company's inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) According to the information and explanations given to us, the Company has not entered into any contract or arrangement with other parties, which needs to be entered in the Register maintained under section 301 of the Companies Act, 1956.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (viii) In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.
- (ix) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of the Company's products.
- (x) According to the information and explanations given to us in respect of statutory and other dues:
 - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable.

Annexure to the Auditors' Report continued (Referred to in paragraph 3 of our report of even date)

- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2010 on account of disputes are given below:

Statute	Nature of dues	Amount (Rupees in crores)	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Custom duty	1.40	2006-07	Commissioner (Appeals) CESTAT, Mumbai
Central Excise Act, 1944	Service tax	0.38	-	Commissioner (Appeals) CESTAT, Mumbai

- (xi) The Company does not have any accumulated losses. The Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan from a bank or financial institution or borrowed any sum against issue of debentures. Therefore, the provisions of paragraph 4(xi) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of paragraph 4(xii) of the Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities or debentures and other investments. Therefore, the provisions of paragraph 4(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the Company has not availed any term loans during the year.
- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.
- (xviii) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) In our opinion and according to the information and explanations given to us and records examined by us, the Company has not issued any debentures that were outstanding at any time during the year.
- (xx) According to the information and explanations given to us, the Company has not raised any money by public issue during the year.
- (xxi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No. 117366W)

Sanjiv V. Pilgaonkar

Partner
(Membership No.39826)

MUMBAI
19th April 2010

Balance Sheet

As at 31st March 2010

Particulars	Sch No.	As at 31st March 2010		As at 31st March 2009	
		Rs. in crore	Rs. in crore	Rs. in crore	Rs. in crore
Sources of funds					
Shareholders' funds					
Share capital	1	20.00		20.00	
Reserves and surplus	2	348.53		264.23	
			368.53		284.23
Deferred tax liability	3		13.90		13.90
Total			382.43		298.13
Application of funds					
Fixed assets					
Gross block	4	150.15		145.78	
Less: Depreciation		67.26		59.73	
Net Block		82.89		86.05	
Capital work-in-progress		0.46		0.74	
			83.35		86.79
Investments	5		249.84		147.44
Current assets, loans and advances					
Inventories	6	38.53		43.49	
Sundry debtors	7	73.46		56.96	
Cash and bank balances	8	10.00		5.55	
Loans and advances	9	4.48		4.20	
			126.47		110.20
Less: Current liabilities and provisions					
Current liabilities	10	68.85		39.19	
Provisions	11	8.38		7.11	
			77.23		46.30
Net current assets			49.24		63.90
Total			382.43		298.13

Notes to accounts

17

Per our report attached of even date attached.

For Deloitte Haskins and Sells
Chartered Accountants

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner

P.K. Mukherjee
Managing Director

Amit Pradhan
Director

Mahesh Devjani
Company Secretary

Place: Mumbai
Dated: 19th April 2010

Place: Panaji – Goa
Dated: 19th April 2010

Profit and Loss Account

For the year ended 31st March 2010

Particulars	Sch No.	Year ended 31st March 2010		Year ended 31st March 2009	
		Rs. in crore	Rs. in crore	Rs. in crore	Rs. in crore
Income					
Sale of pig iron		587.28		646.07	
Less: Excise duty		44.34		73.18	
		542.94		572.89	
Less: Ocean freight		0.08		0.32	
		542.86		572.57	
Services and other proceeds	12	8.54		10.54	
Miscellaneous Income	13	8.51		7.06	
			559.91		590.17
Expenditure					
Production and operational expenses	14	413.82		486.37	
Administration expenses	15	12.16		10.61	
Interest and other charges	16	0.73		0.89	
Depreciation		7.90		7.57	
			434.61		505.44
Profit before taxes			125.30		84.73
Less: provision for taxation					
Current tax			41.00		26.00
Deferred tax			-		1.00
Fringe benefit tax			-		0.06
Profit after taxes			84.30		57.67
Balance brought forward			199.18		141.51
Balance carried to Schedule 2			283.48		199.18
Earnings per share – basic and diluted (Refer Note No.14 of Schedule 17)			42.15		28.84
Nominal value per share			10.00		10.00
Notes to accounts	17				

Per our report attached of even date attached.

For Deloitte Haskins and Sells
Chartered Accountants

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner

P.K. Mukherjee
Managing Director

Amit Pradhan
Director

Mahesh Devjani
Company Secretary

Place: Mumbai
Dated: 19th April 2010

Place: Panaji – Goa
Dated: 19th April 2010

Schedules Annexed to and Forming Part of the Balance Sheet

As at 31st March 2010

	As at 31st March 2010		As at 31st March 2009	
	Rs. in crore	Rs. in crore	Rs. in crore	Rs. in crore
Schedule 1: Share Capital				
Authorised 20,000,000 equity shares of Rs. 10 each		20.00		20.00
Issued and Subscribed 20,000,000 equity shares of Rs.10 each fully paid up [of the above 17,650,284 shares are held by Sesa Goa Limited, the holding company, the ultimate holding company being Vedanta Resources plc.]		20.00		20.00
Total		20.00		20.00

Schedule 2: Reserves and Surplus

Share Premium Account		25.00		25.00
General Reserve As per last balance sheet		40.05		40.05
Profit and Loss Account As per annexed account		283.48		199.18
Total		348.53		264.23

Schedule 3: Deferred Tax Liability

Deferred tax liabilities on temporary timing differences – in respect of depreciation allowance		14.75		14.70
Deferred tax assets – in respect of compensated absences – Others	0.81 0.04		0.72 0.08	
		0.85		0.80
Total		13.90		13.90

Schedule 4: Fixed Assets

	Original Cost			Depreciation/Amortisation				Net Value		
	Opening as at 1st April, 2009 Rs. in crore	Additions Rs. in crore	Deductions Rs. in crore	Closing as at 31st March 2010 Rs. in crore	Up to 31st March 2009 Rs. in crore	For the Year Rs. in crore	On Deductions Rs. in crore	Up to 31st March 2010 Rs. in crore	As at 31st March 2010 Rs. in crore	As at 31st March 2009 Rs. in crore
Tangible assets										
Land Plots	0.05	-	-	0.05	-	-	-	-	0.05	0.05
Roads and Bunders	3.82	-	-	3.82	0.32	0.06	-	0.38	3.44	3.50
Buildings	4.61	0.99	-	5.60	0.84	0.12	-	0.96	4.64	3.77
Plant and Machinery	134.98	3.04	0.28	137.74	57.43	7.40	0.28	64.55	73.19	77.55
Vehicles	1.76	0.53	0.06	2.23	0.94	0.26	0.06	1.14	1.09	0.82
Furniture and Fittings	0.56	0.24	0.09	0.71	0.20	0.06	0.03	0.23	0.48	0.36
Total	145.78	4.80	0.43	150.15	59.73	7.90	0.37	67.26	82.89	86.05
Previous year	130.53	15.71	0.46	145.78	52.62	7.57	0.46	59.73	86.05	77.91

Capital Work-in-Progress
Construction in progress
Capital advances

	0.35	0.74
	0.11	-
	0.46	0.74

	As at 31st March 2010		As at 31st March 2009	
	Rs. in crore	Rs. in crore	Rs. in crore	Rs. in crore
Schedule 5: Investments				
Current Investment (at lower of cost and market value)				
Non-trade, unquoted:				
In Mutual Funds (Refer Note No. 6 of Schedule 17)				
HDFC Cash Management Fund – Treasury Advantage Plan – Wholesale – Growth		71.38		15.78
ICICI Prudential Flexible Income Plan Premium – Growth		-		103.62
ICICI Prudential-Ultra Short Term Plan Super Premium Daily dividend		104.83		-
ICICI Prudential FMP Series 51 – 1 Year Plan B Growth		20.00		-
Kotak Mahindra Mutual Fund – Floater Long Term Growth		3.63		28.04
Kotak FMP 370 Days Series 3 – Growth		50.00		-
Long Term, Non-trade, unquoted Shares in:				
Sesa Ghor Premises Holder's Maintenance Co-operative Society Limited				
10 equity shares of Rs. 200 each full paid up [Rs. 2,000 (previous year Rs. 2,000)]		-		-
Total		249.84		147.44
Aggregate amount of mutual fund investments at net asset value				
		249.92		147.47
Aggregate amount of unquoted investments at cost [including mutual funds Rs.249.84 crore (previous year Rs. 147.44 crores)]				
		249.84		147.44
Schedule 6: Inventories				
Stocks of (at lower of cost and net realisable value)				
Raw materials		22.21		29.17
Pig iron		12.38		9.71
Consumable stores		3.94		4.61
Total		38.53		43.49
Schedule 7: Sundry Debtors				
Debts outstanding for a period exceeding six months				
Unsecured, considered good		2.06		0.41
Considered doubtful		0.02		0.04
		2.08		0.45
Other debts				
Considered good		71.40		56.55
Considered doubtful		-		0.01
		71.40		56.56
		73.48		57.01
Less: Provision for doubtful debts				
		0.02		0.05
Total		73.46		56.96

Schedules Annexed to and Forming Part of the Balance Sheet

continued

As at 31st March 2010

	As at 31st March 2010		As at 31st March 2009	
	Rs. in crore	Rs. in crore	Rs. in crore	Rs. in crore
Schedule 8: cash and bank balances				
Cash in hand		-		-
Demand drafts in transit		5.99		3.01
Balances with scheduled banks:				
On current account	3.89		2.42	
On unpaid dividend accounts	0.12	4.01	0.12	2.54
Total		10.00		5.55
Schedule 9: Loans and Advances				
Unsecured, considered good				
Advances recoverable in cash or in kind or for value to be received		3.07		2.67
Loans and advances to staff (Refer Note No. 7 of Schedule 17)		0.07		0.14
Prepaid expenses		0.32		0.22
Deposits		1.02		1.17
Total		4.48		4.20
Schedule 10: Current Liabilities				
Sundry creditors				
Dues to micro and small enterprises (Refer Note No.8 of Schedule 17)	0.20		0.01	
Due to others	63.48		33.37	
Advance from customers		63.68		33.38
		2.07		2.42
Liability towards Investor Education and Protection Fund not due				
Unclaimed dividend		0.12		0.12
Other liabilities		2.98		3.27
Total		68.85		39.19
Schedule 11: Provisions				
For income tax [Net of advance tax Rs.156.08 crore (previous year Rs.115.94 crore)]		5.12		4.25
For gratuity		0.59		0.52
For compensated absences		2.67		2.34
Total		8.38		7.11

Schedules Annexed to and Forming Part of the Profit & Loss Account

For the year ended 31st March 2010

	Year ended 31st March 2010		Year ended 31st March 2009	
	Rs. in crore	Rs. in crore	Rs. in crore	Rs. in crore
Schedule 12: Services and other proceeds				
Sale of slag		4.42		3.54
Sale of carbon credits		-		0.41
Sale of gases		1.40		1.04
Sale of materials		2.60		5.05
Proceeds from various services		0.09		0.37
Difference in rate of exchange (net)		0.03		0.04
Sale of DEPB license		-		0.09
Total		8.54		10.54
Schedule 13: Miscellaneous income				
Interest - Others		0.15		0.19
Dividends from current investments (Non trade)		7.81		6.57
Other receipts		0.43		0.24
Profit on sale of assets (net)		-		0.03
Provision for doubtful debts written back		0.03		-
Profit on sale of investments		0.09		0.03
Total		8.51		7.06
Schedule 14: Production and operational expenses				
Increase/Decrease in stock of pig iron				
Opening stock		9.71		21.33
Closing stock		(12.38)		(9.71)
			(2.67)	11.62
Excise duty on opening/closing stocks		0.21		(2.37)
Consumption of raw materials		355.05		424.76
Consumption of stores [includes cost of stores sold of Rs.1.88 crore (Previous year Rs. 1.81 crore)]		14.17		11.41
Personnel (Refer Note No. 5 of Schedule 17)				
Salaries, wages, bonus and allowances		16.62		12.12
Contributions to provident and pension funds		0.70		0.62
Contributions to gratuity and annuity funds		0.98		0.84
Staff welfare expenses		0.82		0.66
			19.12	14.24
Repairs and Maintenance (Refer Note No. 4 of Schedule 17)				
Plant and machinery		3.39		6.75
Buildings		0.08		0.17
Others		0.04		0.03
			3.51	6.95
Contractors for various services		6.92		6.63
Freight and shipping expenses		11.76		8.36
Rent		0.33		0.28
Rates and taxes		0.01		0.02
Insurance		0.55		0.54
Electricity and water charges		2.03		1.60
Commission and service charges on sales		1.97		1.26
Printing and stationery		0.07		0.08
Travelling and representation expenses		0.31		0.36
Maintenance of vehicles		0.02		0.05
General expenses		0.46		0.58
Total		413.82		486.37

Schedules Annexed to and Forming Part of the Profit & Loss Account continued For the year ended 31st March 2010

	Year ended 31st March 2010		Year ended 31st March 2009	
	Rs. in crore	Rs. in crore	Rs. in crore	Rs. in crore
Schedule 15: Administration expenses				
Personnel (Refer Note No. 5 of Schedule 17)				
Salaries, wages, bonus and allowances	0.80		1.05	
Contributions to provident and pension funds	0.03		0.04	
Contributions to gratuity and annuity funds	0.06		0.08	
Staff welfare expenses	0.01		0.02	
		0.90		1.19
Maintenance of office and equipments		0.01		0.01
Printing and stationery		0.02		0.02
Postage, telephone, cables and telex charges		0.06		0.04
Administration expenses reimbursed to Sesa Goa Limited, the holding company		9.70		8.07
Statutory audit fees		0.06		0.06
Sitting fees to non wholetime directors		0.01		0.01
Travelling and representation expenses [Includes travelling expenses of director Rs. Nil (Previous year Rs. 0.01 crore)]		0.02		0.04
Professional and legal charges		1.31		1.07
Maintenance of vehicles		-		0.03
Loss on sale of assets (net)		0.03		-
Provision for doubtful debts		-		0.03
Miscellaneous expenses		0.04		0.04
Total		12.16		10.61
Schedule 16: Interest and other charges				
Other charges		0.73		0.89
Total		0.73		0.89

Notes Forming Part of the Accounts

For the year ended 31st March 2010

Schedule 17:

1. Significant Accounting Policies

i) Basis of accounting

The financial statements have been prepared on accrual basis to comply in all material respects with the Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 1956.

ii) Use of estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognised in the period in which the results are known /materialised.

iii) Revenue recognition

Revenue is recognised when significant risks and rewards of ownership of the goods sold are transferred to the customer. Revenue represents the invoice value of goods and services provided to third parties net of discounts, sales taxes/value added taxes.

Revenue in respect of contracts for services is recognised on completion of services.

Dividend income is recognised when the right to receive dividend is established.

Interest income is recognised on a time proportion basis by reference to the principal outstanding and at the interest rate applicable.

iv) Employee benefits

- a. Provident fund: The Company's contribution to the recognised provident fund, pension fund and employees' deposit linked insurance scheme paid / payable during the year is debited to the Profit and Loss Account.
- b. Gratuity Fund: The Company accounts for the net actuarial liability of its obligations for gratuity benefits based on an independent actuarial valuation determined on the basis of the projected unit credit method as at the year end. Based on the above determined obligation, the Company makes contribution to funds managed by insurance companies. Actuarial gains and losses are immediately recognised in the Profit and Loss Account.
- c. Annuity fund: The Company has a defined contribution plan for certain categories of employees, wherein it annually contributes a predetermined proportion of employee's salary to an insurance company which administers the fund. The Company recognises such contributions as an expense over the period of services rendered.

- d. Compensated Absences: The liability in respect of compensated absences for employees is determined on the basis of an independent actuarial valuation carried out at the end of the year and differential liability recognised as expense in the Profit and Loss Account.

v) Investments

Long term investments are stated at cost less provision for diminution. Provision for diminution is made to recognise decline (other than temporary) in the value of investments, if any. Current investments are stated at cost or market value, whichever is lower.

vi) Inventories

Raw materials, consumable stores and spares are held for use in production and are valued at cost and are determined on the basis of weighted average method.

Stock of pig iron is valued at the lower of cost or net realizable value. Cost includes raw material and appropriate proportion of fixed and variable overheads.

vii) Foreign currency transactions

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Year end balance of monetary assets and liabilities are translated at the year end rates. Exchange difference arising on restatement or settlement is charged to Profit and loss Account.

viii) Fixed assets

Fixed assets are stated at their original cost along with taxes, duties (net of centvat availed) and freight and interest on borrowing upto the date of commissioning for operation, attributable to acquisition / construction of the concerned assets.

ix) Borrowing costs

Borrowing costs attributable to the acquisition or construction of assets requiring a substantial period of time are capitalised. All other borrowing costs including exchange differences on foreign currency loans are charged to revenue.

x) Depreciation

Depreciation except in respect of vehicles, furniture and computers is provided for on Straight Line Method (SLM) at the rates specified in Schedule XIV of the Companies Act, 1956. In respect of vehicles, furniture and computers depreciation has been charged on SLM method at annual rate of 20%, 10% and 30% respectively to bring it in line with the useful life of the assets. Fixed assets costing less than Rs. 5,000 are wholly depreciated in the year of acquisition.

Depreciation has been charged from the month of the date of purchase in the case of acquisitions made during the year. In respect of assets sold, depreciation is provided upto the month prior to the date of sale.

Notes Forming Part of the Accounts continued

For the year ended 31st March 2010

xi) Impairment of assets

The carrying amounts of tangible fixed assets are reviewed for impairment, if events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Whenever the carrying value of an asset exceeds recoverable amount, impairment is charged to the Profit and Loss Account.

xii) Provisions, contingent liabilities and contingent assets:

A provision is recognised when the Company has a present legal obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is neither recognised nor disclosed.

xiii) Segment reporting

The Company is engaged in the business of manufacture and sale of pig iron which constitutes one single primary segment. Further there is no reportable secondary segment i.e. geographical segment.

xiv) Taxes on income

The Company's income taxes include taxes on the Company's taxable Profits, fringe benefits tax, adjustment attributable to earlier periods and changes in deferred taxes. Valuation of all tax liabilities/receivables are carried at current amounts and in accordance with enacted tax regulations, rates or in the case of deferred taxes those that have been substantially enacted

Deferred tax is calculated to correspond to the tax effect arising when final tax is determined. Deferred tax corresponds to the net effect of tax on all timing differences which occur as a result of items being allowed for income tax purposes during a period different from when they were recognised in the financial statements.

2. Contingent liabilities:

- i. Guarantees, (excluding the liability for which provisions have been made) amounting to Rs. 0.95 crore (Previous year Rs. 0.02 crore) given by the bankers in favour of various parties – none invoked.
 - ii. Letter of credit opened by the bankers in favour of suppliers amounting to Rs. 5.40 crore (Previous year Rs. 0.79 crore)
 - iii. Disputed demand from customs authorities of Rs. 1.60 crore (Previous year Rs. 1.60 crore) including penalty of Rs. 0.80 crore (Previous year Rs. 0.80 crore), for transferring imported metallurgical coke at concessional rate of duty under the provisions of Customs (Import of Goods at Concessional rate of Duty for manufacture of Excisable Goods) Rules 1996 to the erstwhile M/s. Sesa Kembla Coke Company Limited, appealed before the Appellate Authority. Based on the legal opinion obtained, the company does not expect any liability on this account.
 - iv. Cess on transportation of ore within Goa levied by Government of Goa under the Goa Rural Development and Welfare Cess Act, 2000 (Goa Act 29 of 2000) amounting to Rs. 0.31 crore (Previous year Rs. 0.09 crore) challenged by way of writ petition in the High Court of Bombay, Panjim Bench.
 - v. Claims related to commercial and employment contracts Rs. 0.09 crore (Previous year Rs. 0.06 crore)
 - vi. Disputed Income-tax demand of Rs. 0.68 crore (previous year Rs. Nil) consists of penalty Rs. 0.68 crore (previous year Rs. Nil) appealed before Appellate Authority. Based on the legal opinion obtained, the company does not expect any liability on this account
 - vii. Disputed Service-tax demand of Rs. 0.38 crore (previous year Rs. Nil) appealed before Commissioner Appeals. Based on the legal opinion obtained, the company does not expect any liability on this account.
3. Estimated amount of contracts (net of advances) remaining to be executed on capital accounts of Rs. 3.28 crore (Previous year Rs. 0.72 crore.)

Schedule 17: continued

4. Expenditure on Repairs and Maintenance (other than expenditure shown in schedule 14) included under individual heads of expenses are as under:

Particulars	(Rs. in crore)			Total
	Repair to Building	Repair to Plant & Machinery	Repair to Others	
Wages & Salaries	0.27	2.78	0.11	3.16
Consumption of Stores	(0.16)	(2.24)	(0.18)	(2.58)
Others	0.02	5.32	0.12	5.46
	(0.04)	(3.94)	(0.08)	(4.06)
	-	-	0.01	0.01
	(-)	(-)	(0.03)	(0.03)
Total	0.29	8.10	0.24	8.63
	(0.20)	(6.18)	(0.29)	(6.67)

(Figures in bracket relate to previous year)

5. Employee benefit obligations:**Defined benefit plans:**

The Company offers its employees defined benefit plans in the form of gratuity schemes. Gratuity scheme covers all employees as statutorily required under Payment of Gratuity Act, 1972. The Company has three gratuity schemes for different categories of employees. The Company contributes funds to Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited, which are irrevocable.

Commitments are actuarially determined at the year end. The actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the Profit and Loss Account under the head 'Personnel'.

The net value of the defined benefit commitment is detailed below:

	(Rs. in crore)	
	2009-10	2008-09
Fair value of plans	3.42	3.27
Present value of commitment	(4.01)	(3.79)
Net gratuity liability	(0.59)	(0.52)
Defined benefit commitment		
Balance at start of the year	3.79	3.04
Current service cost	0.22	0.25
Benefits paid	(0.08)	-
Interest cost	0.30	0.24
Actuarial (gains)/losses	(0.22)	0.26
Balance at end of year	4.01	3.79
Plan assets		
Balance at start of the year	3.27	2.66
Contribution received	0.52	0.38
Benefits paid	(0.08)	-
Actuarial gains/(losses)	0.05	(0.02)
Return on scheme assets during the year	(0.34)	0.25
Balance at end of year	3.42	3.27

The Plan assets of the company are managed by the Life Insurance Corporation of India and ICICI Prudential Life Insurance Co. Ltd. and the composition of the Investment relating to these assets is not available with the Company.

Notes Forming Part of the Accounts continued

For the year ended 31st March 2010

Expenses on defined benefit plan recognised in Profit and Loss Account

	(Rs. in crore)	
	2009-10	2008-09
Current service cost	0.22	0.25
Actuarial (gains) / losses	(0.27)	0.28
Expected return on plan assets	0.34	(0.25)
Interest cost	0.30	0.24
Expenses/(income) accounted in the Profit and Loss Account	0.59	0.52

The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions which if changed, would affect the defined benefit commitment's size, funding requirements.

The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Particulars	2009-10	2008-09
Rate of discounting liabilities	8%	8%
Expected salary increase rate	5 % and 7%	5 % and 7%
Expected rate of return on scheme assets	9 % and 9.3%	9 % and 9.3%
Withdrawal rates	1.5%	1.5%
Mortality rates	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table

	(Rs. in crore)	
	2009-10	2008-09
Return on plan assets		
Expected return on plan assets	(0.34)	0.25
Actuarial gain /(loss)	-	-
Actual return on plan assets	(0.34)	0.25

	(Rs. in crore)		
	2009-10	2008-09	2007-08
Experience adjustment			
Present value of commitment	(4.01)	(3.79)	(3.04)
Fair value of the plans	3.42	3.27	2.66
Surplus / (deficit)	(0.59)	(0.52)	(0.38)
Experience adjustment on plan liabilities	(0.12)	0.26	(0.08)
Experience adjustment on plan assets	0.37	-	0.32

The contributions expected to be made by the Company during the financial year 2010-11 are Rs. 0.59 Crore.

The above information is actuarially determined.

Defined contribution plans:

The Company offers its employees benefits under defined contribution plans in the form of provident fund, family pension fund and annuity fund. Provident fund, family pension fund and annuity fund cover substantially all regular employees. Contributions are paid during the year into separate funds under certain statutory / fiduciary type arrangements. While both the employees and the Company pay predetermined contributions into the provident fund and pension fund, the contribution to annuity fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

A sum of Rs. 1.18 crore (Previous year Rs. 1.06 crore) has been charged to the Profit and Loss Account in this respect, the components of which are tabulated below:

	(Rs. in crore)	
	2009-10	2008-09
Contribution to defined contribution plans		
Provident fund and family pension fund	0.73	0.66
Annuity fund	0.45	0.40
	1.18	1.06

Schedule 17: continued

6. Details of movement in investments purchased/sold during the year

	Balance as on 1st April 2009		Purchase during the year		Redemption during the year		Balance as on 31st March 2010	
	No of Units	Rs. in crore	No of Units	Rs. in crore	No of Units	Rs. in crore	No of Units	Rs. in crore
HDFC Cash Management Fund – Savings Plan – Daily Dividend Reinvest Option	-	-	60,176,318	64.01	60,176,318	64.01	-	-
HDFC Cash Management Fund – Treasury Advantage Plan – Wholesale – Daily Dividend Reinvest Option	-	-	74,042,661	74.28	74,042,661	74.28	-	-
HDFC Cash Management Fund – Treasury Advantage Plan – Wholesale – Growth Option	8,213,277	15.78	35,365,021	71.38	8,213,277	15.78	35,365,021	71.38
ICICI Prudential – Institutional Liquid Plan – Super Institutional Daily Dividend Reinvest Option	-	-	20,507,468	46.50	20,507,468	46.50	-	-
ICICI Prudential – Flexible Income Plan Premium – Dividend Reinvest Option	-	-	135,996,153	151.51	135,996,153	151.51	-	-
ICICI Prudential – Flexible Income Plan Premium – Growth Option	63,596,048	103.62	-	-	63,596,048	103.62	-	-
ICICI Prudential – Ultra Short term Plan Super Premium – Daily Dividend Reinvest Option	-	-	124,569,945	124.83	124,569,945	124.83	-	-
ICICI Prudential – Ultra Short Term Plan Super Premium – Growth option	-	-	101,471,810	104.83	-	-	101,471,810	104.83
ICICI Prudential FMP Series 51 – 1 Year Plan B – Growth Option	-	-	20,000,000	20.00	-	-	20,000,000	20.00
Kotak – Liquid Institutional Premium – Daily dividend Reinvest Option	-	-	45,066,207	55.11	45,066,207	55.11	-	-
Kotak – Floater Long Term – Daily Dividend Reinvest Option	-	-	72,053,948	72.63	72,053,948	72.63	-	-
Kotak – Floater Long Term – Growth Option	20,181,441	28.04	2,483,822	3.63	20,181,441	28.04	2,483,822	3.63
Kotak FMP 370 Days Series 3 – Growth Option	-	-	50,000,000	50.00	-	-	50,000,000	50.00
Total	91,990,766	147.44	741,733,353	838.71	624,403,466	736.31	209,320,653	249.84

7. Loans and advances to staff includes Rs. Nil (Previous year Rs. 0.06 crore) due from directors towards travel/LTA advance and housing loan. The maximum amount outstanding during the year was Rs. 0.711 crore (Previous year Rs. 0.06 crore). The housing loan was given by the parent company Sesa Goa Ltd and subsequently transferred to the Company, before the concerned director assumed the office of directors.
8. The micro and small enterprises to whom amount is outstanding as at the year end and requiring disclosure under Schedule VI of the Companies Act 1956, and the Micro Small and Medium Enterprises Development Act 2006 are as follows:

Particulars	(Rs. in crore)	
	2009-10	2008-09
The principal amount remaining unpaid to supplier as at the end of accounting year.	0.20	0.01
The interest due thereon remaining unpaid to supplier as at the end of accounting year.	-	-

The above information has been compiled in respect of parties to the extent to which they could be identified as micro or small enterprises on the basis of intimation received from the "suppliers" regarding their status under the Micro Small and Medium Enterprises Development Act, 2006.

9. Research and development expenditure of Rs. 0.14 crore (Previous year Rs. 0.07 crore) has been charged to Profit and Loss Account under specific heads of accounts.

Notes Forming Part of the Accounts continued

For the year ended 31st March 2010

10. Quantitative Information:

	2009-10		2008-09	
	Quantity (Dry metric tons) MMT	Value (Rs. in crore)	Quantity (Dry metric tons) MMT	Value (Rs. in crore)
i) Installed Capacity (as certified by management)	0.250	N.A.	0.250	N.A.
ii) Quantitative details of manufactured goods, i.e. Pig Iron				
Opening Stock as on 1.4.2009	0.005	9.71	0.012	21.33
Production (Net of handling loss/ shortage)	0.280	406.53	0.217	466.33
Sales	0.279	542.86	0.224	572.57
Closing Stock as on 31.03.2010	0.006	12.38	0.005	9.71
Consumption of raw materials :				
Coke	0.174	248.86	0.134	321.93
Iron Ore [Net of sale of Rs. 36.87 crore (Previous year Rs. 38.33 crore)]	0.422	100.44	0.330	98.48
Others		5.75		4.35

(Figures in brackets relate to previous year)

11. i) Managerial Remuneration

	(Rs. in crore)	
	2009-10	2008-09
Salaries*	0.00	0.35
Provident fund	-	0.02
Gratuity fund	-	0.05
Annuity fund	-	0.02
Perquisites	-	0.11
Sitting fees	0.01	0.01
	0.01	0.56

* includes Re 1/- as nominal remuneration to the Managing Director

ii) Computation of net profit under Section 309(5) read with Section 349 of the Companies Act,1956

	(Rs. in crore)	
	2009-10	2008-09
Profit before taxes	125.30	84.73
Less: Profit on redemption of investments	0.09	0.03
Provision for doubtful debts	0.00	0.03
Profit as per section 349	125.21	84.67
Add: Directors' remuneration	0.01	0.56
Profit under section 198	125.22	85.23

12. CIF Value of imports:

	(Rs. in crore)	
	2009-10	2008-09
Value of imports on CIF basis in respect of:		
i) Capital goods	-	0.58
ii) Components and spare parts	0.02	0.89

Consumption of raw material and stores and spares:

	(Rs. in crore)	
	2009-10	2008-09
i) Consumption of imported raw materials, stores, spare parts and components 0.01% (Previous year 0.69%)	0.02	3.03
ii) Consumption of indigenous raw materials, stores spare parts and components 99.99% (Previous year 99.31%)	369.21	433.14

Schedule 17: continued

13. Expenditure and earnings in foreign currency

	(Rs. in crore)	
	2009-10	2008-09
i) Expenditure incurred in Foreign currency:		
Commission on export	0.02	0.03
Books and periodicals	0.02	0.01
ii) Foreign currency earning:		
FOB value of exports	2.93	5.01

14. Earnings per share

Particulars	2009-10	2008-09
Net profit after tax (Rs. in crore)	84.30	57.67
Weighted average number of equity shares *	20,000,000	20,000,000
Nominal value of each equity share *	Rs. 10	Rs. 10
Basic and diluted earnings per share (in Rs.)	42.15	28.84

* shares not listed on any stock exchange

15. Related party information:

Related party information as required by Accounting Standard (AS-18) is given below:

A. Names of the related parties and their relationships:

I Holding Companies:

- Sesa Goa Limited Holding Company
- Finsider International Company Limited Holding Company of Sesa Goa Limited
- Richter Holding Limited Holding Companies of Finsider International Company Limited
- Westglobe Limited
- Vedanta Resources Plc Ultimate holding company

II Fellow Subsidiaries:

- With whom transactions have taken place during the year
- Sterlite Industries (India) Limited
 - V.S. Dempo & Company Limited w.e.f. 11th June'09

III Details of Key Management Personnel

- Executive director
- Mr. P.K. Mukherjee
 - Mr. M.D. Phal (ceased to be wholetime director with effect from 21st December 2008)



Notes Forming Part of the Accounts continued

For the year ended 31st March 2010

Name of Related Party	Nature of transaction	(Rs. in crore)		
		Holding companies	Fellow subsidiaries	Key management personnel
B. Transactions with related parties:				
1) Sales & Services				
Sesa Goa Limited	Sales and services	37.01 (32.93)	- (-)	- (-)
Sterlite Industries (I) Limited	Sale of Pig Iron	- (-)	3.52 (2.35)	- (-)
Bharat Aluminium Co. Ltd.	Sale of Pig Iron	- (-)	- (0.06)	- (-)
M.D. Phal	Interest received	- (-)	- (-)	- (0.01)
2) Purchase & Other services				
Sesa Goa Limited	Purchases and services	-	323.54 (-)	(412.36) (-)
V.S.Dempo & Company Limited	Purchase of ore	- (-)	0.17 (-)	- (-)
3) Managerial remuneration				
Mr. P. K. Mukherjee	Remuneration	- (-)	(-) 0.00	- (0.00)
Mr. M.D. Phal	Remuneration	- (-)	- (-)	- (0.54)
C. Outstanding payables (net of receivables):				
Sesa Goa Limited		39.14 (15.53)	- (-)	- (-)
Sterlite Industries (I) Limited		- (-)	- (0.001)	- (-)
V.S.Dempo & Company Limited		- (-)	0.20 (-)	- (-)
Mr. P. K. Mukherjee		- (-)	(-) (-)	0.00 (0.00)
Mr. M.D. Phal		- (-)	- (-)	- (0.06)
D. Amounts written off				
		- (-)	- (-)	- (-)

Figures in bracket relates to previous year.

16. By Order dated 18th December, 2008 the Single Bench of the Honourable High Court of Bombay, at Goa, Panaji (Bombay High Court) had approved the Scheme of Amalgamation (the "Scheme") of the Company with Sesa Goa Limited ("SGL") with effective from the appointed date i.e. 1st April 2005. Consequent to an appeal filed by an aggrieved shareholder the Order dated 18th December, 2008 was set aside by the Division Bench of the Bombay High Court dated 21st February 2009. While the Company has filed an appeal against the Order of the Division Bench before the Honourable Supreme Court, the financial statements have been prepared on a standalone basis without considering the impact of the merger with SGL.

17. Segment Information:

The Company's primary (business) segment is singular viz, "Pig Iron". Further, the Company caters mainly to the needs of the domestic market. The export turnover is not significant in the context of the total turnover. As such, there are no reportable geographic segments either. Therefore, segment information required as per Accounting Standard (AS) 17, in respect thereof is not furnished.

18. Previous year's figures have been regrouped and rearranged wherever necessary to conform to current year's classification.

For and on behalf of the Board of Directors

P.K. Mukherjee
Managing Director

Amit Pradhan
Director

Mahesh Devjani
Company Secretary

Place: Panaji – Goa
Dated: 19th April 2010



Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	241355
State Code	24
Balance Sheet date	31.03.2010

II. Capital Raised during the year

	(Rs. in crore)
Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

III. Position of mobilisation and deployment of Funds

	(Rs. in crore)
Total Liabilities	382.43
Total Assets	382.43
Sources of Funds	
Paid-up Capital	20.00
Reserves & Surplus	348.53
Deferred Tax Liability	13.90
Application of Funds:	
Net Fixed Assets	83.35
Investments	249.84
Net Current Assets	49.24

IV. Performance of Company

	(Rs. in crore)
Turnover	559.91
Total Expenditure	434.61
Profit/(Loss) Before Tax	125.30
Profit/(Loss) After Tax	84.30

V. Generic name of principal products of Company

(As per monetary terms)	
Item code No.	72011000
Product Description	Low phosphorous foundry grade pig iron

For and on behalf of the Board of Directors

P.K. Mukherjee
Managing Director

Amit Pradhan
Director

Mahesh Devjani
Company Secretary

Place: Panaji – Goa
Dated: 19th April 2010

Cash Flow Statement

For the year ended 31st March 2010

Particulars	Year ended 31st March 2010 Rs. in crore	Year ended 31st March 2009 Rs. in crore
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	125.30	84.73
Adjustments for:		
Depreciation	7.90	7.57
Provision / (write back of provision) for doubtful debts	(0.03)	0.03
Interest / dividend (net)	(7.96)	(6.76)
(Profit) / loss on sale of assets	0.03	(0.03)
(Profit) / loss on redemption of investments	(0.09)	(0.03)
Operating profit before working capital changes	125.15	85.51
Adjustments for:		
Trade and other receivables	(16.75)	12.16
Inventories	4.96	10.51
Trade payables and other liabilities	30.06	(28.25)
Cash generated from operations	143.42	79.93
Taxes paid	(40.13)	(23.27)
NET CASH FROM OPERATING ACTIVITIES	103.29	56.66
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Addition to fixed assets	(4.52)	(10.83)
Proceeds on sale of fixed assets	0.03	0.03
(Purchase) / redemption of current investments	(102.31)	(54.93)
Interest received	0.15	0.19
Dividend received	7.81	6.57
NET CASH USED IN INVESTING ACTIVITIES	(98.84)	(58.97)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	-	-
NET CASH USED IN FINANCING ACTIVITIES	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	4.45	(2.31)
Cash and cash equivalents at the beginning of the year	5.43	7.74
Cash and cash equivalents at the end of the year	9.88	5.43
Footnotes:		
1 Cash and bank balances as per Schedule 8	10.00	5.55
Less: Unpaid dividend account	(0.12)	(0.12)
Cash and cash equivalents as per the cash flow statement	9.88	5.43

- 2 Figures in brackets represent outflows
3 For notes to accounts refer schedule 17

Per our report attached of even date attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner

P.K. Mukherjee
Managing Director

Amit Pradhan
Director

Mahesh Devjani
Company Secretary

Place: Mumbai
Dated: 19th April 2010

Place: Panaji – Goa
Dated: 19th April 2010

Notes

Notes

Notes

Sesa Industries Limited

Regd. Office:
'Sesa Ghor',
20 EDC Complex,
Patto, Panaji,
Goa - 403 001

Attendance Slip

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

Folio No

No. of Share(s) held

I hereby record my presence at the 17th ANNUAL GENERAL MEETING of the Company on Monday, 19th July, 2010 at 10.00 A.M.. at Dinanath Mangeshkar Kala Mandir Auditorium, at Kala Academy, Panaji, Goa.

Name of the equity shareholder/proxy/representative _____

Signature of the equity shareholder/proxy/representative _____

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 Industries Limited

Regd. Office:
'Sesa Ghor',
20 EDC Complex,
Patto, Panaji,
Goa - 403 001

PROXY FORM

I/We
..... of being a member/members
of SESA INDUSTRIES LIMITED, hereby appoint
..... of of failing him of
or failing him of
as my/our proxy to vote for me/us and on my/our behalf at the 17th ANNUAL GENERAL MEETING of the Company on Monday, 19th July, 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.

Folio No:

Address:

Affix
Re. 1/-
Revenue Stamp

Signature

Notes:

1. The proxy need NOT be a member.
2. The proxy form duly signed across revenue stamp should be submitted to the Company's Registered Office at least 48 hours before the time of the meeting.

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