LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as an equity shareholder(s) of Sesa Goa Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have sold your shares in Sesa Goa Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the purchaser of the shares or the member of stock exchange through whom the sale was effected.

CASH OFFER

[Pursuant to Regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto]

BY

Westglobe Limited ('Westglobe')

Registered Office: 10, Frere Felix de Valois Street, Port Louis, Mauritius

Tel. No.: +230 2023000; Fax: +230 2125265

and

Richter Holding Limited ('Richter Holding')

Registered Office: 66, Ippocratous Street, P.C. 1015 Nicosia, Cyprus

Tel. No.: +35 722763751; Fax: +35 722761878

Westglobe and Richter Holding are collectively referred to as the 'Acquirers'

along with

Vedanta Resources Plc. ('Vedanta Resources' or the **'PAC')**

Registered Office: Hill House, 1 Little New Street, London EC4A 3TR, U.K.

Tel. No.: +44 20 77588100; Fax: +44 20 76297426

for

the acquisition of upto 78,72,404* fully paid-up equity shares representing 20% of the paid-up equity share capital

of

Sesa Goa Limited ('Sesa Goa' or the **'Target Company')**

Registered Office: Sesa Ghor, 20 EDC Complex, Patto, Panaji, Goa 403 001, India

Tel. No.: +91 832 2460600; Fax: +91 832 2460721

at

Rs. 2,036.30 (Rupees Two Thousand Thirty Six and Paise Thirty only) per fully paid-up Equity Share of face value of Rs. 10 each, (the 'Offer Price') payable in cash

***** ***In the event that additional Shares are issued, prior to the closure of the Offer, pursuant to the scheme of amalgamation between Sesa Industries Limited and Sesa Goa Limited which is currently pending approval of the High Court of Bombay at Goa, the offer size would be increased in compliance with Regulation 21(1) and 21(5) of the SEBI (SAST) Regulations.***

ATTENTION:

a) The Acquirers and the PAC have obtained all relevant statutory approval and as of the date of this Letter of Offer, no other statutory approval is required.

b) RBI vide its letter dated May 28, 2007 has approved opening of Escrow and Special Account in terms of A.P. (Dir Series) Circular No. 62, dated May 24, 2007.

c) In case of delay in the receipt of the statutory approvals, SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to shareholders who have validly tendered their Shares, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approval, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

d) Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, shall have the option to withdraw their acceptance on or before Friday, 14 September 2007, i.e., 3 (three) working days prior to the date of closure of the Offer i.e. Wednesday, 19 September 2007.

e) If there is any upward revision in the Offer Price / Offer size by the Acquirers prior to or on the last date for revising the Offer Price / Offer size viz., Friday, 7 September 2007, you will be informed by way of another Public Announcement in the newspapers in which the first Public Announcement was published. The Acquirers shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer.

f) The Offer is not conditional on any minimum level of acceptance by the shareholders.

g) If there is competitive bid:

1. The public offers under all the subsisting bids shall close on the same date.

2. As the offer price can not be revised during 7 working days prior to the closing date of the Offer, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

h) No competitive bid has been announced till the date of this Letter of Offer.

i) Form of Acceptance-cum-Acknowledgement and Form of Withdrawal are enclosed with this Letter of Offer.

j) A copy of the Public Announcement, this Letter of Offer including Form of Acceptance-cum-Acknowledgement and Form of Withdrawal will also be available on SEBI's website (www.sebi.gov.in) from the Offer opening date viz., Friday, 31 August 2007. A copy of the Form of Acceptance may also be obtained from the Registrar to the Offer commencing on the date of the dispatch of the Letter of Offer.

Manager to the Offer	Registrars to the Offer
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, INDIA Tel: +91 22 2288 2460, Fax: +91 22 2282 6580 Contact Person: Ashok Khandelwal E-mail: sesa_goa@isecltd.com	Karvy Computershare Private Limited **Karvy Computershare Private Limited** Plot No. 17 to 24, Vithalrao Nagar, Hi tech City Road, Madhapur, Hyderabad 500 086, INDIA Tel: +91 40 2342 0818-28 Fax: +91 40 2342 0814 Contact Person: Murali Krishna E-mail: murali@karvy.com
OFFER OPENS: FRIDAY, 31 AUGUST 2007	**OFFER CLOSES: WEDNESDAY, 19 SEPTEMBER 2007**

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

	Activity	Original Date	Revised Date
1	Date of publication of Public Announcement	Friday, 27 April 2007	Friday, 27 April 2007
2	Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)*	Friday, 25 May 2007	Friday, 25 May 2007
3	Last date for announcement of a competitive bid	Friday, 18 May 2007	Friday, 18 May 2007
4	Date by which Letter of Offer will be posted to shareholders	Friday, 8 June 2007	Wednesday, 29 August 2007
5	Date of Opening of the Offer	Thursday, 21 June 2007	Friday, 31 August 2007
6	Last date for revising the offer price / number of Shares	Thursday, 28 June 2007	Friday, 7 September 2007
7	Last date for withdrawing acceptance from the Offer	Thursday, 5 July 2007	Friday, 14 September 2007
8	Date of Closure of the Offer	Tuesday, 10 July 2007	Wednesday, 19 September 2007
9	Date of communicating rejection / acceptance and payment of consideration for applications accepted	Wednesday, 25 July 2007	Monday, 24 September 2007

** Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of Sesa Goa (except the Acquirers, the PAC and the current promoters of the Target Company) are eligible to participate in the Offer anytime before the close of the Offer.*

RISK FACTORS

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

1. The Offer involves an offer to acquire up to 20% of fully paid-up equity share capital of Sesa Goa from the Eligible Persons for the Offer. In the case of oversubscription in the Offer, as per the Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Shares tendered by the shareholders in the Offer will be accepted.
2. In the event that either (a) a statutory and regulatory approval is not received in a timely manner, (b) there is any litigation leading to a stay of the Offer, or (c) SEBI instructing the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of Sesa Goa whose Shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirers may be delayed.
3. In case of the delay, due to non-receipt of the statutory approvals, as per Regulation 22(12) of the Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to the willful default or negligence or failure to diligently pursue on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders, as may be specified by the SEBI.
4. Further, shareholders should note that after the last date of withdrawal i.e. Friday, 14 September 2007, the shareholders who have lodged the Shares would not be able to withdraw them even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.
5. The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers under the Offer. The Acquirers may not to be able to proceed with the Offer in the event the approvals are not received in terms of Regulation 27 of the Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.
6. The Supreme Court in its order dated April 27, 2007 in the matter of Harinarayan G. Bajaj vs. Union of India & others has passed the following order “It is directed that if henceforth the sale is conducted, the same shall be subject to the result of this petition.” Subsequently at the hearing held on August 13, 2007, the Hon’ble Supreme Court passed the following order, “Six weeks' time is allowed for fresh service upon the unserved respondents. Six weeks' time is granted to the served respondents to file counter affidavit. Four weeks' time thereafter is granted to file rejoinder affidavit, if any.”
7. The Shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of Sesa Goa. Accordingly, the Acquirers and the PAC make no assurance with respect to the market price of the Shares both during the Offer Period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder of Sesa Goa on whether to participate or not to participate in the Offer.
8. The transaction is subject to completion risks as would be applicable to similar transactions.

9. The Acquirers makes no assurance with respect to the financial performance of the Target Company.
10. The Acquirers, PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement or the Letter of Offer or in the advertisement or any materials issued by, or at the instance of the Acquirers, PAC and the Manager to the Offer, and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

CURRENCY OF PRESENTATION

In this Letter of Offer, certain financial details contained herein are denominated in U. S. Dollars ('**USD**' or '**U.S. Dollars**', the legal currency of the United States of America). The Rupee equivalent quoted for USD is calculated in accordance with the RBI Reference rates as of April 23, 2007, namely 1 USD = Rs. 41.67 (Source: www.rbi.org.in).

In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding.

TABLE OF CONTENTS

DEFINITIONS

Acquirers	Westglobe Limited, Mauritius and Richter Holding Limited, Cyprus
BSE	Bombay Stock Exchange Limited, Mumbai, India
CDSL	Central Depository Services (India) Limited
Eligible Persons	All owners of Equity Shares, registered or unregistered of Sesa Goa Limited other than the Acquirers and Person Acting in Concert and the current promoters of the Target Company, who own Equity Shares at any time prior to the closure of the Offer
Equity Shares or Shares	Fully paid-up Equity Shares of Rs. 10 each of Sesa Goa Limited
Sesa Goa / Target Company	Sesa Goa Limited, having its registered office at Sesa Ghor, 20 EDC Complex, Patto, Panaji, Goa 403 001, India
FEMA	Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder
Finsider International	Finsider International Company Ltd., U.K.
Foreign Escrow Agent	Citibank N.A., U.K.
Form of Acceptance	Form of Acceptance-cum-Acknowledgement
Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto
Income-tax Act	Income Tax Act, 1961 of India
Manager / Manager to the Offer / ICICI Securities	ICICI Securities Primary Dealership Limited
NSDL	National Securities Depositories Limited
NRI	Non-resident Indian
NSE	National Stock Exchange of India Limited, Mumbai
OCB	Overseas Corporate Body
Offer	Cash offer being made by the Acquirers to the Shareholders of the Target Company to acquire up to 78,72,404 fully paid-up equity shares of the Target Company (In the event that additional Shares are issued, prior to the closure of the Offer, pursuant to the scheme of amalgamation between Sesa Industries Limited and Sesa Goa Limited which is currently pending approval of the High Court of Bombay at Goa, the offer size would be increased in compliance with Regulation 21(1) and 21(5) of the SEBI (SAST) Regulations).
Offer Price	Rs. 2,036.30 per Equity Share of Sesa Goa Limited
Person Acting in Concert / Vedanta Resources	Vedanta Resources Plc. having its registered office at Hill House, 1 Little New Street, London EC4A 3TR, U.K.
Public Announcement	Announcement of the Offer made by Acquirers and Person Acting in Concert on Friday, April 27, 2007
RBI	Reserve Bank of India
Registrar/ Registrar to the Offer	Karvy Computershare Private Limited
Richter Holding	Richter Holding Limited, having its registered office at 66, Ippocratous Street, P.C. 1015 Nicosia, Cyprus
Rs.	Indian Rupees, the legal currency of India
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations	Securities And Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997, and subsequent amendments thereto
SIL	Sesa Industries Limited
Shareholders	Shareholders of Sesa Goa Limited
Specified Date	Friday, 25 May, 2007
USD	U.S. Dollars, the legal currency of the United States of America
Westglobe	Westglobe Limited, having its registered office at 10, Frere Felix de Valois Street, Port Louis, Mauritius

1 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SESA GOA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), THE PAC OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER(S) IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, ICICI SECURITIES PRIMARY DEALERSHIP LIMITED, THE MANAGER TO THE OFFER, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 9, 2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER(S) FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

The Acquirers, PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer or in the Public Announcements or in any advertisement or other announcement issued by, or at the instance of the Acquirers, PAC or the Manager to the Offer, and any person placing reliance on any other source of information for purpose of this Offer or in relation thereto would be doing so entirely at its own risk.

2 DETAILS OF THE OFFER

2.1 Background of the Offer

2.1.1 The Offer is a mandatory open offer under Regulations 10 and 12 of the SEBI (SAST) Regulations.

2.1.2 This offer is being made by Westglobe Limited, a company incorporated under the laws of Mauritius as a private company limited by shares, having its registered office at 10, Frere Felix de Valois Street, Port Louis, Mauritius and Richter Holding Limited, a company incorporated under the laws of Cyprus, with its registered office at 66, Ippocratous Street, P.C. 1015 Nicosia, Cyprus, hereinafter collectively referred to as the 'Acquirers', along with Vedanta Resources Plc., a company incorporated under the laws of United Kingdom, with its registered office at Hill House, 1 Little New Street, London EC4A 3TR, U.K., hereinafter referred to as the Person Acting in Concert or 'PAC', to the equity shareholders of Sesa Goa Limited.

2.1.3 The Acquirers and the PAC are a part of the Vedanta Group, a diversified industrial group based out of United Kingdom with interests in metals and mining and operations spanning the globe with significant interests in India.

2.1.4 The Acquirers along with the PAC have entered into a definitive agreement on April 23, 2007 ('**Share Purchase Agreement**'), with Earlyguard Limited, U.K. and Mitsui & Co., Ltd., Japan ('**Mitsui**') (hereinafter collectively referred to as the '**Sellers**') pursuant to which they have acquired 100% of the fully paid-up equity share capital of Finsider International Company Ltd., U.K. from Earlyguard. Earlyguard is a wholly owned subsidiary of Mitsui. Further, Finsider International owns 51% of the fully paid-up equity share capital of Sesa Goa Limited. The Acquirers have paid to the Sellers USD 981 million (equivalent to Rs. 408782.70 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67) in cash in consideration for 100% of the fully paid-up equity share capital of Finsider International, thereby implying a price of Rs. 2,036.30 per fully paid-up equity share of Sesa Goa (based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67). Hence, through the global acquisition of Finsider International, the Acquirers together with the PAC have indirectly acquired 51% of the fully paid-up equity share capital and control of Sesa Goa.

2.1.5 Finsider International holds 2,00,74,824 fully paid-up equity shares of Rs. 10 each of the outstanding 3,93,62,020 fully paid-up equity shares of Sesa Goa, constituting 51.00% of the fully paid-up equity share capital of Sesa Goa.

2.1.6 Vedanta Resources is a person acting in concert, in terms of Regulation 2(1)(e)(1) of the SEBI (SAST) Regulations. There are no other persons acting in concert in relation to this Offer.

2.1.7 In view of the above, the Offer is a mandatory open offer under Regulations 10 and 12 of the SEBI (SAST) Regulations.

2.1.8 The Acquirers, the PAC, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities Exchange Board of India Act, 1992 or under any of the regulations made under the SEBI Act.

2.1.9 Three directors of Sesa Goa, namely Mr. H. Takani, Mr. A. Tanaka and Mr. I. Funaki, were directors of the company as on the PA date but have resigned as directors w.e.f. April 23, 2007 and their resignations accepted at Board Meeting held on April 28, 2007. After the date of the public announcement, no directors representing the Acquirers or the PAC have been appointed on the Board of Directors of the Target Company and the Acquirers and the PAC are in compliance with Regulation 22(7) of the SEBI (SAST) Regulations.

2.2 Details of the Offer

2.2.1 The Public Announcement for the Open Offer was made in all editions of the following newspapers in accordance with Regulation 15(1) of the SEBI (SAST) Regulations:

Newspaper	Language	Edition	Date of publication
Business Standard	English	All editions	Friday, April 27, 2007
Pratahkal	Hindi	All editions	Friday, April 27, 2007
Tarun Bharat	Marathi	Goa	Friday, April 27, 2007

2.2.2 A copy of the Public Announcement for the Open Offer is also available on the SEBI website at www.sebi.gov.in

2.2.3 The Acquirers and the PAC are making an Open Offer to acquire up to 78,72,404 Equity Shares of the face value of Rs. 10 each, representing in aggregate 20% of the paid-up equity share capital of Target Company in terms of Regulation 21(1) of the SEBI (SAST) Regulations, at a price of Rs. 2,036.30 per share payable in cash subject to the terms and conditions mentioned hereinafter. The Offer is being made to all the public shareholders of the Target Company. In the event that additional Shares are issued, prior to the closure of the Offer, pursuant to the scheme of amalgamation between Sesa Industries Limited and Sesa Goa Limited which is currently pending approval of the High Court of Bombay at Goa, the offer size would be increased in compliance with Regulation 21(1) and 21(5) of the SEBI (SAST) Regulations.

2.2.4 Sesa Goa does not have any outstanding partly-paid shares, convertible instruments, warrants or stock-options.

2.2.5 This is not a competitive bid and there has been no competitive bid as of the date of this Letter of Offer.

2.2.6 The Offer is not conditional upon any minimum level of acceptance.

2.2.7 Westglobe will acquire all the equity shares of the Target Company that are validly tendered as per terms of the Offer up to a maximum of 78,72,404 equity shares.

2.2.8 In the event the Equity Shares tendered in the Offer by the Shareholders of Sesa Goa are more than the Equity Shares to be acquired under the Offer, the acquisition of Equity Shares from each Shareholder will be as per provisions of Regulation 21(6) of the SEBI (SAST) Regulations on a proportionate basis, irrespective of whether the Equity Shares are held in physical or dematerialised form.

2.2.9 Vedanta Resources is a person acting in concert, in terms of Regulation 2(1)(e)(1) of the SEBI (SAST) Regulations. There are no other persons acting in concert in relation to this Offer.

2.2.10 The Acquirers and the PAC have not acquired any Equity Shares of the Target Company after the date of Public Announcement and up to the date of Letter of Offer through open market purchases or otherwise.

2.3 Background and Details of the case filed by H.N. Bajaj currently pending before the Supreme Court

2.3.1 In 1995, the ownership of ILVA Laminati Piani S.p.A., Italy, the holding company of Finsider International, the principal shareholder of the Target Company was changed from the IRI Group of the Government of Italy to RIVA ILVA LAMINATI PIANI S.r.l. ('**RIVA**') pursuant to the Italian Government's policy on privatization.

2.3.2 In 1996, Mitsui & Co. of Japan, through Earlyguard, UK, bought Finsider International with its 51% equity in Sesa Goa Ltd. and thus the Target Company became an indirect subsidiary part of Mitsui Group.

2.3.3 In, November 5, 1996, Mr. Harinarayan Bajaj ('**Bajaj**') filed a complaint before the SEBI alleging that Earlyguard's acquisition of RIVA's entire shareholding in Finsider International was in violation of the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1994 ('**1994 Regulations**') and that an open offer should have been made to the shareholders of the Target Company under the 1994 Regulations.

2.3.4 By its order dated March 6, 1997, ('**SEBI Order**') SEBI dismissed the complaint filed by Bajaj primarily on the ground that the 1994 Regulations did not require a minimum public offer upon an indirect acquisition of a foreign holding company. SEBI also noted that the new provisions were introduced only in the SEBI (SAST) Regulations which came into force on February 20, 1997.

2.3.5 Aggrieved by the SEBI Order, Bajaj filed an appeal before the 'Appellate Authority'. By its order dated December 15, 1997 , the Central Government dismissed the appeal on the grounds that (a) the acquisition of Finsider International by Mitsui from the Riva Group did not alter Finsider International control of the Target Company and that insofar as the Indian shareholders of the Target Company are concerned, no change of control of the Target Company had taken place and (b) that therefore the provisions of the 1994 Regulations are not attracted since the concept of indirect acquisition of control was non-existent under the 1994 Regulations.

2.3.6 Thereafter, Bajaj filed Writ Petition No. 174/1998 in the Bombay High Court. Although the High Court admitted the petition, it refused to grant any ad-interim relief sought by Bajaj. By its order dated April 20, 2007 in Notice of Motion No. 771/2006 ('**Impugned Order**'), the Bombay High Court rejected the said Notice of Motion on the ground that Bajaj had no prima facie case, and ordered that the petition be placed for final hearing on June 13, 2007 The arguments in the Writ Petition were concluded on July 3, 2007. The Petition is pending for Order.

2.3.7 Aggrieved by the Impugned Order, on April 25, 2007, Bajaj filed a Special Leave Petition 7962/ 2007 before the Supreme Court of India. The Supreme Court by its order dated April 27, 2007 ('**Supreme Court Order**') in the matter of Harinarayn G. Bajaj vs. Union of India & others has passed the following order, "It is directed that if henceforth the sale is conducted, the same shall be subject to the result of this petition."

2.3.8 Subsequently at the hearing held on August 13, 2007, the Hon'ble Supreme Court passed the following order, "Six weeks' time is allowed for fresh service upon the unserved respondents. Six weeks' time is granted to the served respondents to file counter affidavit. Four weeks' time thereafter is granted to file rejoinder affidavit, if any."

2.3.9 The Sale of Earlyguard shareholding in Finsider International was completed on April 23, 2007.

3 OBJECTS OF THE OFFER

3.1 This Offer is being made as a result of global acquisition of Finsider International, by the Acquirers together with the PAC, resulting in indirect acquisition of 51% of the fully paid-up equity share capital and control of Sesa Goa, in accordance with Regulations 10 and 12 read with other applicable provisions of the SEBI (SAST) Regulations.

3.2 The Acquirers along with the PAC intend to leverage their metal and mining expertise to benefit Sesa Goa's operations. Consequent to the acquisition, Vedanta Group is one of the largest diversified private ferrous and non-ferrous mining company in India with significant economies of scale and scope.

3.3 The Acquirers intend to review from time to time Sesa Goa's business affairs and financial position. Based on such evaluation and review, as well as general economic and industry conditions existing at the time, the Acquirers may consider from time to time, various alternative courses of action.

4 BACKGROUND OF THE ACQUIRERS

4.1 Westglobe Limited ('Westglobe')

4.1.1 Westglobe is an unlisted company which was incorporated on April 6, 2007 under the Companies Act 2001 of the Republic of Mauritius. Westglobe is a wholly owned subsidiary of Richter Holding Limited which has its registered office at 66 Ippocratous Street, P.C. 1015 Nicosia, Cyprus. It is an indirect wholly-owned subsidiary of Vedanta Resources Plc. and a part of the Vedanta group. There has been no agreement or arrangement between the Acquirers and PAC for acquiring the shares in the open offer.

4.1.2 There has been no change in the name of Westglobe since its incorporation.

4.1.3 Registered and Corporate office –
10 Frere Felix de Valois Street, Port Louis, Mauritius
Tel. No.: 00230 2023000; Fax: 00230 2125265

4.1.4 Westglobe is an investment company and does not have any income generating operations.

4.1.5 The issued and paid-up equity share capital of Westglobe constitutes of 1 ordinary equity share of USD 1 each aggregating to USD 1 (equivalent to Rs. 41.67, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67). The shares of Westglobe are not listed on any stock exchange.

4.1.6 Since its incorporation, no financial statements of Westglobe have been prepared.

4.1.7 There are no litigation proceedings pending against Westglobe.

4.1.8 **Compliance Officer**: Tina Puncheon, Multiconsult Limited, 10, Frere Felix de Valois Street, Port Louis, Mauritius Phone:+2302029589, Fax:+2302125265, E-mail: Tina.Puncheon@multiconsult.mu

4.1.9 Details of any merger/demerger, spin off during last 3 years involving Westglobe: None.

4.1.10 The Directors of Westglobe and their addresses are as listed below:

Name of Director & Designation	Residential Address	Qualifications and Experience	Date of appointment on the Board of Directors
Uday Kumar Gujadhur Director	8E Lislet Geoffroy Street, Curepipe, Mauritius	ACCA- UK, Fellow of the Association of Chartered and Certified Accountants (FCCA) Member of the International Tax Planning Association (I.T.P.A). Member of the International Fiscal Association (I.F.A) Member of The Society of Trust and Estates Practioners (STEP) Member of the Institute of Directors , UK Mr. Gujadhur is the Chief Executive Officer and Director of Multiconsult Limited which is based in Mauritius. He has over	April 19, 2007

Name of Director & Designation	Residential Address	Qualifications and Experience	Date of appointment on the Board of Directors
		25 years of Consulting experience.	
Yuvraj Kumar Juwaheer Director	Morcellement Gujadhur, Forst Side, Mauritius	Associate Member of the Institute of Chartered Secretaries & Administrators, LLB Hons, University of London, Member of the Society of Trust & Estate Practitioners, Passed the Bar vocational course at the University of the West of England, Called to the Bar, – Middle Temple, London, – in November,. 2006. Mr. Juwaheer is a Director of Multiconsult Limited & Multiconsult Trustees Ltd., which is based in Mauritius. He has13 years experience as Company Secretary.	April 19, 2007
Tarun Jain Director	411, Akshay Girikunj –I, Paliram Road, Andheri (West), Mumbai – 400058, India	Mr. Jain joined the Vedanta group in 1984 and has over 20 years of experience in corporate finance, accounts, audit, taxation and secretarial practice. He is responsible for strategic financial matters including finance and accounting, legal and regulatory compliance and risk management. Mr. Jain is a graduate of the Institute of Cost and Works Accountants of India and a Fellow Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India.	April 19, 2007
Hare Narain Maskara Director	4, The Drive, Feltham, Middlesex TW140AJ, U.K.	Masters of Commerce from University of Calcutta. Associate of Chartered Institute of Bankers, London. Mr. Maskara has over 30 years of experience in Baking & Finance. He is associated with the Vedanta Group since 1992.	April 19, 2007

4.1.11 None of the Directors of Westglobe are on the Board of Directors of the Target Company.

4.1.12 None of the directors of Westglobe have acquired any Equity Shares of the Target Company in the twelve month period prior to the Public Announcement. Further, none of the directors of Westglobe have acquired any Equity Shares of the Target Company since the date of the Public Announcement and upto the date of this Letter of Offer.

4.1.13 As Westglobe does not hold any shares in the Target Company, provisions of Chapter II of the SEBI (SAST) Regulations are not applicable.

4.1.14 No companies have been promoted by Westglobe.

4.2 Richter Holding Limited (‘Richter Holding’)

4.2.1 Richter Holding is an unlisted company which was incorporated on March 20, 2007 under the Companies Law, Cap. 113 of the Republic of Cyprus. Richter Holding is an indirect wholly-owned subsidiary of Vedanta Resources Plc which has its registered office at Hill House, 1 Little New Street, London EC4A 3TR, U.K. It is a wholly owned subsidiary of Vedanta Resources Cyprus Ltd.

and is a part of the Vedanta group. There has been no agreement or arrangement between the Acquirers and PAC for acquiring the shares in the open offer.

4.2.2 There has been no change in the name of Richter Holding since its incorporation.

4.2.3 Registered and Corporate office –
66 Ippocratous Street, P.C. 1015 Nicosia, Cyprus.
Tel. No.: 0035 722763751; Fax: 0035 722761878

4.2.4 Richter Holding is an investment company and does not have any income generating operations.

4.2.5 The issued and paid-up equity share capital of Richter Holding constitutes of 1,000 ordinary equity shares of CYP 1 each aggregating to CYP 1,000 (equivalent to Rs. 95,504, based on the rate, CYP 1 = Rs. 95.50). The shares of Richter Holding are not listed on any stock exchange.

4.2.6 Since its incorporation, no financial statements of Richter Holding have been prepared.

4.2.7 There are no litigation proceedings pending against Richter.

4.2.8 Compliance Officer: L. Loucaides, Seclaw Serve Limited , 66 Ippocratous Street, P.C. 1015 Nicosia, Cyprus, Phone: 0035 722763751, Fax: 0035 722761878, E-mail: l.loucaides@ktmlaw.com

4.2.9 Details of any merger/demerger, spin off during last 3 years involving Richter Holding: None.

4.2.10 The Directors of Richter Holding and their addresses are as listed below:

Name of Director & Designation	Address	Qualifications and Experience	Date of appointment on the Board of Directors
Din Dayal Jalan Director	Flat no.24, Falcon's Crest Building, Tata Colony, Parel Link Road, 73 G.D. Ambedkar Marg, Mumbai-400 012 India	He joined the Vedanta as the president of Australian operations in the year 2001. He was appointed as the chief financial officer of Vedanta in October 2005. Mr. Jalan has over 27 years of experience working in various companies in the engineering, mining and non-ferrous metals industries. Mr. Jalan received a Bachelor of Commerce from Gorakhpur University, India and is a member of the Institute of Chartered Accountants of India.	April 13, 2007
Hare Narain Maskara Director	4, The Drive, Feltham, Middlesex TW140AJ, U.K.	Masters of Commerce from University of Calcutta. Associate of Chartered Institute of Bankers, London. Mr. Maskara has over 30 years of experience in Baking & Finance. He is associated with the Vedanta Group since 1992	April 13, 2007
Kyriacos Th. Michaelides Director	63 Epias, Engomi 2411, Nicosia, Cyprus	-Law Degree Athens University. -Barrister-at-Law(Middle Temple) - Kyriacos Th. Michaelides has been an advocate in Cyprus for 46 Years.	April 13, 2007
Christana K. Michaelides Director	30 Kannari Street, Flat 302,	-LLB UCL -Barrister-at-Law	April 13, 2007

Name of Director & Designation	Address	Qualifications and Experience	Date of appointment on the Board of Directors
	Strovolos 2059 Nicosia, Cyprus	-4 years working in the City London. -Christana K. Michaelides has been an Advocate in Cyprus for 10 years.	
Loukis Loucaides Director	19 Eressou Strovolos 2057 Nicosia, Cyprus	-LLB Queen Mary UoL. -LPC , Advocate Cyprus. - Mr. Loukis Loucaides has been an advocate in Cyprus for 2 years.	April 13, 2007

4.2.11 None of the Directors of Richter Holding are on the Board of Directors of the Target Company.

4.2.12 None of the directors of Richter Holding have acquired any Equity Shares of the Target Company in the twelve month period prior to the Public Announcement. Further, none of the directors of Richter Holding have acquired any Equity Shares of the Target Company since the date of the Public Announcement and upto the date of this Letter of Offer.

4.2.13 As Richter Holding does not hold any shares in the Target Company, provisions of Chapter II of the SEBI (SAST) Regulations are not applicable.

4.2.14 No other companies have been promoted by the Richter Holding except Westglobe whose details have been provided in para 4.1 of this letter of offer.

5 BACKGROUND OF PERSON ACTING IN CONCERT

Vedanta Resources Plc. ('Vedanta Resources')

5.1 Vedanta Resources was incorporated as a private company by the name of Angelchange Limited on April 22, 2003 under the U.K. laws. The name of the company was changed to Vedanta Resources Limited on June 26, 2003. The company was re-registered as a public company on November 20, 2003 under the name Vedanta Resources Plc.

5.2 Vedanta Resources is the flagship company of the Vedanta Group, a diversified industrial group based out of United Kingdom with interests in metals and mining and operations spanning the globe with significant interests in India.

5.3 Registered and corporate offices of Vedanta are as follows:

Registered Office
Hill House, 1 Little New Street, London EC4A 3TR, U.K.
Tel. No.: +44 20 77588100; Fax: +44 20 76297426

Corporate Office
5th Floor, 16 Berkeley Street ,London ,W1J 8DZ, U.K.
Tel. No.: +44 20 74995900; Fax: +44 20 74918440

5.4 The issued and paid-up equity share capital of Vedanta Resources constitutes of 28,75,15,622 ordinary shares of 10 US cents each and 50,000 deferred shares of 1 Great Britain Pound each aggregating to USD 28.7 million (equivalent to Rs. 11959.29 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67). The ordinary shares of Vedanta Resources are listed on the London Stock Exchange ('**LSE**'). The closing price of the ordinary shares on LSE on April 25, 2007 was Great Britain Pence 1,422 per share amounting to a market capitalisation of Great Britain Pounds 4.088 billion. The Price-to-Earnings ratio based on the market capitalisation as on April 25, 2007 was 21.90 times (Source: Bloomberg).

5.5 As on April 25, 2007, the shareholding pattern of Vedanta Resources is as follows:

Shareholders	No. of Shares	Shareholding Pattern
Volcan Investments Limited – Promoter	15,41,57,911	53.6%
Institutions and Public Shareholders	13,33,57,711	46.4%
Total	**28,75,15,622**	**100.0%**

5.6 Selected financial data of Vedanta Resources is provided below:

Profit & Loss Statement	USD MN.	USD MN.	USD MN.	Rs. (lacs)	Rs. (lacs)	Rs. (lacs)
	2004-05	**2005-06**	**2006-07**	**2004-05**	**2005-06**	**2006-07**
Income from operations	Nil	Nil	Nil	Nil	Nil	Nil
Other Income	12.0	18.4	51.1	5,000	7,667	21,293

Total Income	12.0	18.4	51.1	5,000	7,667	21,293
Total Expenditure	11.4	10.1	7.2	4,750	4,209	3,000
Profit Before Depreciation, Interest and Tax	(0.6)	8.3	43.9	(250)	3,459	18,293
Depreciation	0.1	0.2	0.2	42	83	83
Interest	2.3	3.6	38.2	958	1,500	15,918
Profit Before Tax	(1.8)	4.5	5.5	(750)	1,875	2,292
Provision for Tax	(2.3)	1.2	-	(958)	500	-
Profit After Tax	0.5	3.3	5.5	208	1,375	2,292

Balance Sheet Statement	**USDMN.**	**USDMN.**	**USDMN.**	**Rs. (lacs)**	**Rs. (lacs)**	**Rs. (lacs)**
	2004-05	**2005-06**	**2006-07**	**2004-05**	**2005-06**	**2006-07**
Sources of funds						
Paid up equity share capital	28.7	28.7	28.7	11,959	11,959	11,959
Reserves and Surplus (excluding revaluation reserves)	792.6	871.2	798.4	330,276	363,029	332,693
Net Worth	**821.3**	**899.9**	**827.1**	**342,236**	**374,988**	**344,653**
Secured loans	-	-	-	-	-	-
Unsecured loans	592.2	1,198.0	1,202.2	246,770	499,207	500,957
Deferred Tax	-	-	-	-	-	-
Total	**1,413.5**	**2,097.9**	**2,029.3**	**589,005**	**874,195**	**845,609**
Uses of funds				-	-	-
Net fixed assets	633.3	638.3	714.1	263,896	265,980	297,565
Net current assets	780.2	1,459.6	1,315.2	325,109	608,215	548,044
Total miscellaneous expenditure not written off	-	-	-	-	-	-
Profit & Loss account	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-
Total	**1,413.5**	**2,097.9**	**2,029.3**	**589,005**	**874,195**	**845,609**

Other Financial Data				**Rs.**	**Rs.**	**Rs.**
	2004-05	**2005-06**	**2006-07**	**2004-05**	**2005-06**	**2006-07**
Dividend (%)	172%	110%	293%	172%	110%	293%
Earning Per Share (US cents)	0.17	1.15	1.91	0.07	0.48	0.80
Return on Average Net worth	0.06%	0.37%	0.66%	0.06%	0.37%	0.66%
Book Value Per Share (USD)	2.86	3.14	2.88	119.18	130.84	120.01

(Source: Annual Report of Vedanta Resources for the year ending March 31, 2005, 2006 & 2007, Company).
1 USD = INR 41.67 (source: www.rbi.org.in) dated April 23, 2007

5.7 Significant Accounting Policies:

Investments in subsidiaries
Investments in subsidiaries represent equity holdings in subsidiaries valued at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Investment in preference shares of subsidiaries
Investments in preference shares of subsidiaries are stated at fair value. The fair value is represented by the face value of the preference shares as the investments are redeemable at any time for their face value at the option of the Company.

Currency translation
Transactions in currencies other than the functional currency of the Company, being US Dollars, are translated into US Dollars at the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in other currencies at the balance sheet date are translated into US dollars at year end exchange rates, or at a contractual rate if applicable.

Tangible fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation and provision for impairment.

Deferred taxation

Deferred taxation is provided in full on all timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, subject to the recoverability of deferred tax assets. Deferred tax assets and liabilities are not discounted.

Share-based payments

The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions are determined by an external valuer and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

Borrowings

Interest bearing loans are recorded at the net proceeds received i.e. net of direct transaction costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis and charged to the profit and loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Financial instruments

The Company has elected to take the exemption provided in paragraph 3C (b) of FRS 25 in respect of these parent company financial statements. Full disclosures are provided in note 26 to the consolidated financial statements of the Group for the period ended 31 March 2007.

Derivative financial instruments

Derivative financial instruments are initially recorded at their fair value on the date of the derivative transaction and are re-measured at their fair value at subsequent balance sheet dates.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the profit and loss account. The hedged item is recorded at fair value and any gain or loss is recorded in the profit and loss account and is offset by the gain or loss from the change in the fair value of the derivative.

Derivative financial instruments that do not qualify for hedge accounting are marked to market at the balance sheet date and gains or losses are recognised in the profit and loss account immediately.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognised in equity is kept in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in equity is transferred to net profit or loss for the year.

Cash flow statement

The Company's individual financial statements are outside the scope of FRS 1 Cash Flow Statements because the Company prepares publicly available consolidated financial statements, which include a consolidated cash flow statement. Accordingly, the Company does not present individual company cash flow statement.

Related party disclosures

The Company's individual financial statements are exempt from the requirements of FRS 8 Related Party Disclosures because its individual financial statements are presented together with its consolidated financial statements. Accordingly, the individual financial statements do not include related party disclosures.

5.8 Details of contingent liabilities in Vedanta Resources: The Company has guaranteed USD 724.8 million (equivalent to Rs. 302024.16 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67) convertible bonds issued by Vedanta Finance Jersey Limited.

5.9 Reasons for the fall/ rise in the total income and profit after tax:

2006-07 Compared to 2005-06 -

The profit before tax increased by USD 1 million (equivalent to Rs. 416.7 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67) due to increase in other income by USD 32.7 million (equivalent to Rs. 13626.09 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67), increase in interest cost by USD 34.6 million (equivalent to Rs. 14417.82 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67) and saving in other expenditure by USD 2.9 million (equivalent to Rs. 1208.40 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67).

2005-06 Compared to Fiscal 2004-05 -

Due to increase in investment income by USD 10.4 million (equivalent to Rs. 4333.68 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67) and increase in interest cost by USD 5.3 million (equivalent to Rs. 2208.51 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67), the profit after tax has increased by USD 2.8 million (equivalent to Rs. 1166.76 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67). The Directors of Vedanta resources and their addresses are as listed below:

Name	Residential Address	Qualifications and Experience	Date of appointment on the Board of Directors
Anil Agarwal	42, Hill Street, London WIJ5NU U.K.	Mr. Agarwal is the founder and head of the Vedanta Group. He has 33 years of experience in the metal related industry. He looks after strategy and new initiatives of the Vedanta Group and has successfully led the company in its emergence as one of the leading non-ferrous metal producers of the country. By qualification he is a Bachelor of Commerce. Chairman of Sterlite, Director of BALCO, HZL & Vedanta Alumina Ltd.	10.12.2003
Navin Agarwal	Soham 8/738 Behramji Gamadia Road Mumbai India 400 026	Degree in Commerce from Sydenham College, Mumbai. Participant in Owner/President Management Programme at Harvard University, USA Executive Vice Chairman & Director of Sterlite, Chairman of KCM & MALCO & Director of BALCO, MALCO & HZL	24.11.2004
Kuldip Kaura	Vastu Bandra, 12th Floor, Pereira Road, Bandra(West), Mumbai 400 050, India	Degree in Mechanical Engineering (Honours) from BITS , Pilani & Executive education at London Business School & IFL, Sweden. Joined Sterlite in 2002 as MD of HZL and was COO of HZL at its inception. Director of HZL, Vedanta Alumina & KCM. He was member of Board of Directors of ABB India from 1996 and was appointed MD and Country Manager of ABB in 1998	23.03.2005
Naresh Chandra	C4/4053 Vasant Kunj New Delhi India 110070	Masters Degree in Mathematics from Allahabad University. Home Secretary in India in1990, Cabinet Secretary from 1990 to 1992, Senior advisor to Prime Minister of India from 1992 to 1995 and Indian Ambassador to USA from1996 to 2001. He was chairman of the Indian Government committee on Corporate Governance & audit from 2002 to 2003 and is currently Chairman of Committee on Civil Aviation	14.05.2004
Aman Mehta	4/7 Shanti Niketan New Delhi India 110021	Degree in Economics from Delhi University. He was Chairman & CEO of HSBC USA Inc & Deputy Chairman of HSBC Bank Middle East. In 1999 he was appointed as CEO of HSBC till his retirement.	24.11.2004
Dr. SK Tamotia	N 2/58 IRC Village Nayapalli Bhubaneshwar India 751015	Honours Degree in Civil Engineering, Masters Degree in Engineering, Soil Mechanics & Foundation Engineering. Aluminium Specialist, initial appointment in 1962 at Bhilai Steel Plant . He was Chairman and MD at NALCO. He was President and CEO of Indian Aluminium Company Ltd from 200 until 2004.	24.11.2004
Euan Macdonald	Suffolk House Chiswick Mall London W42PR	Degree in Economics from Cambridge University & Masters Degree in Finance & International Business from Columbia Business School. Spent 20 years with SG Warburg. He was Chairman of SBC Warburg India from 1995 to 1999. From 1999 to 2001, he was Executive Vice Chairman of HSBC Securities & Capital Markets, India.	23.03.2005

5.10 None of the directors of Vedanta Resources are on the board of Sesa Goa.

5.11 None of the directors of Vedanta Resources have acquired any shares of Sesa Goa during the 12-month period prior to the date of the PA. Further, none of the directors of Westglobe have acquired any Equity Shares of the Target Company since the date of the Public Announcement and upto the date of this Letter of Offer.

5.12 As Vedanta Resources does not hold any shares in the Target Company, provisions of Chapter II of the SEBI (SAST) Regulations are not applicable.

5.13 Status of Corporate Governance:

Introduction

The Board of Vedanta Resources plc believes that high standards of corporate governance are critical to ensuring business success. The Board also believes that, in the interests of shareholders, the application of corporate governance standards must reflect the nature and location of the Group's businesses, the ownership of the Company and its subsidiaries, and the Group's development needs whilst ensuring the talents within the Group are utilised to their fullest potential.

The objective of this corporate governance report is to provide details of the Group's governance policies, processes and structures, and its compliance with the principles of the Combined Code on Corporate Governance issued by the Financial Reporting Council in 2003 ('the Code').

The Board

Role and Responsibilities of the Board

The role of the Board is to provide leadership to the Group in a manner which maximises opportunities to develop its portfolio of businesses profitably whilst assessing and managing the associated risks. The boards of individual businesses are responsible for managing their businesses profitably whilst managing risk. The Board assesses the strategic objectives of each business, monitors performance, ensures the availability of financial, management and other resources required to meet the objectives, sets Group standards of conduct and ensures that effective controls are in place to manage risk and that the interests of investors and other stakeholders are observed.

The Board has adopted a schedule of matters reserved for its consideration to ensure that the Board is in a position to drive strategy, monitor performance and maintain effective controls whilst delegating operational management to the Executive Committee and the businesses. Such matters reserved to the Board include, but are not limited to, approving Group strategy and annual budgets, major capital expenditure, major acquisitions and disposals.

There are four Board committees: Remuneration, Audit, Nominations and Health, Safety and Environment. Each has its own clearly defined terms of reference, which can be obtained from the Company Secretary, and reports directly to the Board.

Board Balance and Independence

The Board comprises the following members:

Mr. AK Agarwal	Executive Chairman
Mr. N Agarwal	Deputy Executive Chairman
Mr. KK Kaura	Chief Executive
Mr. N Chandra	Non-executive Director and Senior Independent Director
Mr. A Mehta	Non-executive Director
Dr. SK Tamotia	Non-executive Director
Mr. ER Macdonald	Non-executive Director

All four non-executive Directors served throughout the year ended 31 March 2007 and up to the date of this report. There have been no new appointments to the Board during the year.

The Board considers that all of the non-executive Directors are independent of the Group as defined by Code Provision A.3.1. In making its assessment of the independence of the non-executive Directors, the Board has considered the fact that Mr A Mehta and Mr ER Macdonald have held previous senior management positions within subsidiary companies of HSBC Holdings plc (which acted as the joint global co-ordinator and book runner when the Company listed in 2003). At the time of their appointments, the Board considered that neither Mr A Mehta's nor Mr ER Macdonald's previous employments included the provision of corporate finance services in London by the HSBC Group (and thus they had no involvement with the Group prior to their appointment) and that the value of the business transacted between the Company and the HSBC Group was less than 1% of the turnover of either organisation. The Board therefore remains of the view that these circumstances will not affect the judgement exercised by either Mr A Mehta or Mr ER MacDonald and therefore considers them to be independent.

Mr N Chandra is Senior Independent Director ('SID'). His primary responsibilities are to lead discussions at meetings of the non-executive Directors, provide an effective channel of communication between the Chairman and non-executive Directors, ensure that the views of the non-executive Directors are given due consideration and provide a point of contact for any shareholder who wishes to raise concerns which the normal channels of communication through the Chairman and Chief Executive have failed to resolve, or for which contact is inappropriate.

During the year, the Chairman held regular meetings with non-executive Directors without the Executive Directors being present.

Board Meetings and Attendance

The Board met five times during the year in the ordinary course of business and maintains close dialogue between meetings. Board committees are appointed to deal with the execution of specific projects requiring Board approval. The Board is updated regularly by these committees on the development of specific projects. The terms of reference of Board committees are reviewed from time to time in order to enhance the decision making process.

Each member of the Board receives information comparing the performance of each business and of the Group with the annual budget each quarter and is given sufficient briefing materials with the agenda in advance of each Board meeting to enable informed decisions to be made. In addition to these formal processes, Directors are in regular communication with the senior executives.

The Chief Financial Officer, Mr DD Jalan, attends all Board meetings to represent the finance function and act as a conduit between the Board and the Executive Committee.

Only members of a Board committee are entitled to attend the relevant committee meetings, although other Directors may attend Board committees at the invitation of the relevant committee chairman.

There were no changes to the membership of the Board during the year. The Board, chaired by Mr Anil Agarwal, has seven directors comprising the Executive Chairman, two Executive Directors and four independent non-executive Directors. The non-executive Directors possess a range of experience and are of sufficiently high calibre to bring to bear independent judgement on issues of strategy, performance and resources that are vital to the success of the Group.

Directors' attendance at Board and committee meetings during the year

	Board		**Audit Committee**		**Remuneration Committee**		**Nominations Committee**		**Health, Safety and Environment Committee**	
Director	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
AK Agarwal	5	4	-	-	-	-	1	1	-	-
N Agarwal	5	5	-	-	-	-	-	-	-	-
KK Kaura	5	5	-	-	-	-	-	-	3	3
N Chandra	5	5	4	4	3	3	1	1	-	-
A Mehta	5	4	4	4	3	3	-	-	-	-
SK Tamotia	5	4	-	-	-	-	1	1	3	3
ER Macdonald	5	5	4	4	3	3	1	1	-	-

Notes:

A = Maximum number of meetings the directors could have attended.

B = Number of meetings attended.

Chairman and Chief Executive

There is a clear division of the responsibilities between the running of the Board and executive responsibility for running the business, so that no one person should have undue power of decision. In June 2005 the Board approved a policy setting out the key responsibilities of the Executive Chairman and Chief Executive. A clear separation is maintained between the responsibility of the Chairman and the Chief Executive, as detailed below:

Chairman

- Setting a vision for Vedanta, formulating its strategy and creating a growth pipeline of profitable business opportunities;
- Providing leadership to the Board and ensuring its effectiveness;
- Ensuring that there is effective communication with shareholders;
- Facilitating the effective contribution of non-executive Directors;
- Overseeing corporate governance arrangements in compliance with the Code.

Chief Executive

- Developing the executive team;
- Supporting the Executive Chairman in the delivery and implementation of strategy;
- Optimising the Group's assets and management, and allocation of resources;
- Supporting the Executive Chairman in effective communication with various stakeholders;
- Creating and maintaining a sound control environment.

Executive Committee

The Executive Committee, comprising the Executive Directors and the senior management within the Group who head the Group's principal businesses and corporate functions, meets on a monthly basis to consider the operating performance of each of the principal subsidiaries.

The Executive Committee functions as a conduit for keeping the Board informed of significant issues and making recommendations in relation to Group performance and developments. Major capital projects are reviewed by the Executive Committee prior to being submitted to the Board. In addition, to the review of business performance the Executive Committee monitors the implementation of action plans in response to internal audit findings, treasury matters, Human Resource policies and Health, Safety and Environment and CSR initiatives.

Mr. Navin Agarwal chairs the Executive Committee. In this role, Mr Agarwal oversees the planning, execution and completion of the significant pipeline of growth projects, bringing together business unit and financial heads to share best practice to implement and continuous improvement measures are implemented.

Relationship Agreement

At the time of Listing, the Company and Volcan, the majority shareholder, entered into a relationship agreement ('the Relationship Agreement') to regulate the ongoing relationship between them. The principal purpose of the Relationship Agreement is to ensure that the Group is able to carry on business independently of Volcan, the Agarwal family and their associates. Under the terms of the Relationship Agreement, the Board and Nominations Committee will at all times consist of a majority of Directors who are independent of Volcan and the Agarwal family, whilst the Remuneration and Audit Committees shall at all times comprise only non-executive Directors. Volcan is entitled to nominate for appointment as Director such number of persons as is one less than the number of Directors who are independent of Volcan, the Agarwal family and their associates. The Board considers these to be adequate safeguards in that independent non-executive Directors make up a majority of the Board and Vedanta's ability to operate independently of Volcan is protected by the Relationship Agreement.

Directors Dealings in Shares

The Company has a policy based on the Model Code published in the Listing Rules, which covers dealings in securities and applies to Directors and senior management. A comprehensive insider list is maintained and all participants are notified of close periods.

Re-election of Directors

Under the Company's Articles of Association, any Director appointed by the Board during the year must retire at the Annual General Meeting following his appointment. In addition, the Articles of Association require that one-third of the remaining Directors retire by rotation and seek re-appointment. Accordingly, Mr Mehta and Mr Macdonald will retire at the forthcoming AGM and offer themselves for re-appointment to the Board. Following an appraisal of Mr Mehta and Mr Macdonald, the Board was satisfied that each Director's performance continues to be effective and that each one of them continues to demonstrate commitment to the role. Accordingly, the Board recommends their re-election.

Induction and Continuing Professional Development

Appropriate induction is provided to all Directors on appointment to the Board and programmes of continuing professional development are arranged as required, taking into consideration the individual qualifications and experience of the Directors. Directors undertake visits to operations and have discussions with local management.

All Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are followed.

All Directors have access to the Company's professional advisers whom they can consult where they find it necessary in order to better discharge their responsibilities. No Director took such professional advice during the year. The Directors attend other update briefings in order to familiarise themselves with new regulatory requirements.

Following the evaluation of the Board's performance last year, it acknowledged that, whilst being satisfied with its overall performance, additional training was required for all Board members. As a consequence, appropriate training sessions were held for the full Board by the Company's legal advisors with particular reference to changes introduced by the revised Combined Code published in 2006 and the impact of the Companies Act 2006.

Performance Evaluation

A Board performance evaluation process was undertaken during the year, facilitated by the Company Secretary, to evaluate its effectiveness and that of the Board committees and individual Directors. A structured process was used, which entailed the completion of a questionnaire by each Director. These questionnaires were collated into a report by the Company Secretary and the report was discussed by the whole Board.

Each Director's performance was appraised by the Chairman and, in a meeting chaired by the Senior Independent Director; the non-executive Directors assessed the Chairman's performance, taking into consideration the views of their executive colleagues.

The Board evaluation process takes place annually and aims to cover Board dynamics, Board capability, Board process, Board structure, strategic clarity and performance of individual Directors.

The non-executive Directors, led by the Senior Independent Director, met to consider the performance of the Chairman and provided him with feedback. The unanimous conclusion was that the Chairman was fully committed to Vedanta and was effective in his role.

Board Committees

Nominations Committee

The Nominations Committee consists of Mr Anil Agarwal (Chairman), Mr Chandra, Dr Tamotia and Mr Macdonald. The Committee is responsible for succession planning for the Board, making recommendations concerning candidates for appointment as executive or non-executive Directors of the Company. In addition, the Committee makes recommendations concerning the structure, size and composition of the Board.

The Nominations Committee met once during the year to consider a recommendation to the Board concerning the extension of Mr Kaura's service agreement with the Company. This was duly extended to 31 March 2008.

Remuneration Committee

The Remuneration Committee consists of Mr Chandra (Chairman), Mr Mehta and Mr Macdonald, all of whom are independent non-executive Directors. The Remuneration Committee is responsible, on behalf of the Board, for setting the remuneration policy and remuneration packages for the Executive Directors and for maintaining an awareness of the overall remuneration of the key operational and financial heads within the Group ('the Senior Management Group').

The Remuneration Report, sets out the remuneration policy and other disclosures concerning the remuneration of the Executive Directors. The Remuneration Report will be submitted for approval at the forthcoming AGM.

Accountability and Audit

Audit Committee and Auditors

The Audit Committee consists of Mr Mehta (Chairman), Mr Chandra and Mr Macdonald, all of whom are independent non-executive Directors. The Board considers that Mr Mehta has the required, recent and relevant financial experience by virtue of his previous full-time role at HSBC Bank and through his experience on the audit committees of other international companies. Mr Chandra, who chaired the Government of India's Committee on Corporate Governance, has a deep understanding of corporate governance issues in general and of the Indian environment in particular. During his career, Mr Macdonald has held senior positions in banking and financial services companies.

The activities of this committee are explained in more detail in the following paragraphs. In addition, the main subsidiaries of the Group, most of which are listed on stock exchanges in India, have their own audit committees in accordance with local corporate governance requirements. By monitoring their discussions and findings, the Audit Committee gains further insights into the quality of financial reporting and internal control.

The Audit Committee reviews the Group's arrangement for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The committee ensures that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.

The Audit Committee met four times during the year under review, its meetings also being attended by senior management from the Group's principal operating subsidiaries and the external and internal auditors as required. During the year, the Audit Committee discharged the responsibilities described above. Its activities included:

- appointing the Head of Group Tax, taking into consideration the advice of the external auditors. This appointment was effective from April 2007;
- a review of the treasury controls, which led to a tightening of such controls;
- the commissioning of an investigation, by an external consultant, into an allegation of fraud at KCM in Zambia. This led to the preparation of a report on the improvement of internal controls within KCM, which the Committee is implementing;
- linking of internal control and measuring systems into the Group's key result areas (KRAs);
- review of the half yearly internal audit reports;
- review of the Management Assurances Service (MAS) function;
- approving the internal audit scope for 2007/08;
- formally reviewing the draft annual report, and the interim statement and annual report;
- considering the effectiveness of the internal audit function and risk management process;
- reviewing the external audit engagement, scope and strategy;
- reviewing and monitoring the external auditors' independence and objectivity in line with the Committee's policy on the independence of external auditors, and the effectiveness of the audit process;
- keeping under review the level of non-audit fees compared to audit fees paid to the external auditors; and
- giving pre-approval to non-audit work carried out by the external auditors.

Non-audit Services

The Committee has a policy for the provision of non-audit services by the auditors. Under this policy, the Audit Committee has agreed a scope of services which the external auditors are permitted to deliver to the Group. The policy also specifies which services are prohibited. This ensures that the independence of the external auditors is thereby safeguarded. An analysis of the non-audit fees can be found in note 8 of the notes to the Financial Statements.

Auditor Independence

The Committee receives written confirmation from the external auditor as to any relationships which may be reasonably thought to impair its independence. The external auditor also confirms whether it considers itself independent, within the meaning of the Auditing Practices Board (APB) Ethical Standards.

Financial Reporting

The Board is required to present a balanced and understandable assessment of the Group's position and prospects.

The Board is satisfied that it has met this obligation. The Board has considered the financial position of the Company and the Group as shown in the Balance Sheet and the Consolidated Balance Sheet as at 31 March 2007, together with the other financial statements, the budget for the current year, the Group's business plans and the cash resources available to the Group. The Directors consider that the Company and the Group will be able to meet their financial commitments for the foreseeable future and that it is, therefore, appropriate for the Financial Statements to be prepared on the 'going concern' basis.

Financial Reporting Systems

The Group has a comprehensive financial reporting system, which is reviewed and modified as circumstances require. Procedures include detailed operational budgets for the year ahead which are reviewed and approved by the Board. Budgets and forecasts are prepared using conservative and consistent assumptions, and these are continuously reviewed. Performance against key performance indicators is monitored throughout the financial year and forecasts updated with reference to information on key risk areas. In addition, monthly management reports are prepared both on a divisional and consolidated basis. These are presented to the Executive Committee.

Internal Control and Risk Management

The Code requires the Group to maintain a robust system of internal control to safeguard shareholders' interests and the Company's assets. In accordance with the Turnbull guidance, the Board is responsible for reviewing the effectiveness of the system and an ongoing process is in place to identify, evaluate and manage the significant risks faced by the Group. This process has been in place throughout the year under review and up to the date of approval of the Annual Report and the Financial Statements. The Board relies on reviews undertaken by the Audit Committee supported by the Management Assurance Services. No significant failings or weaknesses have been identified through the process.

The Group's internal audit activity is managed through the Management Assurance Services function and is an important element of the overall process by which the Board obtains the assurance it requires to ensure that risks are properly identified, evaluated and managed. This process has been in place for the year under review and up to the date of signing of this report. It also provides assurance on the effectiveness of relevant internal controls. The scope of work, authority and resources of the Management Assurance Services function are regularly reviewed by the Audit Committee and its work is supported by the services of leading international accountancy firms (but specifically not including the Group's external auditors). The Audit Committee has, during the year, reviewed the level of internal audit resources within the Group and believes that it is appropriate to the Group's size.

Each of the Group's principal subsidiaries has in place procedures to ensure that sufficient internal controls are maintained. These procedures include a monthly meeting of the relevant management committee and a quarterly meeting of the audit committee of that subsidiary. These committees are appointed by the board of directors of each relevant subsidiary and the minutes of their proceedings are reviewed by the Company Secretary. Any adverse findings are reported to the Audit Committee.

The responsibilities of the Management Assurance Services function include recommending improvements in the control environment and ensuring compliance with the Group's procedures and policies.

The planning of internal audit is approached from a risk perspective. For internal audit purposes, the Group is divided into three auditable groupings, namely: manufacturing/operating entities, special projects and other entities. In preparing an internal audit plan, reference is made to the Group risk matrix, input sought from senior management and project managers and reference made to past audit experience and financial analysis.

This process is designed to manage rather than eliminate the risk of failing to achieve the Group's business objectives. As such, the process can only provide reasonable rather than absolute assurance against material misstatement or loss.

Relations with Shareholders

Dialogue with Institutional Shareholders

The Board recognises that meetings with analysts and shareholders constitute an important element of the Company's investor relations programme. A number of meetings were held with the Company's principal institutional shareholders during the year as well as with financial analysts and brokers, including a successful visit by a group of analysts to the Group's operations in India and Zambia. These meetings may be initiated either by the Company or analysts and investors, and are managed at Group level through Mr Sumanth Cidambi, Associate Director (Investor Relations), who also briefs the Board on the Company's relationships with its shareholders. The main channels of communication with the investment community are through the Chairman, Deputy Chairman, Chief Executive Officer and Associate Director of Investor Relations. The Senior Independent Director and non-executive Directors are also available as appropriate.

The Group attends investor seminars which provide opportunities for two-way communication with investors and analysts. Feedback provided to the Board has proved to be very valuable.

The Company announces its annual and half-year results to the London Stock Exchange and the press in advance of the publication of the Annual and Interim Reports. Summary reports are also published for the first and third quarters. Other price-sensitive information is announced as and when appropriate and the Board has adopted a communications policy to ensure that this is done in a timely and considered manner. Presentations are made to analysts and the press by the Chairman, Deputy Chairman and Chief Executive Officer following the release of the interim and preliminary announcements.

The Interim and Annual Reports are the primary means of communicating with all shareholders. Financial reports, press releases and other information about Vedanta are available on the website (www.vedantaresources.com).

Constructive use of the Annual General Meeting

This year's AGM will be held on 1 August 2007 at 3.00pm, at the Mayfair Conference Centre, 17 Connaught Place, Marble Arch, London W2 2EL. The Notice of Meeting will therefore be circulated more than 20 working days before the meeting. An update will be provided on trading performance and shareholders will be given the opportunity to ask questions. The Company will announce the numbers of proxy votes cast for, against or abstaining for each resolution and will make the chairmen of the Audit, Remuneration and Nominations Committees available to answer questions from shareholders.

Statement of Compliance with Code Provisions

The Board has sought to achieve the standards of corporate governance as set out in Section 1 of the Code and believes that the Company complied with the provisions of the Code throughout the year ended 31 March 2007, except as follows:

Firstly, as previously reported, the Executive Chairman, Mr Anil Agarwal, did not meet the independence criteria on appointment because he was previously the Chief Executive of the Company and, through Volcan Investments Ltd ('Volcan'), he and his family have a controlling interest in the Company (Code Provision A.2.2 and A.3.1).

As the founder of Vedanta, he has built the Group from its inception in 1976. The Board considers that Mr Agarwal has made a major contribution to the Company's development into a FTSE 100 company and that he has been responsible for leading the Group to strong profitability and cash flows. Mr Agarwal's appointment in March 2005 as Executive Chairman, allowed him to step back from operational management and focus on turning new opportunities into value-creating projects, thereby extending the Group's exceptional growth pipeline into the future. The Board is unanimously of the opinion that his continued involvement in an executive capacity is vitally important to the success of the Group.

Secondly, pursuant to the Relationship Agreement and as disclosed at the time of Listing, Volcan will be consulted on all appointments to the Board. The Nominations Committee therefore works collaboratively with Volcan over making appointments to the Board and, to this extent, differs from the process set out in Code Provision A.4.1.

5.14 There no litigations pending against Vedanta Resources.

5.15 Compliance officer: Deepak Kumar, Company Secretary, 16, Berkeley Street, London, W1J8DZ, U.K., Phone: +44 20 74995900; Fax: +44 20 74918440

5.16 No merger/ demerger/ spin off relating to Vedanta has taken place in the last three years.

5.17 The following are the details of companies promoted by Vedanta Resources globally:

Vedanta Resources Plc. UK (‘Vedanta’) was incorporated on April 22, 2003. Certain companies mentioned below were incorporated before the incorporation of Vedanta. However in a restructuring exercise within the Vedanta group done subsequently, the shareholding of the above mentioned companies were transferred to Vedanta. Vedanta is now the promoter of these companies for all legal purposes and has been mentioned so in various statutory filings. Hence details of all companies promoted by Vedanta have been provided below.

Sr.	**Description**	**Details**		
a.	Name of Company	Sterlite Industries (I) Ltd		
b.	Date of Incorporation	8th September 1975		
c.	Nature of Business	Manufacturing of Copper Cathode, Continuous Cast Copper Rod and Aluminium conductors.		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	143,990	357,970	412,240
e.	Total Income (Rs. Lacs)	309,090	422,030	787,330
f.	Profit After Tax (PAT) (Rs. Lacs)	19,710	10,640	51,110
g.	Earnings Per Share (EPS) (Rs.)	27.19	2.33	9.23
h.	Net Asset Value (NAV) (Rs. Lacs)	143,880	357,900	412,210
i.	Whether this is a sick Company.	No	No	No

Sr.	**Description**	**Details**
a.	Name of Company	Hindustan Zinc Limited
b.	Date of Incorporation	10th January 1966

c.	Nature of Business	Manufacturing of Zinc not alloyed containing by weight less than 99.99% zinc and refined lead.		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	150,690	207,770	342,980
e.	Total Income (Rs. Lacs)	193,590	233,720	399,280
f.	Profit After Tax (PAT) (Rs. Lacs)	40,460	65,530	147,250
g.	Earnings Per Share (EPS) (Rs.)	9.58	15.51	34.85
h.	Net Asset Value (NAV) (Rs. Lacs)	150,690	207,770	342,980
i.	Whether this is a sick Company.	No	No	No

Sr.	**Description**	**Details**		
a.	Name of Company	Bharat Aluminium Company Ltd		
b.	Date of Incorporation	27th November 1965		
c.	Nature of Business	Manufacturing of Aluminium wire rods, Aluminium rolled products and aluminium ingots		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	70,760	83,500	100,350
e.	Total Income (Rs. Lacs)	92,000	107,370	186,010
f.	Profit After Tax (PAT) (Rs. Lacs)	6,750	12,740	16,850
g.	Earnings Per Share (EPS) (Rs.)	3.06	5.78	7.64
h.	Net Asset Value (NAV) (Rs. Lacs)	67,730	81,480	99,340
i.	Whether this is a sick Company.	No	No	No

Sr.	**Description**	**Details**		
a.	Name of Company	The Madras Aluminium Company Limited		
b.	Date of Incorporation	31st August 1960		
c.	Nature of Business	Manufacture of Aluminium products		
		Financial Year Ended 30th June		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	12,520	15,330	21,590
e.	Total Income (Rs. Lacs)	30,790	37,190	45,520
f.	Profit After Tax (PAT) (Rs. Lacs)	3,720	4,220	8,310
g.	Earnings Per Share (EPS) (Rs.)	16.54	18.75	36.95
h.	Net Asset Value (NAV) (Rs. Lacs)	12,520	15,330	21,590
i.	Whether this is a sick Company.	No	No	No

Sr.	**Description**	**Details**		
a.	Name of Company	Vedanta Alumina Limited		
b.	Date of Incorporation	18th January 2001		
c.	Nature of Business	Production of Calcined Alumina		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	10	60,760	60,760

e.	Total Income (Rs. Lacs)	Nil	2,420	5,060
f.	Profit After Tax (PAT) (Rs. Lacs)	Nil	(10)	(120)
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. Lacs)	10	60,750	60,630
i.	Whether this is a sick Company.	No	No	No

Sr.	**Description**	**Details**		
a.	Name of Company	Sterlite Paper Limited		
b.	Date of Incorporation	25th June 1999		
c.	Nature of Business	Manufacturing of Writing & printing paper		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	10	12,990	12,990
e.	Total Income (Rs. Lacs)	10	Nil	Nil
f.	Profit After Tax (PAT) (Rs. Lacs)	(4,770)	(8,270)	(80)
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. Lacs)	(4,930)	(220)	(300)
i.	Whether this is a sick Company.	Yes	No	No

Sr.	**Description**	**Details**		
a.	Name of Company	Sterlite Energy Limited		
b.	Date of Incorporation	2nd February 1995		
c.	Nature of Business	Power plant		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	50	2,810	2,980
e.	Total Income (Rs. Lacs)	Nil	30	170
f.	Profit After Tax (PAT) (Rs. Lacs)	-	20	110
g.	Earnings Per Share (EPS) (Rs.)	N.A.	32.64	225
h.	Net Asset Value (NAV) (Rs. Lacs)	40	2,810	2,980
i.	Whether this is a sick Company.	No	No	No

Sr.	**Description**	**Details**		
a.	Name of Company	India Foils Limited		
b.	Date of Incorporation	8th November 1960		
c.	Nature of Business	Manufacture of Aluminium Foils		
		Period ending 30th Sept 03	**Period ending 31st March 05**	**Year ending 31st March 06**
		18 months	**18 months**	**12 months**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	11,490	11,490	11,490
e.	Total Income (Rs. Lacs)	28,940	24,310	19,630
f.	Profit After Tax (PAT) (Rs. Lacs)	(6,670)	(8,640)	(1,310)
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. Lacs)	(2,690)	(11,260)	(12,370)

i.	Whether this is a sick Company.	No	No	Yes

Sr.	Description	Details		
a.	Name of Company	Sterlite Opportunities and Ventures Limited		
b.	Date of Incorporation	11th January 2002		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	260	260	4,100
e.	Total Income (Rs. Lacs)	1,550	3,850	4,800
f.	Profit After Tax (PAT) (Rs. Lacs)	(320)	1,770	4,720
g.	Earnings Per Share (EPS) (Rs.)	N.A.	0.2	0.44
h.	Net Asset Value (NAV) (Rs. Lacs)	(2,390)	(620)	4,100
i.	Whether this is a sick Company.	No	No	No

Sr.	Description	Details		
a.	Name of Company	Monte Cello BV, Netherlands		
b.	Date of Incorporation	24-Sep-97		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	5,035.62	5,318.52	5,035.62
e.	Total Income (Rs. Lacs)	678.96	282.90	-
f.	Profit After Tax (PAT) (Rs. Lacs)	622.38	282.90	(282.90)
g.	Earnings Per Share (EPS) (Rs.)	6,820.27	16,199.93	-
h.	Net Asset Value (NAV) (Rs. lacs)	5,035.62	5,318.52	5,035.62
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	Copper Mines of Tasmania Pty Ltd, Australia		
b.	Date of Incorporation	18th July 1994		
c.	Nature of Business	Mining and processing of Copper Concentrate		
		Financial Year Ended 31st March		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. lacs)	(30,761.16)	(23,513.04)	(12,935.64)
e.	Total Income (Rs. lacs)	24,102.60	38,494.80	40,991.76
f.	Profit After Tax (PAT) (Rs. lacs)	(520.20)	7,248.12	4,092.24
g.	Earnings Per Share (EPS) (Rs. lacs)	N.A.	3,641.40	2,046.12
h.	Net Asset Value (NAV) (Rs. lacs)	(30,761.16)	(23,513.04)	(12,935.64)
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details
a.	Name of Company	Thalanga Copper Mines Pty Ltd, Australia
b.	Date of Incorporation	06-Nov-69

c.	Nature of Business	Mining and processing of Copper Concentrate		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	10,785.48	11,028.24	14,634.96
e.	Total Income (Rs. Lacs)	13,455.84	10,750.80	7,525.56
f.	Profit After Tax (PAT) (Rs. Lacs)	485.52	242.76	3,502.68
g.	Earnings Per Share (EPS) (Rs.)	80.98	43.59	605.37
h.	Net Asset Value (NAV) (Rs. lacs)	10,785.48	11,028.24	14,634.96
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	Monte Cello NV, Netherland		
b.	Date of Incorporation	12-Dec-93		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		31-Dec-03	**2005***	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	4,208.67	4,208.67	4,208.67
e.	Total Income (Rs. Lacs)	-	-	-
f.	Profit After Tax (PAT) (Rs. Lacs)	-	-	-
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	4,208.67	4,208.67	4,208.67
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

**15 months ended*

Sr.	Description	Details		
a.	Name of Company	Konkola Copper Mines Plc, Zambia		
b.	Date of Incorporation	31-Mar-00		
c.	Nature of Business	Mining of Copper		
		Financial Year Ended 31st March		
		31-Dec-04	**2005***	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	152,470.53	160,346.16	186,681.60
e.	Total Income (Rs. Lacs)	230,810.13	289,898.19	295,231.95
f.	Profit After Tax (PAT) (Rs. Lacs)	13,126.05	20,876.67	47,462.13
g.	Earnings Per Share (EPS) (Rs.)	1.25	1.67	4.17
h.	Net Asset Value (NAV) (Rs. lacs)	152,470.53	160,346.16	186,681.60
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

**15 months ended*

Sr.	Description	Details
a.	Name of Company	Twinstar Holdings Limited, Mauritius
b.	Date of Incorporation	12-Jan-93
c.	Nature of Business	Investment
		Financial Year Ended 31st March

		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	10,459.17	256,937.22	259,645.77
e.	Total Income (Rs. Lacs)	2,958.57	2,125.17	3,250.26
f.	Profit After Tax (PAT) (Rs. Lacs)	(21,251.70)	1,166.76	2,708.55
g.	Earnings Per Share (EPS) (Rs.)	N.A.	0.96	2.21
h.	Net Asset Value (NAV) (Rs. lacs)	10,459.17	256,937.22	259,645.77
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	Vedanta Resource Finance Ltd, UK		
b.	Date of Incorporation	25-Nov-04		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	-	209,058.39	209,058.39
e.	Total Income (Rs. Lacs)	-	-	-
f.	Profit After Tax (PAT) (Rs. Lacs)	-	-	-
g.	Earnings Per Share (EPS) (Rs.)	-	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	-	209,058.39	209,058.39
i.	Whether this is a sick Company.	-	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	Vedanta Resources Cyprus Ltd, Cyprus		
b.	Date of Incorporation	03-Nov-04		
c.	Nature of Business	Investment		
		Financial Year Ended 31st January		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	-	145,594.98	192,265.38
e.	Total Income (Rs. Lacs)	-	875.07	83.34
f.	Profit After Tax (PAT) (Rs. Lacs)	-	1,000.08	(17,084.70)
g.	Earnings Per Share (EPS) (Rs.)	-	12,093.22	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	-	145,594.98	192,265.38
i.	Whether this is a sick Company.	-	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	Vedanta Resources Holdings Ltd, UK		
b.	Date of Incorporation	12-May-03		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	6,500.52	262,229.31	257,687.28

e.	Total Income (Rs. Lacs)	-	41.67	166.68
f.	Profit After Tax (PAT) (Rs. Lacs)	-	(1,333.44)	(6,708.87)
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	6,500.52	262,229.31	257,687.28
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	**Description**	**Details**		
a.	Name of Company	Vedanta Finance Jersey Ltd, Jersey		
b.	Date of Incorporation	17-Jan-06		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	-	-	-
e.	Total Income (Rs. Lacs)	-	-	1,666.80
f.	Profit After Tax (PAT) (Rs. Lacs)	-	-	-
g.	Earnings Per Share (EPS) (Rs.)	-	-	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	-	-	-
i.	Whether this is a sick Company.	-	-	N.A.

Sr.	**Description**	**Details**		
a.	Name of Company	Sterlite Gold Limited		
b.	Date of Incorporation	22-Apr-49		
c.	Nature of Business	Acquiring, exploring and developing mineral resource properties as well as operating gold mines		
		Financial Year Ended 31st December		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	19,293.21	16,542.99	13,584.42
e.	Total Income (Rs. Lacs)	-	83.34	375.03
f.	Profit After Tax (PAT) (Rs. Lacs)	(125.01)	(291.69)	(3,000.24)
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	19,293.21	16,542.99	13,584.42
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	**Description**	**Details**		
a.	Name of Company	First Dynasty Mines Armenia Ltd, Cayman Islands		
b.	Date of Incorporation	13-Mar-98		
c.	Nature of Business	Exploring, developing and operating gold mines		
		Financial Year Ended 31st December		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	416.70	333.36	333.36
e.	Total Income (Rs. Lacs)	-	41.67	41.67

f.	Profit After Tax (PAT) (Rs. Lacs)	208.35	(83.34)	-
g.	Earnings Per Share (EPS) (Rs.)	198.35	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	416.70	333.36	333.36
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	First Dynasty Mines (USA) LLC Delaware, USA		
b.	Date of Incorporation	14-May-97		
c.	Nature of Business	Investment		
		Financial Year Ended 31st December		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	0.0	0.0	0.0
e.	Total Income (Rs. Lacs)	-	-	-
f.	Profit After Tax (PAT) (Rs. Lacs)	-	-	-
g.	Earnings Per Share (EPS) (Rs.)	-	-	-
h.	Net Asset Value (NAV) (Rs. lacs)	0.0	0.0	0.0
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	Aarat Gold Recovery Company LLC, Armenia		
b.	Date of Incorporation	01-Jan-99		
c.	Nature of Business	Exploring, developing and operating gold mines		
		Financial Year Ended 31st December		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	10,167.48	3,416.94	1,833.48
e.	Total Income (Rs. Lacs)	11,167.56	8,459.01	3,750.30
f.	Profit After Tax (PAT) (Rs. Lacs)	(2,750.22)	(6,250.50)	(1,583.46)
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	10,167.48	3,416.94	1,833.48
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	AGRC Services Ltd, Cayman Islands		
b.	Date of Incorporation	23-Apr-98		
c.	Nature of Business	Accounting, Procurement and Administration services		
		Financial Year Ended 31st December		
		2004	2005	2006
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	(916.74)	(1,041.75)	(1,041.75)
e.	Total Income (Rs. Lacs)	-	-	-
f.	Profit After Tax (PAT) (Rs. Lacs)	(208.35)	(125.01)	-
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.

h.	Net Asset Value (NAV) (Rs. lacs)	(916.74)	(1,041.75)	(1,041.75)
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	Twinstar International Limited, Mauritius		
b.	Date of Incorporation	09-Apr-03		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	17,043.03	17,293.05	24,960.33
e.	Total Income (Rs. Lacs)	17,043.03	291.69	7,708.95
f.	Profit After Tax (PAT) (Rs. Lacs)	17,043.03	250.02	7,667.28
g.	Earnings Per Share (EPS) (Rs.)	340.65	5.08	153.64
h.	Net Asset Value (NAV) (Rs. lacs)	17,043.03	17,293.05	24,960.33
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	Welter Trading Limited, Cyprus		
b.	Date of Incorporation	11-May-06		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	N.A.	N.A.	N.A.
e.	Total Income (Rs. Lacs)	N.A.	N.A.	N.A.
f.	Profit After Tax (PAT) (Rs. Lacs)	N.A.	N.A.	N.A.
g.	Earnings Per Share (EPS) (Rs.)	N.A.	N.A.	N.A.
h.	Net Asset Value (NAV) (Rs. lacs)	N.A.	N.A.	N.A.
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

Sr.	Description	Details		
a.	Name of Company	First Dynasty Mines Holding Company Ltd, British Virgin Islands		
b.	Date of Incorporation	July 19, 1995		
c.	Nature of Business	Investment		
		Financial Year Ended 31st March		
		2004	**2005**	**2006**
d.	Equity capital, Reserves (excluding revaluation reserves) (Rs. Lacs)	0.0	0.0	0.0
e.	Total Income (Rs. Lacs)	-	-	-
f.	Profit After Tax (PAT) (Rs. Lacs)	-	-	-
g.	Earnings Per Share (EPS) (Rs.)	-	-	-
h.	Net Asset Value (NAV) (Rs. lacs)	0.0	0.0	0.0
i.	Whether this is a sick Company.	N.A.	N.A.	N.A.

5.18 Relationship between the Acquirers and the PAC:

Westglobe Limited, Mauritius is a wholly owned subsidiary of Richter Holding Limited, Cyprus. Both the companies, Westglobe and Richter are indirect wholly-owned subsidiaries of Vedanta Resources Plc. The Acquirers and the PAC are a part of the Vedanta Group, a diversified industrial group based out of United Kingdom with interests in metals and mining and operations spanning the globe with significant interests in India.

5.19 There has been no agreement or arrangement between the Acquirers and PAC for acquiring the shares in the open offer.

5.20 Except to the extent that may be required (i) in the ordinary course of business of the Target Company and/or (ii) for the purposes of restructuring, rationalising and/or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company, the Acquirers and the PAC currently do not intend to sell, dispose of or otherwise encumber any assets of the Target Company in the succeeding two years.

5.21 Further, except with the prior approval of shareholders of Sesa Goa and to the extent required by the SEBI (SAST) Regulations and applicable laws, the Acquirers and the PAC undertake not to sell, dispose off or otherwise encumber any substantial assets of Sesa Goa.

6 DISCLOSURE UNDER REGULATION 21(2)

As per the listing agreement with the BSE and the NSE, the Target Company is required to maintain at least 10% public shareholding for listing on a continuous basis. Assuming full acceptances of the Offer, the public shareholding in the Target Company would not be reduced below the minimum level required under the Listing Agreement. This is in compliance with Regulation 21(2).

7 BACKGROUND OF THE TARGET COMPANY

7.1 Sesa Goa Limited was incorporated as a private limited company under the name Sesa Goa Private Limited, on June 25, 1965. On April 16, 1981, Sesa Goa became a public limited company and its name was changed to Sesa Goa Limited. The registered office and corporate office of Sesa Goa is located at Sesa Ghor, 20 EDC Complex, Patto, Panaji, Goa 403 001, India. Tel. No.: +91 832 2460600; Fax: +91 832 2460721.

7.2 Sesa Goa Limited carries on the business of mining, beneficiation, export of iron ore, shipping, shipbuilding and manufacture and marketing of metallurgical coke.

7.3 The Company was originally established under the name of Sesa Goa Limitada in Panaji, Goa on 5th February, 1954 as a ‘Sociedade por Quotas Responsabilidade Limitada’ under the Portuguese Commercial Code. With the application of the Companies Act, 1956 (’the Act’) to Goa in the year 1963, the Company was incorporated under the Act, in 1965, as a private limited company. In April 1979, another fully owned subsidiary of Finsider S.p.A., M/s. Mingoa Private Limited, which was also operating in Goa in the business of mining and export of iron ore, - was merged with Sesa Goa Private Limited. This scheme of amalgamation was approved by the Court of the Judicial Commissioner, Goa, Daman and Diu, Panaji in its order dated March 25, 1980. With the application of the Foreign Exchange Regulations Act, 1973 (FERA) in a scheme of dilution of foreign equity in 1979, Sesa Goa Limited, which was then a private limited company, was converted into a public limited company on April 16, 1981. Thereafter, Finsider International disinvested 60% of its shareholding in Sesa Goa Limited by way of a public offer for sale to the Indian public in the year 1981. Subsequently on January 22, 1982, in the course of restructuring certain subsidiaries in the IRI group, the shares of Sesa Goa Limited were transferred from Finsider S.p.A. to Finsider International S.A., Luxembourg and thereafter to Finsider International Co. Ltd., UK, both subsidiaries within the IRI group. In the early 1990's the Government of India with its policy of economic liberalisation permitted Finsider International (which by then was a subsidiary of Ilva Laminati Piani - a leading manufacturer of steel products, (a part of IRI group of Italy)) to increase its shareholding in the company to 51%.

In 1993, Sesa Industries Ltd. was incorporated in India as a as a Public Limited Company on May 17, 1993 with 51% equity held by Sesa Goa Ltd. for the manufacture of pig iron and generation of electrical energy. Sesa Goa Limited increased its stake to 75.44% in Sesa Industries Limited in 1994 and further to 88.25% in 2003 by way of an offer by Sesa Goa Limited to the shareholders of Sesa Industries Limited. The merger of Sesa Industries Limited with Sesa Goa w.e.f. April 1, 2005, is pending for approval of the Hon’ble High Court of Bombay at Goa.

Sesa Kembla Coke Co. Ltd. was incorporated in India as a Private Limited Company on August 12, 1993 for the manufacture of low ash metallurgical coke with 60% of the shares held by Sesa Goa and 40% held by Kembla Goa Holdings, Mauritius, a 100% subsidiary of the CRA Group of Australia. In 1997, Sesa Kembla Coke Co. Ltd. became a 100% subsidiary of Sesa Goa and was merged with Sesa Goa with effect from April 1, 2004.

In 1995, the ownership of ILVA Laminati Piani S.p.A., Italy, the holding company of Finsider International, the principal shareholder of the Target Company was changed from the IRI Group of the Government of Italy to RIVA ILVA LAMINATI PIANI S.r.l. pursuant to the Italian Government's policy on privatization. In 1996, Mitsui & Co. of Japan, through Earlyguard, UK, bought Finsider International with its 51% equity in Sesa Goa Ltd. and thus the Target Company became a part of Mitsui Group.

7.4 The Scheme of amalgamation for merger of Sesa Industries Ltd with Sesa Goa Limited w.e.f. April 1, 2005 was approved at the board meeting of Sesa Goa Limited held on July 26, 2005 and as per the requirement of clause 24(f) of the listing agreement, Sesa Goa Limited received approval for the proposed merger from BSE and NSE. The shareholders at the Court Convened Meetings held on May 8, 2006 approved the Scheme of Amalgamation with requisite majority. The scheme of amalgamation had proposed a swap ratio of 1 Sesa Goa share : 5 Sesa Industries Limited share. The merger petitions were filed by Sesa Goa and Sesa Industries Limited before the High Court of Bombay at Goa on June 9, 2006. The report of Official Liquidator in Sesa Industries Limited and no objection from the Regional Director, Western Region, Ministry of Company Affairs about the merger have been submitted. Mrs. Krishna H. Bajaj, holding 57,450 equity shares of Sesa Industries Limited (the Transferor Company), has filed her objection to the Scheme of Amalgamation before the High Court of Bombay at Goa. The petitions for merger of Sesa Industries Limited with Sesa Goa Limited were fixed for hearing on June 8, 2007 and in view of various applications/appeals moved in the matter, the Petitions were adjourned from time to time and are now fixed for hearing on August 31, 2007.

In terms of Clause 27 of the Scheme of Amalgamation, both Sesa Goa Limited and Sesa Industries Limited had extended the validity of the Scheme of Amalgamation to July 31, 2007. The validity of the Scheme of Amalgamation has been further extended upto October 31, 2007.

In case, the scheme of amalgamation between Sesa Industries Limited and Sesa Goa Limited is not approved the share capital and the number of for which the open offer is made will remain at 78,72,404 fully paid-up equity shares representing 20% of the paid-up equity share capital.

7.5 Finsider International, promoter of Sesa Goa, holds 2,00,74,824 fully paid-up equity shares in Sesa Goa as on the date of the Public Announcement which constitutes 51.00% of the fully paid-up equity share capital of Sesa Goa.

7.6 Sesa Goa has Mining establishment at Goa, Karnataka & Orissa, and MetCoke Division at Amona – Goa.

7.7 The share capital structure of Sesa Goa as on April 27, 2007 is as under:

Paid up Equity Shares of Sesa Goa	No. of Shares/ voting rights	% of Shares/ voting rights
Fully paid up equity shares	3,93,62,020	100 %
Partly paid up equity shares	Nil	Nil
Total paid up equity shares	3,93,62,020	100 %
Total voting rights in Target Company	3,93,62,020	100 %

7.8 Sesa Goa does not have any outstanding partly-paid shares, convertible instruments, warrants or stock-options. As detailed in section 7.4 above, Sesa Goa has filed a petition which is pending before the High Court of Bombay at Goa for the merger of its subsidiary Sesa Industries Limited with itself with effect from April 1, 2005. In the event that additional Shares are issued, prior to the closure of the Offer, pursuant to the scheme of amalgamation between Sesa Industries Limited and Sesa Goa Limited which is currently pending approval of the High Court of Bombay at Goa, the offer size would be increased in compliance with Regulation 21(1) and 21(5) of the SEBI (SAST) Regulations.

7.9 The build up of current share capital of Sesa Goa is as follows:

Date of allotment	No. and % of shares issued	Cumulative paid up capital	Mode of allotment	Identity of allotees (promoters/ ex-promoters/others)		Status of compliance
10.11.1965	1,000 (100%)	50,000 (Partly paid shares of Rs.500/- each, Rs.50/- per share called up and paid.)	Initial Subscribers	1,000	Promoters	Complied
05.01.1968	20,000* (99.50)	1,00,50,000	Preferential	20,000	Promoters	Complied

11.04.1978	14,000* (40%)	1,75,00,000 (the partly paid up shares were made fully paid up.)	Bonus	14,000	Promoters	Complied
21.05.1980	38,500* (52.38%)	3,67,50,000	Scheme of Amalgamation	38,500	Allotment of shares to Promoters of Rs.500/- each	Complied
* Shares of Rs.500/- each.						
22.01.1982	22,05,000 (60%)	3,67,50,000 **		22,05,000	– Public (1st offer to the public.)	Complied
** 60% of 36,75,000 i.e. 22,05,000 shares were offered to Indian Public by the Promoters by offer for sale and balance 14,70,000 shares held by Promoters representing 40% of the paid-up capital.						
12.12.1986	14,70,000 (28.57%)	5,14,50,000	Bonus	5,88,000 8,82,000	– Promoters – Public	Complied
01.02.1992	8,64,360 (11.83%)	7,30,59,000	Preferential Allotment	8,64,360	– Promoters (to maintain stake at 41%.)	Complied
01.02.1992	12,96,540 (17.75%)		Debenture Conversion	12,96,540	– Public	Complied
29.05.1993	73,05,900 (50%)	14,61,18,000	Bonus	29,22,360 43,83,540	– Promoters – Public	Complied
15.03.1994	32,80,200 (18.33%)	17,89,20,000	Preferential Allotment	32,80,200	– Promoters (to increase stake to 51%.)	Complied
04.12.1995 27.03.1997 19.08.1997	17,41,587 44,898 2,525 (9.09%)	19,68,10,100	Rights	9,12,492 8,76,518	– Promoters – Public	Complied
03.03.2005	1,96,81,010 (50%)	39,36,20,200	Bonus	1,00,37,412 96,43,598	– Promoters – Public	Complied

7.10 No equity shares of Sesa Goa are locked-in. Sesa Goa does not have any outstanding convertible instruments or partly paid up shares.

7.11 The Equity Shares of Sesa Goa are listed on:
1. Bombay Stock Exchange Limited w.e.f. 11th March, 1982.
2. National Stock Exchange of India Limited w.e.f. 13th May, 1998.

Sesa Goa is in compliance with the listing requirements on BSE and NSE, and no penal actions have been initiated by BSE or NSE against Sesa Goa. At no point of time in the past, the trading in shares have been suspended by any Stock Exchange. The Equity shares of Sesa Goa were never delisted from BSE and NSE. The Company, after complying with the requirements of SEBI (Delisting of Securities) Guidelines, 2003, voluntarily delisted its Equity Shares from the Mangalore Stock Exchange Limited w.e.f. 13th March, 2004.

7.12 The Target company has complied with Chapter II requirements of the Regulations. Details in this regard have been submitted to SEBI separately. Finsider International, U.K. has been holding shares as promoters from 31.07.1992 till date but no disclosures have been received from them. SEBI may initiate appropriate action against the promoter, Finsider International at a later stage for not complying with the provisions of Chapter II of the Regulations.

7.13 The Directors of Sesa Goa and their addresses are as listed below:

Sr. No.	Name of the Director and residential address	Designation	Date of appointment	Qualification	Experience (No. of years)
1	Mr.S.D. Kulkarni 12, 'Pushkar' B.W. Pathare Marg, Dadar	Chairman	Appointed as Director and Chairman on March 31, 2000.	B.Com. (Hons.), F.C.A.	44 years experience of which over 30 years with

Sr. No.	Name of the Director and residential address	Designation	Date of appointment	Qualification	Experience (No. of years)
	Mumbai -400028				Voltas Ltd. and L & T. Retired as MD & CEO of L & T in April 1999.
2	Mr.P.G. Kakodkar 6 Palm Grove Tonca, Panaji, Goa – 403001.	Director	Appointed as Director on March 31, 2000	M.A.(Economics)	Over 40 years experience in State Bank of India, Retd. as Chairman of SBI. He is currently I.T. and Banking Consultant.
3	Mr.K.R.V. Subrahmanian 8, 'Rushilla', 17-C, Carmichael Road Mumbai 400026.	Director	Appointed as Director on May 22, 2002.	Honours Degree in Economics from University of Madras, Management Education from Urwick Orr and Partners, U.K. and the Columbia University, U.S.A.	50 years experience of which over a decade with Voltas Ltd., a Tata Company & its affiliates and over 28 years with Colour-Chem Limited as Vice Chairman & Managing Director till retirement in September 1995
4	Mr.G.D. Kamat 12/UG-1 Kamat Kinara, Nomoxim Caranzalem, Goa 403002.	Director	Appointed as Director on December 22, 2005.	B.A., L.L.B.	Over 44 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.
5	Mr.M.D. Phal H.No.1832, 'Shahaji' Pundalik Nagar Alto Porvorim Goa – 403 521.	Director	Appointed as Director on January 1, 2002.	M.A. in Personnel Management and Industrial Relations from Tata Institute of Social Sciences, Mumbai	32 years experience in Human Resources function.
6	Mr.A. Pradhan Villa No. 2, Kamat Kinara, P.O. Caranzalem Goa – 403 002.	Wholetime Director	Appointed as Director on July 1, 2000	M.Sc. (Physics) from I.I.T. Delhi	29 years experience in Materials/Project Management.
7	Mr.H.P.U.K. Nair House No. 1012/60, Goa Police Co-operative Housing Society, Zoswaddo,	Wholetime Director	Appointed as Director on February 15, 2005.	B.Tech (Metallurgy) from I.I.T. Madras	34 years experience in Metallurgical Industry

Sr. No.	Name of the Director and residential address	Designation	Date of appointment	Qualification	Experience (No. of years)
	Soccoro, Bardez, Goa 403 501.				
8	Mr.A.K. Rai House No.B-282 Alto Betim Patel Estate, Reis Magos, Goa – 403 501.	Wholetime Director	Appointed as Director on February 1, 1999.	B.Sc. in Mining Engineering from Banaras Hindu University	31 years experience in the field of Mining.
9	Mr. P.K. Mukherjee, H.No.8/290 Near All India Radio, Altinho Panaji, Goa - 403001	Managing Director	Appointed as Director on July 1, 2000 and Managing Director from April 1, 2006.	F.C.A., A.I.C.W.A.	27 years experience in Finance, Accounts, Costing Taxation and Legal

Mr. H. Takani, Mr. A. Tanaka and Mr. I. Funaki, also were directors of the company as on the PA date but have resigned as directors w.e.f. April 23, 2007 and their resignations accepted at Board Meeting held on April 28, 2007.

7.14 Details regarding merger, de-merger relating to Sesa Goa Ltd., during the last three years:

- Sesa Kembla Coke Co. Ltd., a wholly owned subsidiary, was merged with the Company w.e.f. April 1, 2004 pursuant to the order dated February 4, 2005 of High Court of Bombay at Goa.
- The merger of Sesa Industries Limited, a Subsidiary Company, in which Sesa Goa Limited holds 88.25%, with Sesa Goa Limited w.e.f. 1st April, 2005, is pending for approval of Hon'ble High Court of Bombay at Goa. (please refer to section 7.4 for more details)

7.15 Selected financial data from Sesa Goa's financial statements is provided below:

(Amount in Rs. lakhs)

Profit & Loss Statement	2003-04	2004-05	2005-06	Interim Results 31.03.2007
Income from operations	56,709.96	1,40,936.15	1,70,697.58	2,00,511.83
Other Income	610.60	1,448.22	2,778.64	4,432.55
Total Income	57,320.56	1,42,384.37	1,73,476.22	2,04,944.38
Total Expenditure	40,700.74	70,533.38	89,976.45	1,11,779.04
Profit Before Depreciation Interest and Tax	16,619.82	71,850.99	83,499.77	93,165.34
Depreciation	1,599.59	2,559.61	2,465.85	3,127.87
Interest	741.92	549.51	325.7	37.95
Profit Before Tax	14,278.31	68,741.87	80,708.22	89,999.52
Provision for Tax	4,400.00	22,504.10	26,768.00	29,344.00
Profit After Tax	9,878.31	46,237.77	53,940.22	60,655.52

(Amount in Rs. lakhs)

Balance Sheet Statement	2003-04	2004-05	2005-06	Interim Results 31.03.2007
Sources of funds				
Paid up share capital	1,968.10	3,936.20	3,936.20	3,936.20
Reserves and Surplus (excluding revaluation reserves)	29,582.84	68,489.21	1,04,476.41	1,58,227.73
Networth	**31,550.94**	**72,425.41**	**1,08,412.61**	**1,62,163.93**
Secured loans	5,386.37	110.71	21.16	-
Unsecured loans	2,403.95	1,545.49	961.61	-
Deferred Tax Liability	3,375.90	4,920.00	4,780.00	5,210.00
Total	**42,717.16**	**79,001.61**	**1,14,175.38**	**1,67,373.93**
Uses of funds				
Net fixed assets	19,473.93	28,745.37	32,905.18	39,883.47
Investments	6,695.13	34,596.13	51,616.09	86,781.12
Net current assets	16,292.38	15,639.50	29,654.11	40,709.34

Total miscellaneous expenditure not written off	255.72	20.61	-	-
Total	**42,717.16**	**79,001.61**	**1,14,175.38**	**1,67,373.93**

Other Financial Data	2003-04	2004-05	2005-06	Interim Results
Dividend (%)	100%	225%	400%	150% (interim Dividend)
Earning Per Share	50.19	117.47	137.04	154.1
Return on Networth *	31.31	63.84	49.75	37.4
Book Value Per Share	160.31	184.00	275.43	411.98

** Networth considered as year end closing Networth.*
(Source: Annual Reports of Sesa Goa, Company)
** The interim financials have been subject to limited review by the Auditors of Sesa Goa, M/s. S. J. Thaly & Co., Chartered Accountants, Panaji, Goa.*

Significant Accounting Policies

i) Accounting Concept
These accounts are prepared on historical cost convention and in accordance with the provisions of the Companies Act, 1956.

ii) Revenue Recognition
The Sale of Ore is accounted after considering adjustments on final invoices received upto the year end. Revenue in respect of contracts for services is recognised on completion of services. Sales are accounted net of sales tax, wherever applicable.

iii) Treatment of Retirement Benefits
a) Contributions are made to Provident Fund, Pension Fund and Employees' Deposit Linked Insurance Scheme at the prescribed rates and are charged to the Profit & Loss Account at actuals.
b) Provision for 'Gratuity' and the 'Benefit of Leave Encashment on Retirement' are done on the basis of actuarial valuation made at the end of the year.
c) Contribution to the Superannuation Fund is done at the rates as per Company's Scheme and charged to the Profit & Loss Account at actuals.

iv) Investments
Long term Investments are stated at cost, except where there is a permanent diminution in value, in which case the carrying value is reduced appropriately. Current investments are stated at cost or fair value, whichever is lower.

v) Inventories
Consumable stores and spares are valued at cost determined on the basis of weighted average method. Work in Progress and Stock of Iron Ore and Metallurgical Coke are valued at cost or market value, whichever is lower. The above valuation is in accordance with the relevant Accounting Standard (AS) issued by The Institute of Chartered Accountants of India (ICAI).

vi) Translation of Foreign Currencies
Monetary assets and liabilities related to the foreign currency transactions remaining unsettled at the end of the year and not covered by forward exchange contracts are translated at the year end rates. Foreign currency transactions covered by forward exchange contracts are translated at the rate ruling at the date of transaction and increased or decreased by the proportionate difference between the forward rate and the exchange rate on the date of transaction, such difference having been recognized over the life of the contract. The differences in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the profit and loss account.

vii) Fixed Assets
Fixed Assets except for the leasehold mine at Karnataka, are stated at their original cost alongwith taxes, duties (net of Modvat/Cenvat availed, if any), freight and pre-operative expenses, if any, including interest on borrowing upto the date of commissioning for operation, attributable to acquisition/construction of the concerned assets. The Iron Ore reserves of the leased mine located in Karnataka was valued and shown as Fixed Assets by erstwhile A. Narrain Mines Ltd. (ANML). The company continues to show the value of the said Mining Lease as Fixed Assets after merger of said ANML. The Company's other mining leases having ore reserves, however, are not valued.

viii) Borrowing costs
Borrowing costs attributable to the acquisition or construction of assets are capitalised. All other borrowing costs including exchange differences on foreign currency loans are charged to revenue in accordance with relevant AS of ICAI.

ix) Depreciation
Depreciation except on the leasehold mine at Karnataka, and in respect of vehicles, furniture and computers is provided for on Straight Line Method (SLM) at the rates specified in the Companies

Act, 1956. In respect of vehicles, furniture and computers depreciation has been charged on SLM method at the rate of 20%, 10% and 30% respectively to bring it in line with the useful life of the assets. The value of Mining Lease at Karnataka is amortized under depreciation in line with actual quantity of ore extracted therefrom. 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.

x) Research & Development

Revenue expenditure on Research and Development is charged off fully under the respective heads of account in the Profit & Loss Account of the year in which it is incurred.

xi) Deferred Revenue Expenditure

Deferred revenue expenditure in respect of payments under Voluntary Retirement Scheme is being amortized over a period of thirty six months.

xii) Prior period adjustments

Income and expenditure pertaining to prior period have been accounted under respective heads of account in Profit & Loss Account. However net effect of such amount, where material, is disclosed separately in Notes to Accounts.

xiii) Segment reporting

The Company is in the business of mining and sale of a iron ore and manufacture and sale of Metallurgical Coke. All the company's establishments are located in one country i.e. India. The revenues other than ’sale of ore‘ and ’metallurgical coke’ are either incidental to the above two business or of non-recurring nature. Therefore, the company operates in two 'business/ geographical segments', as envisaged in AS 17 issued by the ICAI.

xiv) Taxes on Income

Income Tax expense comprises of current tax and deferred tax (charge or credit). Current tax is measured at the amount expected to be paid using the applicable tax rates and tax laws. Deferred tax on timing differences is recognised and the corresponding deferred tax asset and liability is measured in accordance with the requirements of AS 22.

xv) Accounting for Government Grants

Government Grants/subsidies received are accounted for in accordance with AS 12 issued by the ICAI.

7.16 The Primary reasons for fall/rise in Total Income and Profits after Tax are as follows:

2005-06: International prices went up by 71.5% on FOB basis. However the company could achieve an increase in realization of about 60% on an average on its direct exports on FOB basis because of higher ocean freight on Europe sales, lower increase in price from Chinese customers on an average due to the contractual prices being already higher than the benchmark price, and stable spot prices in Chinese markets as compared to the previous year. The reduction in the metcoke division turnover is on account of lower sales realizations consequent to decrease in international prices of coke. The increase in profits after tax were on accounts of better margins on the sales of iron ore partially offset by lower sales volumes, and decrease in the metcoke division profitability .

2004-05: The increase in sales in the iron ore segment is on account of increase in the iron ore prices and higher volumes. The international prices went up by 18.62 % on FOB basis. However, the company could negotiate higher increases from many of its FOB customers including those from China ,and in respect of indirect exports. The results of the metallurgical coke business were included for the first time during the year (consequent to the merger of Sesa Kembla Coke Co. Ltd.), and there has been an increase in turnover on account of the same. The increase in profits after tax were on account of the better margin on sales of iron ore and the added profitability of the metcoke division.

7.17 The equity shareholding in the Target Company before the Offer and after the Offer (assuming full acceptances in the Offer) is given in the table below:

Shareholders' category	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shares /voting rights agreed to be acquired which triggered off the Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
	(A)		**(B)**		**(C)**		**(A)+(B)+(C)=(D)**	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter group								
1. Parties to agreement, if any **2.** Promoters other than (a) above(Finsider International Company Ltd.#)	2,00,74,824	51.00	-	-	-	-	2,00,74,824	51.00
Total 1(a+b)	**2,00,74,824**	**51.00**	**-**	**-**	**-**	**-**	**2,00,74,824**	**51.00**
(2) Acquirers								
1. Main Acquirer@ Westglobe Limited, Mauritius and Richter Holding Limited, Cyprus	-	-	-	-	78,72,404	20.00	78,72,404	20.00
2. PACs Vedanta Resources Plc., U.K.	-	-	-	-	-	-	-	-
Total 2(a+b)	**-**	**-**	**-**	**-**	**78,72,404**	**20.00**	**78,72,404**	**20.00**
(3) Parties to agreement other than(1) (a) & (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(4) Public (other than parties to agreement, acquirers & PACs)								
a. FIs/ MFs/ FIIs/ Banks/ SFIs **b.** Others (No. of Public shareholders: 50,036)	1,16,02,057 76,85,139	29.47 19.53	-	-	-78,72,404	-20.00	*	29.00
Total (4)(a+b)	**1,92,87,196**	**49.00**	**-**	**-**	**-78,72,404**	**-20.00**	**1,14,14,792**	**29.00**
GRAND TOTAL (1+2+3+4)	3,93,62,020	100.00	-	-	-	-	3,93,62,020	100.00

Notes:

@In the event that additional Shares are issued, prior to the closure of the Offer, pursuant to the scheme of amalgamation between Sesa Industries Limited and Sesa Goa Limited which is currently pending approval of the High Court of Bombay at Goa, the offer size would be increased in compliance with Regulation 21(1) and 21(5) of the SEBI (SAST) Regulations.

** The entire 20% shares of the Target Company envisaged to be acquired by the Acquirers would be from the categories of the shareholders mentioned in 4(a) and 4(b) above and therefore the post offer holding of these shareholders are not ascertainable at this stage and would depend on the quantum of acceptance received from them*

 # The shareholding pattern of Finsider International is as follows:

Richter Holding Limited	–	*60%*
Westglobe Limited	–	*40%*
Total	–	*100%*

7.18 Details about change in promoters' shareholding since beginning.

The promoters first offered equity shares in Sesa Goa Limited in January 1982 to the public. The promoter, Finsider International S.A. Luxembourg in July 1982 transferred its 40% holding in Sesa Goa to Finsider International, who since then is holding 51% in the paid-up share capital of the Company.

Sr. No.	Date of allotment	No. of shares	Mode of allotment	Status
1	10.11.1965	1,000 shares of Rs. 500/- each (Rs. 50/- per share called up and paid)	As subscribers to Memorandum	Complied
2	05.01.1968	20,000 shares of Rs.500/- each	Preferential consideration in cash	Complied
3	11.04.1978	14,000 shares of Rs. 500/- each	Bonus Issue	Complied
4	21.05.1980	38,500 shares of Rs. 500/- each	Pursuant to scheme of Amalgamation	Complied
In March 1981 each share of Rs. 500/- was subdivided in to each share of Rs. 10/- fully paid and promoters held 36,75,000 shares of Rs. 10/- each of which 60% of 36,75,000 i.e. 22,05,000 shares were offered to Indian Public by the Promoters by offer for sale and balance 14,70,000 shares held by Promoters representing 40% of the paid-up capital.				

5	12.12.1986	5,88,000 shares of Rs. 10/- each	Bonus Issue	Complied
6.	01.02.1992	8,64,360 shares of Rs. 10/- each	Preferential allotment to maintain stake at 40%	Complied
7	29.05.1993	29,22,360 shares of Rs. 10/- each	Bonus Issue	Complied
8	15.03.1994	32,80,200 shares of Rs. 10/- each	Preferential allotment to increase stake to 51%	Complied
9	04.12.1995	9,12,492 shares of Rs. 10/- each	Rights Issue	Complied
10	03.03.2005	1,00,37,412 shares of Rs. 10/- each	Bonus Issue	Complied
	TOTAL	**2,00,74,824 shares of Rs. 10/- each**		

7.19 The Company has complied with Clause 49 of the Listing Agreement with BSE and NSE relating to Corporate Governance. Quarterly reports on compliance of Corporate Governance have been filed with BSE and NSE.

The Company's Report on Corporate Governance for the year ended 31st March, 2007 is given below:

1. Company's Philosophy on Code of Corporate Governance

The Corporate Governance philosophy of Sesa is driven by its strong belief that good governance is a key driver for sustainable business operations. Sesa is committed to highest levels of transparency, accountability, integrity and equity in its operations and interactions with all stakeholders.

Sesa is focused to ensure utmost safety in all its operations with strong commitment to adopt best practices for management of the environment and development of the society in which it operates. Sesa family is committed to high levels of productivity/technical efficiency with innovative practices, timely delivery of quality product to all its customers and best treatment to all its vendors / contractors who are partners in the value chain of Sesa's business.

The Company has put in place Code of Conduct for all Directors and General Managers, guidelines for Compliance with the Prevention of Insider Trading and Whistle Blower Policy.

2. Board of Directors

The composition of the Board of Directors is as follows:
• 4 promoter, Executive Directors
• 8 Non-Executive Directors elected at the Annual General Meeting (one of whom is independent non -executive Chairman)

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

Name of Directors	Category	No. of meetings held	Attendance Particulars		Number of other Directorships and Committee Memberships		
			Board Meeting	Last AGM	Other Director-Ships *	Committee Member-Ships**	Committee Chairman-Ship**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
S.D Kulkarni	C –NED	7	6	Yes	4	4	2
P.G. Kakodkar	NED	7	6	Yes	11	3	3
K.R.V. Subrahmanian	NED	7	5	Yes	7	3	5
G. D. Kamat	NED	7	7	Yes	-	1	-
Mr. K. Sakurai (resigned w.e.f. October 27, 2006)	NED	3	1	-	-	1	-
Mr. H. Takani (appointed w.e.f April 29, 2006)	NED	7	5	Yes	-	1	-
Mr. Akira Tanaka (appointed w.e.f April 29, 2006)	NED	7	1	No	-	-	-
Mr. Y. Takahashi (ceased to be a Director w.e.f. April 29, 2006)	NED	-	-	-	-	-	-
Mr. I. Funaki (appointed w.e.f October 27, 2006)	NED	4	0	No	-	-	-
M. D Phal	NED	7	6	Yes	1	-	-

A. Pradhan	WTD	7	7	Yes	1	1	-
H.P.U.K. Nair	WTD	7	7	Yes	1	1	-
A.K. Rai	WTD	7	7	Yes	-	-	-
L. A. Dean (ceased to be Director w.e.f. April 1, 2006)	MD	-	-	-	-	-	-
P.K. Mukherjee (Appointed as Managing Director w.e.f. April 1, 2006)	MD	7	7	Yes	1	1	-

C : Chairman, NED: Non Executive Director, WTD: Wholetime Director, MD: Managing Director

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

***In accordance with Clause 49 of the Listing Agreement, Memberships/Chairmanships of only the Audit Committees and Shareholders/Investors Grievance Committees of all public limited companies have been considered*

Mr. H. Takani, Mr. A. Tanaka and Mr. I. Funaki, also were directors of the company as on the PA date but have resigned as directors w.e.f. 23rd April, 2007 and their resignations accepted at Board Meeting held on April 28, 2007.

.None of the Directors of the Company is a member of more than Ten Committees and Chairman of more than Five Committees across all the Companies in which he is 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:

7 Board meetings were held during the financial year ended 31st March, 2007. The dates on which the Board Meetings were held are as follows:

April 29, 2006, July 26, 2006, October 27, 2006, December 22, 2006, January 29, 2007, February 10, 2007 and March 24, 2007.

Shareholdings of Non-Executive Directors in the Target Company as on 31st March, 2007 are as under:-

Name	No. of Equity shares held	% of Paid-up-Capital
Mr. S.D. Kulkarni	668	-

As required in the Listing Agreement, brief resume of the Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting is provided in the Notice convening the Annual General Meeting.

3. Audit Committee

Audit Committee comprise the following 3 independent non-executive Directors.
- P.G. Kakodkar - Chairman
- S. D. Kulkarni
- G. D. Kamat (w.e.f. 24.03.2007)

Mr K. Sakurai ceased to be a member of the Audit Committee effective from 27.10.2006 following resignation from the Company’s Board. All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise. The composition of the Committee is in conformity with clause 49(II)(A) of the Listing Agreement. Minutes of the Audit Committee Meetings are circulated to the members of the Board. The terms of reference is as prescribed in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Five Audit Committee Meetings were held during the financial year ended 31st March, 2007. The dates on which the said meetings were held are April 29, 2006, July 26, 2006, October 27, 2006, January 29, 2007 and March 24, 2007. Mr. P.G. Kakodkar and Mr S. D. Kulkarni attended four meetings. Mr. G. D. Kamat and Mr. K Sakurai attended one meeting. Mr. H Takani attended two meetings. The representatives of Statutory Auditors and Internal Auditors, Mr. P. K. Mukherjee, Managing Director and Ms. Lalita Correia Afonso, General Manager Finance & Accounts, attended the meetings as invitees. Mr. C. D. Chitnis, Company Secretary & G.M. – Legal acts as the Secretary to the Committee. The Chairman of the Audit Committee Mr. P. G. Kakodkar was present at the last Annual General Meeting held on December 22, 2006. Mr. H. Takani have resigned as director w.e.f. 23rd April, 2007 and their resignations accepted at Board Meeting held on April 28, 2007.

4. Remuneration Committee

Remuneration Committee comprise the following 2 independent non-executive Directors.
• S.D.Kulkarni -- Chairman
• P.G. Kakodkar

Mr K Sakurai ceased to be a member of the Remuneration Committee effective from 27.10.2006 following resignation from the Company's Board. Minutes of the Remuneration Committee Meetings are circulated to the members of the Board. The Remuneration Committee determines and recommends to the Board, compensation payable to the Wholetime Directors, based on defined performance criteria. Two meetings of the Remuneration Committee were held during the financial year ended 31st March 2007 i.e., on 29th April, 2006 and 24th March, 2007. Mr. S. D. Kulkarni attended one meeting .Mr. P.G. Kakodkar attended both the meetings. Mr. K. Sakurai and Mr. H. Takani attended one meeting each. The Chairman of the Remuneration Committee, Mr.S.D. Kulkarni, who is also the Chairman of the Board, was present at the last Annual General Meeting of the Company held on 22nd December, 2006. Mr. H. Takani have resigned as director w.e.f. 23rd April, 2007 and their resignations accepted at Board Meeting held on April 28, 2007.

Remuneration policy:

Non-Executive Directors - Remuneration of the Non-Executive Directors (NEDs) of the Company is decided by the Board of Directors. The NEDs resident in India other than Wholetime Directors of Subsidiary Company are paid remuneration by way of sitting fees and commission. The payment of commission to individual NEDs is determined by the Board and is broadly based on attendance, contribution at the Board Meetings and various Committee Meetings as well as time spent on various issues other than at the aforesaid meetings. The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during financial year 2006-2007.

Sitting Fees - The Company pays Sitting Fees for attending Board and Committee Meetings to the Directors other than the Managing/Wholetime/Non-Resident Directors and the Wholetime Directors of the Subsidiary Company, Sesa Industries Limited.

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

5. Shareholders/Investors Grievance Committee

The Shareholders/Investors Grievance Committee comprise one independent, non-executive Director and the Managing Director.
• Mr. P.G. Kakodkar -- Chairman
• Mr. P.K. Mukherjee

The Committee reviews investor related issues and recommends measures to improve investor services. Minutes of the Shareholders/Investors Grievance Committee Meetings are circulated to the members of the Board. The Committee met four times during the financial year ended 31st March, 2007 i.e., on 29th April, 2006, 26th July, 2006, 27th October, 2006 and 24th March, 2007. Mr. P.G. Kakodkar and Mr. P. K. Mukherjee attended all the four meetings.

The transfer of equity shares of the Company are approved by the Share Transfer Committee The Committee meets fortnightly to approve share transfers. The Committee comprise the following Executive and Non – Executive Directors of the Company :
• Mr. P.K. Mukherjee - Managing Director
• Mr. A. K Rai - Executive Director
• Mr. Amit Pradhan - Executive Director
• Mr. M. D. Phal - Non-Executive Director
Mr. C.D. Chitnis, Company Secretary and General Manager - Legal is the Compliance Officer who can be contacted at - Sesa Ghor, Patto, Panaji – Goa. Phone: + 91 832 2460720 Fax : + 91 832 2460721. email: cdchitnis@sesagoa.com

6. General Body Meetings

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

Year	AGM	Location	Date	Time
2003-2004	AGM	Hotel Mandovi, Panaji Goa	28/7/2004	11.00 A.M.
2004-2005	AGM	Dinanath Mangeshkar Kala Mandir Auditorium at Kala Academy, Panaji, Goa	27/7/2005	11.00 A.M

2005-2006	AGM	Goa Marriott Resort, Miramar, Panaji Goa	22/12/2006*	11.00 A.M

** Necessary approval was received from Registrar of Companies, Goa for extension of time for holding Annual General Meeting up to 27/12/2006.*

No special resolution was put through postal ballot during the year ended 31st March, 2007.

7. 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

Following an inspection u/s 209 A of the Companies Act, 1956 during the year 2005-2006, violations of certain provisions of the Companies Act and Clause 49 of the Listing Agreement by the Company and/or its Directors had been alleged which were appropriately replied to. No penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

8. Non-Mandatory Requirements:

The Company has complied with all the mandatory requirements of the Code of Corporate Governance set out in Clause 49 of the Listing Agreement. The status of compliance with Non-Mandatory requirements is as under:-

• The requirement relating to tenure of independent directors to be on the Board of a Company shall be implemented when appropriate.
• The Company has set up a Remuneration Committee which complies with the requirements laid down in the Code of Corporate Governance. The broad terms of reference of the Committee are to appraise the performance of Managing/Executive Directors, determine and recommend to the Board, compensation payable to them., details of which are included in Item 4 of this Report.
• The quarterly and half-yearly results of the Company are posted on the Company's website.
• Requirement relating to training of Board Members shall be implemented when appropriate . However, if any Director requests for training , the same shall be considered.
• The Company has adopted and implemented Whistle Blower Policy.

7.20 The following are the major pending litigation matters involving or against Sesa Goa as of the date of PA:

a) Dead rent on deemed mining leases for the period from 20-12-1962 to 23-5-1987 amounting to Rs. 0.989 million and royalty for the period from 20-12-1961 to 30-9-1963 amounting to Rs. 1.217 million sought to be levied by the Government pursuant to the Goa, Daman & Diu Mining Concessions (Abolition & Declaration as Mining Leases) Act, 1987, challenged by Special Leave Petition before Supreme Court of India.
b) Claims related to commercial and employment contracts Rs. 23.315 million.
c) A civil suit claiming a damage of a minimum amount of Rs. 375 million towards -infringement of patent has been filed against the company. Based on the legal opinion, the company does not expect any liability on this account.
d) The Company's Metcoke division has made an advance payment of Rs. 15.923 million towards acquisition of leasehold land through State Government. A Deed of Lease in respect of 0.434 million sq. metres of land valued at Rs. 5.825 million was executed. Some of the interested parties have legally disputed the quantum of compensation received and any further liability that may arise in future is not ascertainable.

7.21 **Compliance Officer**: Mr. C.D. Chitnis, Company Secretary and General Manager - Legal, Sesa Goa Limited, Sesa Ghor, 20 EDC Complex, Patto, Panaji, Goa 403 001, India . Ph. No. + 91 832 2460720; Fax No. + 91 832 2460721 Email: cdchitnis@sesagoa.com.

8 OFFER PRICE

8.1 Justification of Offer Price

8.1.1 The shares of the Target Company are listed on Bombay Stock Exchange Limited ('**BSE**') (Stock code: 500295) and National Stock Exchange of India Limited ('**NSE**') (Stock Code: SESAGOA).

8.1.2 The shares of Sesa Goa are frequently traded on BSE (Source: www.bseindia.com) and NSE (Source: www.nseindia.com) within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations. The annualized trading turnover during the preceding six months in each of the stock exchanges is detailed below:

Date	Name of Stock Exchange	Total no. of shares traded during the 6 calendar months ending March 31, 2007	Total no. of listed shares as on April 27, 2007	Annualized Trading Turnover (in terms of % of total listed shares)	Trading Status in terms of SEBI (SAST) Regulations
Oct. 1, 2006 to Mar. 31, 2007	BSE	1,92,59,977	3,93,62,020	98%	Frequently Traded
Oct. 1, 2006 to Mar. 31, 2007	NSE	4,62,77,762	3,93,62,020	235%	Frequently Traded

Based on the above, the shares of Sesa Goa are most frequently traded on NSE.

8.1.3 The Offer Price of Rs. 2,036.3 per share is justified in terms of Regulations 20(4) and 20(12)* of the SEBI (SAST) Regulations being the highest of the following:-

(a) The negotiated price	Rs. 2,036.30
(b) The highest price paid by the Acquirers and the PAC for acquisition of equity shares of the Target Company during the 26-week period prior to the date of the public announcement for Finsider International.	Not Applicable
(c) The average of the weekly high and low of closing prices of the equity shares of the Target Company on NSE for the 26 weeks preceding the date of the public announcement for Finsider International.	Rs. 1,552.27
(d) The average of the daily high and low prices of the equity shares of the Target Company on NSE for the two weeks preceding the date of the public announcement for Finsider International.	Rs. 1,723.32
(e) The highest price paid by the Acquirers and the PAC for acquisition of equity shares of the Target Company during the 26-week period prior to the date of the PA.	Not Applicable
(f) The average of the weekly high and low of closing prices of the equity shares of the Target Company on NSE for the 26 weeks preceding the date of the PA.	Rs. 1,570.10
(g) The average of the daily high and low prices of the equity shares of the Target Company on NSE for the two weeks preceding the date of the PA.	Rs. 1,736.99

** Regulation 20(12) of the SEBI (SAST) Regulations states that the offer price for indirect acquisition or control shall be determined with reference to the date of the public announcement for the parent company and the date of public announcement for acquisition of shares of the target company, whichever is higher, in accordance with Regulation 20(4) or 20(5).*

8.1.4 The price and volume data of the Target Company on NSE:

For the 26-week period prior to the date of the public announcement for Finsider International i.e. April 23, 2007 is as under:

Week no.	Week ending	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume for the week
1	Friday, April 20, 2007	1,752.30	1,690.50	1,721.40	1,308,390
2	Friday, April 13, 2007	1,756.80	1,660.55	1,708.68	2,455,989
3	Thursday, April 05, 2007	1,719.50	1,675.70	1,697.60	1,349,804
4	Friday, March 30, 2007	1,798.50	1,703.45	1,750.98	2,480,848
5	Friday, March 23, 2007	1,735.35	1,621.50	1,678.43	2,383,118
6	Friday, March 16, 2007	1,602.70	1,584.90	1,593.80	2,506,331
7	Friday, March 09, 2007	1,683.20	1,591.35	1,637.28	4,005,585
8	Friday, March 02, 2007	1,994.25	1,648.50	1,821.38	5,743,558
9	Friday, February 23, 2007	1,930.45	1,881.30	1,905.88	2,185,839
10	Thursday, February 15, 2007	1,903.70	1,818.65	1,861.18	2,495,466
11	Friday, February 09, 2007	1,924.70	1,830.65	1,877.68	2,198,391
12	Friday, February 02, 2007	1,948.20	1,861.40	1,904.80	2,375,973
13	Thursday, January 25, 2007	1,930.30	1,647.25	1,788.78	2,751,675
14	Friday, January 19, 2007	1,706.10	1,639.75	1,672.93	1,008,416
15	Friday, January 12, 2007	1,703.90	1,656.70	1,680.30	2,215,110
16	Friday, January 05, 2007	1,725.95	1,432.90	1,579.43	3,563,866
17	Friday, December 29, 2006	1,413.30	1,390.20	1,401.75	927,221
18	Friday, December 22, 2006	1,396.30	1,186.25	1,291.28	1,299,250
19	Friday, December 15, 2006	1,240.65	1,161.00	1,200.83	324,518
20	Friday, December 08, 2006	1,287.15	1,251.95	1,269.55	349,815
21	Friday, December 01, 2006	1,272.80	1,249.25	1,261.03	240,985
22	Friday, November 24, 2006	1,270.35	1,176.55	1,223.45	531,586
23	Friday, November 17, 2006	1,275.25	1,195.35	1,235.30	688,273
24	Friday, November 10, 2006	1,277.15	1,219.05	1,248.10	1,391,560
25	Friday, November 03, 2006	1,256.90	1,142.85	1,199.88	1,748,728
26	Friday, October 27, 2006	1,205.75	1,089.00	1,147.38	573,905
	26 weeks' average			**1,552.27**	

For the 2 week period prior to the date of the public announcement for Finsider International i.e. April 23, 2007 is as under:

Day No.	Dates	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume for the day
1	Friday, April 20, 2007	1,787.00	1,730.00	1,758.50	185,032
2	Thursday, April 19, 2007	1,744.00	1,653.55	1,698.78	158,079
3	Wednesday, April 18, 2007	1,770.00	1,731.30	1,750.65	269,730
4	Tuesday, April 17, 2007	1,752.00	1,685.00	1,718.50	464,691
5	Monday, April 16, 2007	1,719.00	1,685.50	1,702.25	230,858
6	Friday, April 13, 2007	1,722.00	1,670.00	1,696.00	326,177
7	Thursday, April 12, 2007	1,703.35	1,618.30	1,660.83	728,960
8	Wednesday, April 11, 2007	1,788.00	1,730.00	1,759.00	441,193
9	Tuesday, April 10, 2007	1,799.00	1,720.00	1,759.50	725,079
10	Monday, April 09, 2007	1,746.90	1,711.50	1,729.20	234,580
	2 weeks' average			**1,723.32**	

For the 26 week period prior to the date of the PA i.e. April 27, 2007, is as under:

Week no.	Week ending	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume for the week
1	Thursday, April 26, 2007	1,770.05	1,699.90	1,734.98	4,757,143
2	Thursday, April 19, 2007	1,739.55	1,690.50	1,715.03	1,449,535
3	Thursday, April 12, 2007	1,756.80	1,660.55	1,708.68	2,129,812
4	Thursday, April 05, 2007	1,719.50	1,675.70	1,697.60	2,053,362
5	Thursday, March 29, 2007	1,798.50	1,701.90	1,750.20	2,108,683
6	Thursday, March 22, 2007	1,735.35	1,602.70	1,669.03	2,432,984
7	Thursday, March 15, 2007	1,596.40	1,584.90	1,590.65	2,607,931
8	Thursday, March 08, 2007	1,683.20	1,601.35	1,642.28	4,835,541
9	Thursday, March 01, 2007	1,994.25	1,648.50	1,821.38	4,796,374
10	Thursday, February 22, 2007	1,930.45	1,884.70	1,907.58	1,820,208
11	Thursday, February 15, 2007	1,903.70	1,818.65	1,861.18	2,758,150
12	Thursday, February 08, 2007	1,924.70	1,848.45	1,886.58	2,329,830
13	Thursday, February 01, 2007	1,948.20	1,896.70	1,922.45	1,981,850
14	Thursday, January 25, 2007	1,930.30	1,641.60	1,785.95	2,856,815
15	Thursday, January 18, 2007	1,706.10	1,639.75	1,672.93	1,150,273
16	Thursday, January 11, 2007	1,725.95	1,656.70	1,691.33	4,162,719
17	Thursday, January 04, 2007	1,552.25	1,411.00	1,481.63	1,588,700
18	Thursday, December 28, 2006	1,413.30	1,390.20	1,401.75	1,653,333
19	Thursday, December 21, 2006	1,237.15	1,186.25	1,211.70	430,166
20	Thursday, December 14, 2006	1,251.95	1,161.00	1,206.48	293,098
21	Thursday, December 07, 2006	1,287.15	1,259.75	1,273.45	339,492
22	Thursday, November 30, 2006	1,264.40	1,249.25	1,256.83	251,784
23	Thursday, November 23, 2006	1,270.35	1,176.55	1,223.45	589,572
24	Thursday, November 16, 2006	1,275.25	1,248.60	1,261.93	824,605
25	Thursday, November 09, 2006	1,277.15	1,218.20	1,247.68	1,263,792
26	Thursday, November 02, 2006	1,256.90	1,142.85	1,199.88	1,991,154
	26 weeks' average			**1,570.10**	

For the 2 week period prior to the date of the PA i.e. April 27, 2007, is as under:

Day No.	Dates	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume for the day
1	Thursday, April 26, 2007	1,828.50	1,750.20	1,789.35	1,384,811
2	Wednesday, April 25, 2007	1,774.80	1,697.00	1,735.90	1,244,155
3	Tuesday, April 24, 2007	1,850.00	1,676.00	1,763.00	1,729,138
4	Monday, April 23, 2007	1,780.00	1,734.00	1,757.00	214,007
5	Friday, April 20, 2007	1,787.00	1,730.00	1,758.50	185,032
6	Thursday, April 19, 2007	1,744.00	1,653.55	1,698.78	158,079
7	Wednesday, April 18, 2007	1,770.00	1,731.30	1,750.65	269,730
8	Tuesday, April 17, 2007	1,752.00	1,685.00	1,718.50	464,691
9	Monday, April 16, 2007	1,719.00	1,685.50	1,702.25	230,858
10	Friday, April 13, 2007	1,722.00	1,670.00	1,696.00	326,177
	2 weeks' average			**1,736.99**	

8.1.5 In the opinion of the Manager to the Offer, the Acquirers and the PAC, the Offer Price of Rs. 2,036.30 per fully paid-up equity share is justified in terms of Regulation 20(11).

8.1.6 If the Acquirers or the PAC or any advisor, broker, or other financial institution acting as their agent acquires Equity Shares in the open market or through negotiation or otherwise, after the date of Public Announcement and until the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all acceptances received under the

Offer. However, no acquisition will be made by the Acquirers, PAC or any advisor, broker, or other financial institution acting as their agent in the open market during the last seven working days prior to the Offer Closing Date.

8.1.7 The Acquirers, PAC and any advisor, broker, or other financial institution acting as their agent shall not acquire, during the Offer Period, any Equity Shares in Sesa Goa except in compliance with the SEBI (SAST) Regulations and the details of such acquisitions, including numbers, percentage, price, broker (if any), mode of acquisition and time of execution, shall be disclosed to the stock exchanges and to the Manager within 24 hours thereof, in terms of the Regulation 22(17). As per Regulation 22(17), the stock exchanges shall forthwith disseminate such information to the public.

8.2 There was no non-compete agreement or payment of non-compete fee to any person by the Acquirer.

9 FINANCIAL ARRANGEMENTS

9.1 The total funds required for implementation of the Offer at Rs. 2,036.30 per share is Rs. 16,03,05,76,266 (Rupees one thousand six hundred three crores, five lakhs, seventy six thousand two hundred and sixty six only) assuming that full acceptance for the Offer is received (the '**Maximum Consideration**'). In the event that additional Shares are issued, prior to the closure of the Offer, pursuant to the scheme of amalgamation between Sesa Industries Limited and Sesa Goa Limited which is currently pending approval of the High Court of Bombay at Goa, the offer size would be increased in compliance with Regulation 21(1) and 21(5) of the SEBI (SAST) Regulations. The source of funds for making the open offer is USD 100 million (equivalent to Rs. 41670 lacs, based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67) though a loan to be taken by Richter Holding Ltd and balance USD 300 million (equivalent to Rs. 125010 lacs , based on the Reserve Bank of India's reference rate as on April 23, 2007, USD 1 = Rs. 41.67) through Group internal cash resources.

9.2 On behalf of the Acquirers and the PAC, Citibank N.A. through its branch in India located at Jeevan Vihar Building, Parliament Street, New Delhi 110 001, India has issued a bank guarantee for Rs. 1,75,31,00,000 (Rupees one hundred seventy five crores and thirty one lakhs only) in favour of the Manager to the Offer. The said guarantee is valid upto October 12, 2007.The said amount is in excess of the minimum prescribed amount of 25% of the value of the total consideration payable up to Rs. 100 crores and 10% thereafter as per Regulation 28(2) of the SEBI (SAST) Regulations under the Offer (assuming full acceptance). The said bank guarantee entitles the Manager to the Offer to realise the value thereof in terms of the SEBI (SAST) Regulations. Citibank is not an associate of or group of the Acquirers or the PAC or the Target Company.

9.3 In addition, Westglobe, ICICI Securities and Citibank N.A. a national banking association duly constituted, registered and in existence in accordance with the laws of the United States of America now in force and having its head office at 399 Park Avenue, Borough of Manhattan, City of New York and having one of its branches at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, United Kingdom ('**Foreign Escrow Agent'**) have entered into an open offer escrow agreement, dated April 25, 2007 (the '**Escrow Agreement'**) in accordance with Regulation 28 of the SEBI (SAST) Regulations. Pursuant to the Escrow Agreement, Westglobe has transferred an amount of USD 4,008,000 (US Dollars four million and eight thousand) equivalent to Rs. 16,68,93,120 calculated in accordance with an exchange rate of 1 USD = Rs. 41.64 (RBI reference rate on April 24, 2007, source: www.rbi.org.in) which is in excess of 1% of the value of the total consideration payable under the Offer, assuming full acceptances, in an escrow account with the Foreign Escrow Agent (the '**Foreign Escrow Account**'). ICICI Securities has been duly authorised to realize the value of the aforesaid Foreign Escrow Account in terms of the SEBI (SAST) Regulations.

9.4 In the event of any short fall in the cash escrow amount arising on account of exchange rate fluctuations, the Acquirers and the PAC have undertaken to provide additional funds to ensure that the escrow accounts have adequate funds required under the Offer, to discharge their Offer obligations irrespective of fluctuations in the exchange rate.

9.5 On August 27, 2007 ICICI Securities has issued necessary instructions to Citibank N.A. for transfer of USD 4,008,000 to the escrow account which has been opened with Citibank N.A. India (the '**Indian Escrow Account'**) as the necessary approval has been obtained from RBI for opening and operating an escrow account in India. ICICI Securities has been duly authorised to realize the value of the aforesaid Indian Escrow Account in terms of the SEBI (SAST) Regulations.

9.6 M/s. B. N. Kedia & Co., Chartered Accountants (Membership No.: 52461) located at B-311, Yashwant Shopping Centre, Carter Road No. 7, Borivali (East), Mumbai 400 066, India (Tel: +91 22 2865 8264) vide their letter dated April 26, 2007, have certified that the Acquirers and the PAC have adequate resources to meet the financial obligations under this Offer.

9.7 ICICI Securities, the Manager to the Offer confirms that it is satisfied about the ability of the Acquirers and the PAC to implement the Offer in accordance with the SEBI (SAST) Regulations as firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

10 STATUTORY APPROVALS

10.1 The Acquirers and the PAC have obtained all relevant statutory approval and as of the date of this Letter of Offer, no other statutory approval is required.

10.2 To the best of the knowledge of the Acquirers and the PAC, as on the date of this Letter of Offer Announcement, there are no other statutory approvals required to implement the Offer. If any other statutory approvals become applicable, the Offer would be subject to such statutory approvals. The Acquirers and the PAC, in terms of Regulation 27 of SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused.

10.3 In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to the Acquirers and the PAC for payment of consideration to the Shareholders of the Target Company, subject to the Acquirers and the PAC agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirers and the PAC in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

10.4 To the best of the knowledge of the Acquirers and the PAC, as on the date of the Public Announcement, there are no approvals required from financial institutions / banks for the said Offer.

10.5 None of the Acquirer, the PAC or the Target Company has been prohibited by SEBI from dealing in securities, pursuant to any direction issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

11 TERMS AND CONDITIONS OF THE OFFER

11.1 The Letter of Offer together with the Form of Acceptance cum Acknowledgement will be mailed to the Shareholders of the Target Company (except the Acquirers and the PAC), whose names appear on the Register of Members of the Target Company and to the beneficial owners of the equity shares of the Target Company whose names appear on the beneficial records of the respective Depositories, in either case, at the close of business on Friday, 25 May, 2007 (the '**Specified Date**').

11.2 All owners (registered or unregistered) of Shares of Target Company (except the Acquirers, the PAC and the current promoters of the Target Company) are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can also send their application in writing to the Registrar to the Offer in the mode mentioned below.

11.3 The Shares that are subject to any charge, lien or encumbrance are liable to be rejected. Locked in shares, if any, can be tendered in the Open Offer subject to applicable laws including the continuation of the lock-in in the hands of the Acquirer. The Manager to the Offer will ensure that there is no discrimination in the acceptance between locked in and non-locked in shares. Shares that are subject to any other charge, lien or encumbrance are liable to be rejected.

11.4 Accidental omission to dispatch this Letter of Offer or any further communication to any person to whom this Letter of Offer is or should be made or the non-receipt of this Letter of Offer by any such person shall not invalidate the Offer in any way.

11.5 The instructions, authorisations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.

11.6 The acceptance of the Offer made by the Acquirers and PAC is entirely at the discretion of the Shareholders of the Target Company. The Acquirers and PAC will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

12 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

12.1 The Letter of Offer specifying the detailed terms and conditions of the Offer, together with a form of acceptance-cum-acknowledgement (the '**Form of Acceptance-cum-Acknowledgement**') and form of withdrawal (the '**Form of Withdrawal**') will be mailed to the Shareholders (other than Acquirers and the PAC), whose names appear on the Register of members of Sesa Goa and to the owner of the shares whose names appear as beneficiaries on the records of the respective depositories at the close of business hours on Friday, 25 May, 2007 i.e. the Specified Date.

12.2 All Equity Shares validly tendered and accepted under the Offer, will be acquired by Westglobe, subject to the terms and conditions set out in this Letter of Offer. All necessary requirements for the valid transfer of the Equity Shares to Westglobe will be pre-conditions for acceptance of the tendered Equity Shares.

12.3 All Shareholders of Sesa Goa (except the Acquirers, the PAC and the current promoters of the Target Company), whose names appear in the register of members of Sesa Goa as of the Specified Date, i.e., Friday, 25 May, 2007 and also persons who acquire any Equity Shares of Sesa Goa at any time prior to the closing of the Offer, whether or not they are registered Shareholders, are eligible to participate in the Offer anytime before the closing of the Offer.

12.4 Shareholders who hold shares in the physical form and wish to tender the shares pursuant to the Offer shall be required to send the Form of Acceptance-cum-Acknowledgement, original share certificate(s) and valid transfer deed(s) duly signed as transferors by all registered Shareholders (in case of joint holdings) in the same order and duly witnessed at the appropriate place, to Karvy Computershare Private Limited, Plot No. 17 to 24, Vithalrao Nagar, Hi tech City Road, Madhapur, Hyderabad 500 086, India. Tel: +91 40 2342 0818 to 0828 Fax: +91 40 2342 0814. Contact Person: Murali Krishna. E-mail: murali@karvy.com, who are acting as the Registrar to the Offer (the '**Registrar to the Offer**'), either by hand delivery during business hours (Mondays to Fridays between 10.00a.m. and 3.00p.m. and on Saturdays between 10.00a.m. and 1.00p.m.) or by registered post so that the same are received on or before the close of the Offer, i.e. by 3.00 p.m. on Wednesday, 19 September 2007, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement. A blank Share Transfer form is enclosed along with this Letter of Offer. The transfer deed should be left blank, excepting the signatures as mentioned above. The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

12.5 The Registrar has opened a special depository account with Citibank N.A., as the Depository Participant in National Securities Depository Limited ('**NSDL**'), styled 'Escrow A/c Sesa Goa Open Offer'. The DP ID is IN300 054 and Beneficiary Client ID is 1002 0862. Shareholders holding their beneficiary account in Central Depository Services India Limited ('**CDSL**') will have to use an inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the special depository account with NSDL.

12.6 Beneficial owners (holders of Shares in dematerialised form) who wish to tender their Shares will be required to send their Form of Acceptance-cum-Acknowledgement along with a photocopy of the delivery instructions in 'off-market' mode or counterfoil of the delivery instructions in 'off-market' mode, duly acknowledged by the Depository Participant ('**DP**'), in favour of the above mentioned special depository account, to the Registrar to the Offer, either by hand delivery during business hours (Mondays to Fridays between 10.00a.m. and 3.00p.m. and on Saturdays between 10.00a.m. and 1.00p.m.) or by registered post so as to reach on or before the close of the Offer, i.e. by 3.00p.m. Wednesday, 19 September 2007, in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement. Beneficial owners should ensure that they credit their Shares in favour of the aforementioned special depository account before the close of the Offer i.e. before 3.00p.m. on Wednesday, 19 September 2007. For each Delivery Instruction, the beneficial owner should submit separate Form of Acceptance.

12.7 Persons who own Shares and whose names do not appear on the Register of members of the Company on the Specified Date are also eligible to participate in this Offer. Unregistered owners of shares of Sesa Goa can send their applications in writing to the Registrar to the Offer on a plain paper stating the name, address, number of Shares held, number of Shares offered, distinctive numbers, folio numbers, together with the original share certificate(s), transfer deeds and the original contract note issued by the broker through whom they acquired their Shares. No indemnity is required from the unregistered owners. The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

12.8 Owners of Shares who have sent their Shares for transfer should enclose, Form of Acceptance-cum-Acknowledgement duly completed and signed, copy of the letter sent to Sesa Goa for transfer of Shares and valid share transfer form(s). Shareholders who have sent their physical Shares for dematerialisation need to ensure that the process of getting Shares dematerialised is completed well in time so that the credit in the aforesaid special depository account is received on or before the date of close of the Offer, i.e. by 3.00p.m. on Wednesday, 19 September 2007, else the application will be rejected.

12.9 The shares and other relevant documents should not be sent to the Acquirers, the PAC or the Target Company.

12.10 In case of non-receipt of the Letter of Offer, the eligible persons may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the close of the Offer, i.e. by 3.00p.m. on Wednesday, 19 September 2007 or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in 'off- market' mode or counterfoil of the delivery instruction in the 'off-market' mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e. by 3.00p.m. on Wednesday, 19 September 2007.

12.11 The Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the application is being sent. Such documents may include, but are not limited to:

- duly attested death certificate and succession certificate/ probate/ letter of administration (in case of single Shareholder) if the original Shareholder is deceased;
- duly attested Power of Attorney if any person apart from the Shareholder has signed the application form and/or transfer deed(s);
- no objection certificates from the chargeholder/ lender, if the shares in respect of which the application is sent, are under any charge, lien or encumbrance;
- in case of companies, the necessary corporate authorisation (including Board Resolutions);
- any other relevant documentation

12.12 In addition to the above mentioned address, all owners of shares of Sesa Goa, registered or unregistered, who wish to avail of and accept the Offer can also hand deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents at any of the collection centres below in accordance with the procedure as set out in the Letter of Offer. All centres mentioned herein below would be open on all working days as follows:

Business Hours: (Mondays to Fridays between 10.00a.m. and 3.00p.m. and on Saturdays between 10.00a.m. and 1.00p.m.). The centres will be closed on Sundays and any other public holidays.

S. No.	Collection Centre	Address of Collection Centre	Contact Person	Phone No.	Fax	Mode of delivery
1.	Mumbai (Fort)	Karvy Computershare Pvt Ltd. 16-22 Bake House Maharashtra Chamber. of fCommerce. Lane, Opp. MSC Bank, Fort, Mumbai 400 023	Ms.Nutan Shirke	022-66382666	022-66331135	Hand Delivery
2.	Mumbai (Andheri)	Karvy Computershare Pvt Ltd. 7, Andheri Industrial Estate, Off. Veera Desai Rd, Andheri West, Mumbai 400 053	Ms. Vishakha Shringarapure	022-26730799	022-26730152	Hand Delivery
3.	Goa	Karvy Computershare Pvt Ltd. B-2, 1st Floor, Raghunath Apartments, Opp: Auto Service, F L Gomes Road, Vasco, Goa	Mr. Rayes	0832-2518019 to 2518022	N.A	Hand Delivery
4.	New Delhi	Karvy Computershare Pvt Ltd. 105-108, Arunachal Bldg, 19, Barakhamba Road, Connaught Place, New Delhi 110 001	Michael George	011-23324621	011-23310616	Hand Delivery
5.	Ahmedabad	Karvy Computershare Pvt Ltd. 201–203 'Shail', Opp. Madhusudhan House, Behind Girish Cold drinks, Off C G. Road, Ahmedabad 380 006	Edward Raphael	079-26420422/26400528	079-26565551	Hand Delivery
6.	Chennai	Karvy Computershare Pvt Ltd., No. 33/1, Venkatraman Street, T. Nagar, Chennai 600 017	Gunashekhar	044 - 28151793 / 1794 / 4781	044-28153181	Hand Delivery
7.	Hyderabad	Karvy Computershare Pvt Ltd., Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Ms. Sareen	040-23420818	040-23420814	Hand Delivery/ Regd Post
8.	Kolkata	Karvy Computershare Pvt Ltd., 49, Jatin Das Road, Nr. Deshpriya Park, Kolkata 700 029	Mr. Sujit Kundu/Mr. Debnath	033-24644891	033-24644866	Hand Delivery
9.	Bangalore	Karvy Computershare Pvt Ltd., No.59, Skanda, Putana Road, Basavanagudi, Bangalore 560 004	Mr. Kishore	080-26621192	080-26621169	Hand Delivery

12.13 SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE SHARES THAT ARE RECEIVED BY THE REGISTRAR AFTER THE CLOSE OF THE OFFER i.e. BY 3.00 P.M. ON WEDNESDAY,

SEPTEMBER 19, 2007 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

12.14 The Registrar to the Offer will hold in trust the Shares / share certificates, shares lying to the credit of the special depository account, Form of Acceptance-cum-Acknowledgement, if any, and the transfer form on behalf of the shareholders of Sesa Goa until the Acquirers and PAC complete their obligations in accordance with the SEBI (SAST) Regulations.

12.15 The instructions, authorisations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.

12.16 Friday, 31 August 2007 shall be the date of opening of the Offer and Wednesday, 19 September 2007 shall be the closing date of the Offer.

12.17 The payment of consideration to those shareholders whose Shares or share certificates and / or other documents are found complete, valid and in order will be made by way of a crossed account payee cheque, demand draft or pay order. The decision regarding the acquisition (in full or part), or rejection of, the Shares offered for sale by the shareholders of Sesa Goa pursuant to the Offer and (i) any corresponding payment for the acquired Shares and / or; (ii) share certificates for any rejected Shares or Shares withdrawn, will be communicated and despatched to the shareholders by registered post or by ordinary post as the case may be, at the shareholders sole risk. Shares held in dematerialised form to the extent not acquired or Shares withdrawn will be credited back to their beneficiary account with their respective depository participants as per the details furnished by their beneficial owners in the Form of Acceptance-cum-Acknowledgement.

12.18 Payment of consideration will be made by crossed account payee cheques/ demand drafts and sent by registered post and / or speed post in case of consideration amount exceeding Rs. 1,500/- (under Certificate of Posting otherwise) to those Shareholders whose share certificates and other documents are found in order and accepted by the Acquirer, at the Shareholders' sole risk. All cheques / demand drafts will be drawn in the name of the first holder, in case of joint registered holders.

12.19 Pursuant to Regulation 22(5A) of the SEBI (SAST) Regulations, Shareholders desirous of withdrawing their acceptances tendered by them in the Offer, may do so up to three working days prior to the date of closing of the Offer. The withdrawal option can be exercised by submitting the document as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before Friday, 14 September 2007.

- The withdrawal option can be exercised by submitting the Form of Withdrawal, as enclosed herewith.
- The Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal. i.e. Friday, 14 September 2007.
- Shareholders should enclose the following:

  For Equity Shares held in demat form:

  Beneficial owners should enclose:
  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - Photocopy of the delivery instruction slip in 'Off-market' mode or counterfoil of the delivery instruction slip in 'Offmarket' mode, duly acknowledged by the DP.

  For Equity Shares held in physical form:

  (i) Registered Shareholders should enclose:
  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered Shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with RSIL and duly witnessed at the appropriate place.

  (ii) Unregistered owners should enclose:
  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
- The withdrawal of Equity Shares will be available only for the Share certificates/ Shares that have been received by the Registrar to the Offer or credited to the Depository Escrow Account.
- The intimation of returned Equity Shares to the Shareholders will be sent at the address as per the records of Sesa Goa / depository as the case may be.
- The Form of Withdrawal alongwith enclosure should be sent to the Registrar to the Offer only.

- In case of partial withdrawal of Equity Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Sesa Goa. The facility of partial withdrawal is available only to Registered Shareholders.
- Shareholders holding Equity Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

12.20 The withdrawal option can be exercised by submitting the document as per the instructions mentioned above, so as to reach the Registrar to the Offer on or before three working days prior to the date of closure of the Offer. In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

a. In case of physical shares: Name, address, distinctive numbers, folio nos. number of shares tendered/withdrawn.

b. In case of dematerialized shares: Name, address, number of shares tendered/withdrawn, DP name, DP ID, Beneficiary account no. and a photocopy of delivery instruction in 'off market' mode or counterfoil of the delivery instruction in 'off market' mode, duly acknowledged by the DP in favour of the Depository Escrow Account.

12.21 Any Shares that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of Sesa Goa may be precluded from transferring the Shares during pendency of the said litigation are liable to be rejected unless directions / orders regarding the free transferability of such Shares are received together with the Shares tendered under the Offer prior to the date of closure of the Offer.

12.22 While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the shares of the Target Company and a No Objection Certificate/ Tax Clearance Certificate from the Income-Tax authorities under the Income-tax Act, 1961, indicating the rate at which the tax is to be deducted by the Acquirers before remitting the consideration.. In case the previous RBI approvals are not submitted, the Acquirers reserve the right to reject such Shares tendered. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirers and PAC will deduct tax at the currently prevailing rate as advised by their tax advisors on the entire consideration amount payable to such NRI / OCB /Non-domestic companies / Other persons who are not resident in India.

12.23 In case the Shares offered in the Offer are more than the Shares to be acquired under the Offer, the acquisition of Shares from each Shareholder will be on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations

12.24 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the Shareholder's / unregistered owner's sole risk to the sole / first Shareholder. Shares held in dematerialised form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement or otherwise.

12.25 A schedule of some of the major activities in respect of the Offer is given below:-

	Activity	**Original Date**	**Revised Date**
1	Date of publication of Public Announcement	Friday, 27 April, 2007	Friday, 27 April 2007
2	Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)*	Friday, 25 May, 2007	Friday, 25 May 2007
3	Last date for announcement of a competitive bid	Friday, 18 May, 2007	Friday, 18 May 2007
4	Date by which Letter of Offer will be posted to shareholders	Friday, 8 June, 2007	Wednesday, 29 August 2007
5	Date of Opening of the Offer	Thursday, 21 June, 2007	Friday, 31 August 2007
6	Last date for revising the offer price / number of Shares	Thursday, 28 June, 2007	Friday, 7 September 2007
7	Last date for withdrawing acceptance from the Offer	Thursday, 5 July, 2007	Friday, 14 September 2007
8	Date of Closure of the Offer	Tuesday, 10 July, 2007	Wednesday, 19 September 2007
9	Date of communicating rejection / acceptance and payment of consideration for applications accepted	Wednesday, 25 July, 2007	Monday, 24 September 2007

** Letter of Offer will be sent and all owners (registered or unregistered) of the shares of Sesa Goa (except the Acquirers, the PAC and the current promoters of the Target Company) are eligible to participate in the Offer anytime before the close of the Offer.*

13 Tax To Be Deducted At Source

13.1 As per the provisions of section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration payable under the Offer would be chargeable to capital gains under section 45 of the Income Tax Act or as business profits as the case may be, Acquirers will need to deduct tax at source (including surcharge and education cess) at the applicable tax rate on the gross consideration payable to the following categories of Shareholders, as given below:

a) Non-resident Indians: The Acquirers will deduct tax at source at the rate of 30% on the Offer Price in case of short-term capital gains or business profits, and at the rate of 10% on the Offer Price in case of long-term capital gains. In the event that the aforesaid amount of gross proceeds exceeds Rs.1,000,000/- the aforesaid rate will be increased by a surcharge of 10% of the tax. The amount so arrived at will be further increased by an aggregate education cess of 3% (as proposed by Finance Bill 2007) of the aggregate of the tax and surcharge to be deducted in all cases.

b) Overseas Corporate Bodies/ Non-domestic companies: The Acquirers will deduct tax at source (including education cess and surcharge) at the rate of 41.82% on the Offer Price in the case of short-term capital gains or business profits, and at the rate of 10.455% on the Offer Price in the case of long-term capital gains.

c) Foreign Institutional Investors ('**FII**'): As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ('**FII**') as defined in section 115AD of the Income Tax Act. However the Acquirers will not deduct tax at source only if the Shares are held by the FII on investment/capital account.

Tax will be deducted at source at 41.82% on the Offer Price if the Shares are held on trade account or if the FII fails to certify in the bid form ('**the Bid Form**') that the Shares are held by it on investment/capital account if the FII is a company. If the FII is a person other than a company, then tax will be deducted at the rate of 30% and will be further increased by a surcharge and education cess as indicated above viz., (i) in the case of an individual or an association of persons in the event the aforesaid amount exceeds Rs.1,000,000/- the aforesaid rate will be increased by a surcharge of 10% of the sum. The amount so arrived at will be further increased by an aggregate education cess of 3% (as proposed in Finance Bill of 2007) of the aggregate of the tax and surcharge to be deducted (ii) in the case of a firm, the surcharge would be 10% and further increased by an aggregate education cess of 3% (as proposed in Finance Bill of 2007).

d) Other persons who are not resident in India: The Acquirers will deduct tax at source at the rate of 30% on the Offer Price in the case of short-term capital gains or business profits, and at the rate of 10% on the Offer Price in the case of long-term capital gains. In the case of individuals and association of persons, in the event that the aforesaid amount exceeds Rs.1,000,000/- the aforesaid rate will be increased by a surcharge of 10% of the sum. The amount so arrived at will be further increased by an aggregate education cess of 3% (as proposed in Finance Bill of 2007) of the aggregate of the tax and surcharge to be deducted in all cases. In the case of firms, the surcharge would be 10% and further increased by an aggregate education cess of 3% (as proposed in Finance Bill of 2007).

13.2 For the purpose of determining as to whether the capital gains are short-term or long-term in nature, the Acquirers shall take the following actions based on the information submitted by the Shareholders.

13.2.1 The Shareholders should submit a certificate from a Chartered Accountant (along with proof such as demat account statement) certifying that the shares have been held for more than one year.

13.2.2 In the case of any ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer, the capital gain shall be assumed to be short-term in nature.

13.3 In order to claim the benefit of computation of tax liability on the net capital gains (i.e. after reducing the cost of acquisition of shares), the shareholder should obtain a tax clearance certificate from the assessing officer certifying the net income chargeable to capital gains tax. Alternatively, the shareholders should submit the brokers note and the demat account statement in relation to such shares. In the absence of the above, tax would be deducted on the entire consideration paid to the shareholder.

13.4 In the event the aforementioned categories of shareholders require the Acquirers not to deduct tax or to deduct tax at a lower rate or on a lower amount for any other reason, they would need to obtain a certificate from the Income Tax authorities either under section 195(3) or under section

197 of the Income Tax Act, and submit the same to Acquirers while submitting the Bid Form. In the absence of any such certificate from the Income Tax authorities, the Acquirers will deduct tax as aforesaid, and a certificate in the prescribed form shall be issued to that effect.

13.5 No tax will be deducted at source for any other category of shareholders who are residents in India.

13.6 The aforementioned categories of shareholders should certify in the Form of Acceptance whether the equity shares are held by them on investment/capital account or on trade account.

13.7 The tax rates mentioned above are as per the provisions of the Income Tax Act, 1961. In the case of non residents, where the investor is a tax resident of a country which has entered into a Tax Treaty with India, it may be possible for the investor to avail the beneficial rate (if any) under the Tax Treaty. The tax rates may change from Treaty to Treaty. In order to claim the lower rate under the Tax Treaty, the shareholder should provide a certificate from the tax authorities from the country of his residence certifying that he is a resident of the specified foreign country.

Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective Assessing Officers in their case, and the appropriate course of action that they should take. The Acquirers and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice.

The tax rate and other provisions may undergo changes.

14 DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the shareholders at ICICI Securities Primary Dealership Limited, ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, INDIA. Tel: +91 22 2288 2460, Fax: +91 22 2282 6580, between 10:00 a.m. and 4:00 p.m. on all working days except Saturdays until the Offer Closing Date (i.e., Wednesday, September 19, 2007):

1. Copy of Certificate of Incorporation of Westglobe.
2. Copy of Certificate of Incorporation, Memorandum and Articles of Association of Richter Holding.
3. Copy of Certificate of Incorporation, Memorandum and Articles of Association of Vedanta Resources.
4. Copy of Certificate of Incorporation and Memorandum & Articles of Association of Sesa Goa.
5. Copy of Annual Reports of Vedanta Resources for the years ending March 31, 2005, 2006 and 2007.
6. Copy of Annual Reports of Sesa Goa for the years ending March 31, 2004, 2005 and 2006.
7. Copy of unaudited financials of Sesa Goa for period ending March 31, 2007.
8. Copy of Foreign / Indian Escrow Agreements among Westglobe, ICICI Securities and Citibank N.A .
9. Copy of Board Resolutions of Westglobe, Richter Holding and Vedanta Resources relating to the Offer.
10. Letter dated April 26, 2007 by M/s. B. N. Kedia & Co., Chartered Accountants (Membership No.: 52461) regarding the adequacy of financial resources to meet the financial obligations under this Offer.
11. Copy of Public Announcement made on Friday, 27 April, 2007, by the Acquirers and the PAC for acquiring upto 78,72,404 paid-up equity shares of Sesa Goa.
12. SEBI Observation Letter dated August 28, 2007.
13. Copy of Board Resolution from Westglobe, Richter Holding and Vedanta Resources, authorizing Mr. Tarun Jain, Mr. Hare Narain Maskara and Mr. Kuldip Kaura, in addition to the authorised officers of Westglobe, Richter Holding and Vedanta Resources respectively, to execute and perform all acts in relation to the Offer, including signing of all papers on its behalf.
14. Copy of RBI Approval dated May 28, 2007 for acquiring shares under the open offer in accordance with SEBI (SAST) Regulations; opening escrow and special rupee account.
15. Copy of the agreement with Depository participant for opening a special depository Escrow account.
16. Copy of letter from Citibank N.A. confirming the amount kept in the escrow account and lien in favour of ICICI Securities.
17. Copy of Share Purchase Agreement between Vedanta, Westglobe, Richter Holding and Mitsui.
18. Copy of the order of the Hon’ble Supreme Court dated April 27, 2007 and August 13, 2007 pertaining to Petition(s) to Special Leave to Appeal (Civil) No(s).7962/2007.
19. Letter dated August 27, 2007 confirming that no court in India has passed any order restraining the Acquirers and/or the PAC jointly or severally from proceeding or completing all necessary formalities with respect to the Open Offer to the shareholders of Sesa Goa Limited.

15 DECLARATION BY ACQUIRERS AND PERSON ACTING IN CONCERT

15.1 The Acquirers, the PAC and their Directors accept full responsibility for the information contained in this Letter of Offer, Form of Acceptance and Form of Withdrawal. The Acquirers and the PAC shall be, severally and jointly, responsible for ensuring compliance with the SEBI (SAST) Regulations and for its obligations laid down in the SEBI (SAST) Regulations. All information contained in this document is as of the date of the Public Announcement, unless stated otherwise.

Mr. Tarun Jain is authorized by Westglobe to sign the Letter of Offer.

Mr. Hare Narain Maskara is authorized by Richter Holding to sign the Letter of Offer.

Mr. Kuldip Kaura is authorized by Vedanta Resources to sign the Letter of Offer.

On behalf of Westglobe	**On behalf of Richter Holding**	**On behalf of Vedanta Resources**
Sd/- ______ ___________ Tarun Jain	Sd/- _________________ Hare Narain Maskara	Sd/- _________________ Kuldip Kaura
Date: August 28, 2007	Date: August 28, 2007	Date: August 28, 2007

Date: August 28, 2007

Attached:
1. Form of Acceptance
2. Form of Withdrawal
3. Transfer deed for shareholders holding shares in physical form

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FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this form with enclosures to Karvy Computershare Private Limited at any of the collection centres as mentioned in Letter of Offer)

From
Name:
Address:

OFFER	
OPENS ON	**Friday, 31 August 2007**
LAST DATE OF WITHDRAWAL	**Friday, 14 September 2007**
CLOSES ON	**Wednesday, 19 September 2007**

Tel No.: Fax No.: E-mail:

To,
The Acquirers – Westglobe Limited & Richter Holding Limited, and the PAC - Vedanta Resources Plc.,
C/o. Karvy Computershare Private Limited,
Plot No. 17 to 24, Vithalrao Nagar,
Hi tech City Road, Madhapur,
Hyderabad - 500 086. India

Dear Sir/Madam,

Sub: Open Offer to acquire up to 78,72,404 fully paid-up equity shares of Rs. 10/- each representing 20% of paid-up equity share capital (as defined in the Letter of Offer) of Sesa Goa Limited ('Sesa Goa' or the 'Target Company') by Westglobe Limited, Richter Holding Limited and Vedanta Resources Plc. at a price of Rs. 2,036.30 (Rupees Two Thousand Thirty Six and Paise Thirty only) per fully paid-up equity share, ('Offer Price') payable in cash.

I/We refer to the Letter of Offer dated August 28, 2007 for acquiring the Equity Shares held by me/us in Sesa Goa Limited.
I/We, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

SHARES HELD IN PHYSICAL FORM

I/We, accept the Offer & enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
Total					

Please attach additional sheets of paper and authenticate the same if the space is insufficient.

SHARES HELD IN DEMAT FORM

I/We, holding shares in demat form, accept the Offer and enclose a photocopy of the Delivery Instructions duly acknowledged by my/our DP in respect of my/our equity shares as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares

I/We have done an off-market transaction for crediting the shares to the depository account with Citibank N.A. at NSDL styled **'Escrow A/c Sesa Goa Open Offer'** whose particulars are:

DP Name: Citibank N.A.	**DP ID**: IN300 054	**Client ID:** 1002 0862

Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their shares in favour of the Special Depository Account with NSDL..

Enclosures (Please tick as appropriate, if applicable)
____Power of Attorney
____Corporate authorization in case of Companies along with Board Resolution and Specimen Signatures of Authorised Signatories
___No Objection Certificate & Tax Clearance Certificate under Income-tax Act, 1961, for NRIs/OCBs/Foreign Shareholders as applicable
___Death Certificate/ Succession Certificate
___Others (please specify): ____

-- Tear along this line --

Acknowledgement Slip **Sesa Goa Limited – Open Offer** **Sr. No.** ______

(To be filled in by the shareholder) (Subject to verification)

Received from Mr./Ms./M/s.____
Address ____
Physical shares: Folio No. ______________ / Demat shares: DP ID _____________________; Client ID________________________________
Form of Acceptance along with:
☐ Physical shares: No. of shares _____________________; No. of certificates enclosed__________
☐ Demat shares: Copy of delivery instruction for ______________________ number of shares enclosed
(Tick whichever is applicable)
Signature of Official ___________________________ Date of Receipt ___________________________

Stamp of Collection Centre

I/We confirm that the equity shares of Sesa Goa Limited, which are being tendered herewith by me/us under the Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers pays the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

I/We authorise the Acquirers to send by registered post/speed post/UCP the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned above.

I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirers makes payment of purchase consideration as mentioned in the Letter of Offer.

I/We authorise the Acquirers to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/we further authorize the Acquirers to return to me/us, share certificate(s) in respect of which the offer is not found valid/not accepted. The Permanent Account No. (PAN/GIR No.) allotted under the Income Tax Act, 1961 is as under.

	1st Shareholder	**2nd Shareholder**	**3rd Shareholder**
PAN/GIR No.			
Ward No.			

So as to avoid fraudulent encashment in transit, shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank ____________________________________	Branch ________________________ City _________________________
Account Number _____________________________________	Savings/Current/Others (please specify) ___________________________

For equity shares that are tendered in electronic form, the bank account as contained from the beneficiary position provided by the depository will be considered and the draft/warrant/cheque will be issued with the said bank particulars.

For NRIs / OCBs / FIIs / Foreign Shareholders

I / We, have enclosed the following documents

____ No objection certificate / Tax clearance certificate from the Income Tax Authorities

____ RBI approvals for acquiring shares of Sesa Goa Limited hereby tendered in the Offer

____ Copy of Permanent Account Number / PAN Card

For FII Shareholders :

I / We, confirm that the equity shares of Sesa Goa Limited are held by me / us on Investment / Capital Account or Trade Account *(select whichever is applicable in your case)*

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of residence / incorporation and that you do not have a permanent establishment in India in terms of the Double Taxation Avoidance Agreement (DTAA) entered into between India and your country of residence. In order to avail the benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of residence.

Yours faithfully,

Signed and Delivered,

	Full name(s) of the holder	Signature(s)
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Note: In case of joint holdings, all holders must sign. In case of body corporate, the Company seal should be affixed

Place: Date:

SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE ACCPTANC FORMS / SHARES THAT ARE RECEIVED BY THE REGISTRARS AFTER THE CLOSE OF THE OFFER i.e. BY 3.00P.M. ON WEDNESDAY, 19 SEPTEMBER 2007 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

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All future correspondence, if any, should be addressed to the Registrars to the Offer at the following address:

Karvy Computershare Private Limited,

Unit: Sesa Goa Open Offer

Plot No. 17 to 24, Vithalrao Nagar, Hi tech City Road, Madhapur, Hyderabad - 500 086. India

Tel: +91 40 2342 0818-28 Fax: +91 40 2342 0814

Contact Person: Murali Krishna

E-mail: murali@karvy.com

INSTRUCTIONS

1. In the case of demateralised shares, the shareholders are advised to ensure that their shares are credited in favour of the Special Depository Account, before the closure of the Offer i.e. Wednesday, 19 September 2007. The Form of Acceptance-cum-Acknowledgement of such demat shares not credited in favour of the Special Depository Account, before the closure of the Offer will be rejected.

2. Shareholders should enclose the following:
   a. For Equity shares held in demat form:
      Beneficial owners should enclose-
      - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant ('DP').
      - Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP as per the instruction in the Letter of Offer.

   b. For Equity shares held in physical form:
      Registered shareholders should enclose-
      - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
      - Original Share Certificate(s)
      - Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Sesa Goa Limited and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done.
        The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of the Acquirers as buyer will be filled by the Acquirers upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

      Unregistered owners should enclose-
      - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.
      - Original Share Certificate(s)
      - Original broker contract note
      - Valid Share Transfer form(s) as received from the market leaving details of buyer blank. If the same is filled in then the Share(s) are liable to be rejected.

3. The share certificate(s), share transfer form(s) and the Form of Acceptance should be sent only to **Karvy Computershare Private Limited**, the Registrar to the Offer and not to ICICI Securities Primary Dealership Limited, the Manager to the Offer or Nomura International (Hong Kong) Limited , the Financial Advisor to the Offer, the Acquirers, the PAC or Target Company.

4. Shareholders having their beneficiary account in CDSL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their shares in favour of the special depository account with NSDL.

5. Non-resident shareholders should enclose a copy of the permission received from RBI for the equity shares held by them in Sesa Goa Limited. If the shares are held under General Permission of RBI, the non resident shareholder should state that the shares are held under General Permission and whether on repatriable basis or non repatriable basis.

6. Non-resident shareholders should enclose No Objection Certificate/Tax Clearance Certificate from the Income Tax Authorities under Income Tax Act, 1961, indicating the tax to be deducted by the Acquirers before remittance of consideration otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category of the shareholder on the consideration payable by the Acquirer.

7. The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted at any of the Collection Centers of **Karvy Computershare Private Limited** as mentioned below.

8. The Form of Acceptance-cum-Acknowledgement along with enclosure should be sent only to the Registrar to the Offer so as to reach the Registrar of the Offer at any of the collection centres below on all days (excluding Sundays and Public holidays) during the business hours i.e. (Mondays to Fridays between 10.00 a.m. and 3.00 p.m. and on Saturdays between 10.00a.m. and 1.00p.m.).

Collection Centres

S. No.	Collection Centre	Address of Collection Centre	Contact Person	Phone No.	Fax	Mode of delivery
1.	Mumbai (Fort)	Karvy Computershare Pvt. Ltd. 16-22 Bake House, Maharashtra Chamber of Commerce Lane, Opp. MSC Bank, Fort, Mumbai 400 023	Ms. Nutan Shirke	022-66382666	022-66331135	Hand Delivery
2.	Mumbai (Andheri)	Karvy Computershare Pvt. Ltd. 7, Andheri Industrial Estate, Off. Veera Desai Rd, Andheri West, Mumbai 400 053	Ms. Vishakha Shringarapure	022-26730799	022-26730152	Hand Delivery
3.	Goa	Karvy Computershare Pvt. Ltd. B-2, 1st Floor, Raghunath Apartments, Opp: Auto Service, F L Gomes Road, Vasco, Goa.	Mr. Rayes	0832-2518019 to 2518022	N.A	Hand Delivery
4.	New Delhi	Karvy Computershare Pvt. Ltd. 105-108, Arunachal Bldg, 19, Barakhamba Road, Connaught Place, New Delhi 110 001	Mr. Michael George	011-23324621	011-23310616	Hand Delivery
5.	Ahmedabad	Karvy Computershare Pvt. Ltd. 201–203 ‘Shail’, Opp. Madhusudhan House, Behind Girish Cold drinks, Off C G. Road, Ahmedabad 380 006	Mr. Edward Raphael	079-26420422/26 400528	079-26565551	Hand Delivery
6.	Chennai	Karvy Computershare Pvt. Ltd. No. 33/1, Venkatraman Street, T. Nagar, Chennai 600 017	Mr. Gunashekhar	044 - 28151793 / 1794 / 4781	044-28153181	Hand Delivery
7.	Hyderabad	Karvy Computershare Pvt. Ltd. Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Ms. Sareen	040-23420818	040-23420814	Hand Delivery/ Regd. Post
8.	Kolkata	Karvy Computershare Pvt. Ltd. 49, Jatin Das Road, Nr. Deshpriya Park, Kolkata 700 029	Mr. Sujit Kundu / Mr. Debnath	033-24644891	033-24644866	Hand Delivery
9.	Bangalore	Karvy Computershare Pvt. Ltd. No.59, Skanda, Putana Road, Basavanagudi, Bangalore 560 004	Mr. Kishore	080-26621192	080-26621169	Hand Delivery

Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at **Karvy Computershare Private Limited,** Plot No. 17 to 24, Vithalrao Nagar, Hi tech City Road, Madhapur, Hyderabad 500 086, India so as to reach the Registrars to the Offer on or before the last date of acceptance i.e. **Wednesday, 19 September 2007.**

SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE ACCPTANC FORMS / SHARES THAT ARE RECEIVED BY THE REGISTRARS AFTER THE CLOSE OF THE OFFER i.e. BY 3.00P.M. ON WEDNESDAY, 19 SEPTEMBER 2007 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

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FORM OF WITHDRAWAL

From
Name:
Address:

OFFER	
OPENS ON	**Friday, 31 August 2007**
LAST DATE OF WITHDRAWAL	**Friday, 14 September 2007**
CLOSES ON	**Wednesday, 19 September 2007**

Tel No.: Fax No.: E-mail:

To,
The Acquirers – Westglobe Limited & Richter Holding Limited, and the PAC - Vedanta Resources Plc.,
C/o. Karvy Computershare Private Limited,
Plot No. 17 to 24, Vithalrao Nagar,
Hi tech City Road, Madhapur,
Hyderabad - 500 086. India

Dear Sir/Madam,

Sub: Open Offer to acquire up to 78,72,404 fully paid-up equity shares of Rs. 10/- each representing 20% of paid-up equity share capital (as defined in the Letter of Offer) of Sesa Goa Limited ('Sesa Goa' or the 'Target Company') by Westglobe Limited, Richter Holding Limited and Vedanta Resources Plc. at a price of Rs. 2,036.30 (Rupees Two Thousand Thirty Six and Paise Thirty only) per fully paid-up equity share, ('Offer Price') payable in cash.

I/We refer to the Letter of Offer dated August 28, 2007 for acquiring the Equity Shares held by me/us in Sesa Goa Limited.
I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
I/We hereby consent unconditionally and irrevocably to withdraw my/our shares from the Offer and I/we further authorise the Acquirers to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.
I/We note that upon withdrawal of my/our shares from the Offer, no claim or liability shall lie against the Acquirers/Manager to the Offer/Registrar/Financial Advisor to the Offer.
I/We note that this Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or mentioned overleaf as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. Wednesday, 19 September 2007
I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the shares held in physical form and also for the non-receipt of shares held in the dematerialised form in the DP account due to inaccurate/incomplete particulars/instructions.
I/We also note and understand that the Acquirers will return the original share certificate(s), share transfer deed(s) and shares only on completion of verification of the documents, signatures and beneficiary position as available from the Depositories from time to time.
The particulars of tendered original share certificate(s) and duly signed transfer deed(s) are detailed below:

Sr. No.	Ledger Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
Total No. of Shares (in case of insufficient space, please attach a separate sheet)					

I/We hold the following Shares in dematerialised form and had done an off-market transaction for crediting the shares to the **'Escrow A/c Sesa Goa Open Offer'** as per the following particulars:-

DP Name: Citibank N.A.	**DP ID**: IN300 054	**Client ID:** 1002 0862

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my/our Shares have been tendered are as detailed below:-

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares

I/We note that the shares will be credited back only to that depository account, from which the shares have been tendered and necessary standing instructions have been issued in this regard.
In case of dematerialised shares, I/we confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Tear along this line

Acknowledgement Slip **Sesa Goa Limited – Open Offer – Withdrawal Form** **Sr. No.** ______

Received Form of Withdrawal from Mr. /Ms. ____
Address ____
Physical shares: Folio No.______________/Demat shares: DP ID _______________ Client ID_____________
for __________number of shares. Signature of Official ________________ Date of Receipt _______________

Stamp of Collection Centre

I/We confirm that the particulars given above are true and correct.

Yours faithfully,

Signed and Delivered:

Full name(s) of the Holder(s)		PAN Number(s)	Signature(s)
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all shareholders must sign.

Place: _________________________________ Date: __________________

INSTRUCTIONS

1. Shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the close of the Offer, i.e. **Wednesday, 19 September 2007**.
2. The withdrawal option can be exercised by submitting the Form of Withdrawal, duly signed and completed, along with the copy of acknowledgement slip issued at the time of submission of the Form of Acceptance-cum-Acknowledgement.
3. The Form of Withdrawal along with enclosure should be sent only to the Registrar to the Offer so as to reach the Registrar of the Offer at any of the collection centres below on all days (excluding Sundays and Public holidays) during the business hours i.e. (Mondays to Fridays between 10.00a.m. and 3.00p.m. and on Saturdays between 10.00a.m. and 1.00p.m.).

S. No.	Collection Centre	Address of Collection Centre	Contact Person	Phone No.	Fax	Mode of delivery
1.	Mumbai (Fort)	Karvy Computershare Pvt. Ltd. 16-22 Bake House, Maharashtra Chamber of Commerce Lane, Opp. MSC Bank, Fort, Mumbai 400 023	Ms. Nutan Shirke	022-66382666	022-66331135	Hand Delivery
2.	Mumbai (Andheri)	Karvy Computershare Pvt. Ltd. 7, Andheri Industrial Estate, Off. Veera Desai Rd, Andheri West, Mumbai 400 053	Ms. Vishakha Shringarapure	022-26730799	022-26730152	Hand Delivery
3.	Goa	Karvy Computershare Pvt. Ltd. B-2, 1st Floor, Raghunath Apartments, Opp: Auto Service, F L Gomes Road, Vasco, Goa.	Mr. Rayes	0832-2518019 to 2518022	N.A	Hand Delivery
4.	New Delhi	Karvy Computershare Pvt. Ltd. 105-108, Arunachal Bldg, 19, Barakhamba Road, Connaught Place, New Delhi 110 001	Mr. Michael George	011-23324621	011-23310616	Hand Delivery
5.	Ahmedabad	Karvy Computershare Pvt. Ltd. 201–203 'Shail', Opp. Madhusudhan House, Behind Girish Cold drinks, Off C G. Road, Ahmedabad 380 006	Mr. Edward Raphael	079-26420422/26400528	079-26565551	Hand Delivery
6.	Chennai	Karvy Computershare Pvt. Ltd., No. 33/1, Venkatraman Street, T. Nagar, Chennai 600 017	Mr. Gunashekhar	044 - 28151793 / 1794 / 4781	044-28153181	Hand Delivery
7.	Hyderabad	Karvy Computershare Pvt. Ltd., Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Ms. Sareen	040-23420818	040-23420814	Hand Delivery/ Regd. Post
8.	Kolkata	Karvy Computershare Pvt. Ltd., 49, Jatin Das Road, Nr. Deshpriya Park, Kolkata 700 029	Mr. Sujit Kundu / Mr. Debnath	033-24644891	033-24644866	Hand Delivery
9.	Bangalore	Karvy Computershare Pvt. Ltd., No.59, Skanda, Putana Road, Basavanagudi, Bangalore 560 004	Mr. Kishore	080-26621192	080-26621169	Hand Delivery

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All future correspondence, if any, should be addressed to the Registrars to the Offer at the following address:

Karvy Computershare Private Limited, Unit: Sesa Goa Open Offer

Plot No. 17 to 24, Vithalrao Nagar, Hi tech City Road, Madhapur, Hyderabad - 500 086. India Tel: +91 40 2342 0818-28 Fax: +91 40 2342 0814

Contact Person: Murali Krishna; E-mail: murali@karvy.com

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