

**SESA GROUP**



## **SESA GOA LIMITED**

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

### **COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF SESA GOA LIMITED**

Day	:	Tuesday
Date	:	19 <sup>th</sup> June, 2012
Time	:	11.30 AM or so soon thereafter after the conclusion of the meeting of the Equity Shareholders of Sesa Goa Limited convened in the matter of Company Application No. 20 of 2012
Venue:	:	Hotel Mandovi, D. B. Marg, Panaji, Goa - 403 001

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**IN THE HIGH COURT OF JUDICATURE OF BOMBAY AT GOA  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY APPLICATION NO. 21 OF 2012**

In the matter of the Companies Act, 1956  
(1 of 1956);

AND

In the matter of Sections 391 to 394 of the  
Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation  
OF  
Ekaterina Limited ('Ekaterina' or 'the Transferor  
Company')

AND

Sesa Goa Limited ('SGL' or 'Transferee  
Company')

And

their respective shareholders and creditors.

**Sesa Goa Limited**, a company incorporated )  
under the provisions of the Companies Act, 1956 )  
and having its registered office at Sesa Ghor, ) ..... Applicant Company/  
20, EDC Complex, Patto, Panaji, Goa – 403 001 ) Transferee Company

**NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF SESA GOA LIMITED**

To,

The Equity Shareholders of Applicant Company,

**TAKE NOTICE** that by an Order made on 27<sup>th</sup> April, 2012, the Hon'ble High Court of Judicature of Bombay at Goa has directed that a meeting of the Equity Shareholders of **Sesa Goa Limited**, Applicant Company, be convened and held at Hotel Mandovi, D. B. Marg, Panaji, Goa - 403 001 on Tuesday, 19<sup>th</sup> June, 2012 at 11.30 AM or so, soon thereafter after the conclusion of the meeting of the Applicant Company convened in the matter of Company Application No. 20 of 2012, for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Amalgamation embodied in the Scheme of Amalgamation of Ekaterina Limited and Sesa Goa Limited and their respective Shareholders and Creditors ('Scheme').

**TAKE FURTHER NOTICE** that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of Sesa Goa Limited ('SGL' or 'the Applicant OR Transferee Company') will be convened and held at Hotel Mandovi, D. B. Marg, Panaji, Goa - 403 001 on Tuesday, 19<sup>th</sup> June, 2012 at 11.30 AM or so, soon thereafter after the conclusion of the meeting of the

Applicant Company convened in the matter of Company Application No. 20 of 2012, at which place, day, date and time you are requested to attend.

**TAKE FURTHER NOTICE** that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of SGL at Sesa Ghor, 20, EDC Complex, Patto, Panaji, Goa – 403 001, not later than 48 hours before the said meeting.

The Hon'ble High Court of Judicature of Bombay at Goa has appointed Mr. K. K. Kaura, and failing him, Mr. Gurudas D. Kamat, and failing him, Mr. Ashok Kini and failing him, Mr. P. K. Mukherjee of SGL, to be the Chairman of the said meeting.

A copy of the Scheme of Amalgamation, Statement under Section 393, Form of Proxy and Attendance Slip are enclosed.

Dated this 19<sup>th</sup> day of May, 2012

**sd/-**

**Chairman appointed for the Meeting**

Note: All alterations made in the Form of Proxy should be initialed.

**Registered office:**

Sesa Ghor, 20,  
EDC Complex,  
Patto, Panaji, Goa – 403 001

Notes:

**Important Information to equity shareholders:**

1. Only registered shareholders of the Applicant Company may attend and vote (either in person or by proxy or by Authorised Representative under section 187 of the Companies Act, 1956) at the shareholders meeting.
2. Body Corporate and Foreign Institutional Investor (FII) Equity Shareholder(s) would be required to deposit certified copies of Board/Custodial resolutions/Power of Attorney in original, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Registered Office of Sesa Goa Limited at Sesa Ghor, 20, EDC Complex, Patto, Panaji, Goa – 403 001 at least 48 hours before the time of holding the meeting.

Enclosures: As above

**IN THE HIGH COURT OF JUDICATURE OF BOMBAY AT GOA  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY APPLICATION NO. 21 OF 2012**

In the matter of the Companies Act, 1956  
(1 of 1956);

AND

In the matter of Sections 391 to 394 of the  
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OF  
Ekaterina Limited ('Ekaterina' or 'the Transferor  
Company')

AND

Sesa Goa Limited ('SGL' or 'Applicant Company')  
And  
their respective shareholders and creditors.

**Sesa Goa Limited**, a company incorporated )  
under the provisions of the Companies Act, 1956 )  
and having its registered office at Sesa Ghor, )  
20, EDC Complex, Patto, Panaji, Goa – 403 001 ) ..... Applicant/Transferee Company

**EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956 ("the Act")**

1. This is a statement accompanying the notice convening the meeting of the Equity Shareholders of Sesa Goa Limited, the Applicant Company (hereinafter referred to as the SGL), convened pursuant to an Order dated 27<sup>th</sup> day of April, 2012 passed by the Hon'ble High Court of Judicature of Bombay at Goa, directing a meeting of the Equity Shareholders of Sesa Goa Limited, to be convened and held at Hotel Mandovi, D. B. Marg, Panaji, Goa - 403 001 on Tuesday, 19<sup>th</sup> day of June, 2012 at 11.30 A.M or so soon thereafter after the conclusion of the meeting of the Applicant Company convened in the matter of Company Application No. 20 of 2012, for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation of Ekaterina Limited ('Ekaterina' or 'the Transferor Company') and Sesa Goa Limited ('SGL' or 'the Transferee Company') and their respective Shareholders and Creditors ('the Scheme' or 'this Scheme'). The other definitions contained in the Scheme will apply to this Explanatory Statement also.
2. The resolution to be submitted at the said meeting will read as follows :  
  
**'RESOLVED THAT** subject to the approval of the Hon'ble High Court of Judicature of Bombay at Goa, the Amalgamation as embodied in the Scheme of Amalgamation of Ekaterina Limited and Sesa Goa Limited and their respective Shareholders and Creditors placed before the

meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved’.

**‘RESOLVED FURTHER THAT** any one of the Directors or Company Secretary of Sesa Goa Limited be and is hereby severally authorised to do all such acts, deeds and things as are considered requisite or necessary to effectively implement the Scheme and accept such modification and/or conditions, if any, which may be required and/or imposed by the High Court of Judicature of Bombay at Goa while sanctioning the Scheme’.

3. The proposed Scheme of Amalgamation envisages merger of Ekaterina into SGL. Ekaterina holds 70.5% in VAL and balance 29.5% is held by SIIL. Vedanta Resources Plc (VRPLC) through intermediate wholly owned subsidiaries holds 55.13% in SGL. SGL has already made an application to Foreign Investment Promotion Board (FIPB) for issue of shares to Ekaterina pursuant to Merger of Ekaterina into SGL.
4. Further, as part of the consolidation of the various businesses of the Vedanta Group in India, it is proposed that Sterlite Industries (India) Limited, The Madras Aluminium Company Limited, Sterlite Energy Limited and the Aluminium Business Undertaking of Vedanta Aluminium Limited be amalgamated with SGL and vesting of Power Business Undertaking of The Madras Aluminium Company Limited into Vedanta Aluminium Limited. In order to give the effect to the same, a separate Scheme of Amalgamation and Arrangement amongst Sterlite Industries (India) Limited (‘SIIL’ or ‘the Amalgamating Company 1’), The Madras Aluminium Company Limited (‘MALCO’ or ‘the Amalgamating Company 2’), Sterlite Energy Limited (‘SEL’ or ‘the Amalgamating Company 3’), Vedanta Aluminium Limited (‘VAL’ or ‘the Demerged Company’) and Sesa Goa Limited (‘SGL’ or Amalgamated Company or ‘the Transferee Company’) and their respective Shareholders and Creditors (‘the Concurrent Scheme’) has been approved by the respective Boards of Directors of SIIL, MALCO, SEL, VAL and SGL. The proposed Concurrent Scheme envisages;
  - (a) amalgamation of SIIL with SGL;
  - (b) vesting of the Power Business Undertaking of MALCO into VAL;
  - (c) amalgamation of MALCO into SGL;
  - (d) amalgamation of SEL into SGL;
  - (e) demerger of the Aluminium Business Undertaking of VAL into SGL.

The effectiveness of this Concurrent Scheme shall inter-alia be subject to the effectiveness of this Scheme.

5. SGL was incorporated on June 25, 1965 under the provisions of the Act under the name and style of ‘Sesa Goa Private Limited’. It became a Public Limited Company pursuant to an initial public offer in the year 1981.
6. The Registered Office of SGL is situated at Sesa Ghor, 20, EDC Complex, Patto, Panaji, Goa – 403 001.

7. The authorized, issued, subscribed and paid-up share capital of SGL as at March 31, 2011 is as under :

Particulars	Amount (Rs.)
<u>Authorised</u>	
1,000,000,000 equity shares of Re. 1 each	1,000,000,000
<b>TOTAL</b>	<b>1,000,000,000</b>
<u>Issued Subscribed and Paid Up</u>	
869,101,423 shares of Re. 1 each fully paid up	869,101,423
<b>TOTAL</b>	<b>869,101,423</b>

Subsequent to March 31, 2011, there has been no change in the share capital of SGL. The shares of SGL are listed on BSE Limited and The National Stock Exchange of India.

Beside the above SGL has 2168 number of Foreign Currency Convertible Bonds (FCCB) outstanding. These FCCBs of SGL are listed on the Singapore Exchange Limited.

8. SGL is a producer and exporter of iron ore, pig iron and metallurgical coke.
9. The main objects of SGL as set out in the Memorandum of Association is as follows:

‘III. The objects for which the Company is established are:

**(A) THE OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED EXTEND TO INDIA AND ABROAD AND ARE THE FOLLOWING:**

1. To continue to carry on the business of this Company, which was a Sociedade Por Quotas Responsabilidade Limitada, and to carry on all or any of the business of prospecting, exploring, mining, winning, importing, exporting, dealing, processing, buying, selling and distributing and generally dealing in earth and ore of all kinds including iron-ore, ferro-manganese, china-clay, quartz, silica, abrasive minerals, aluminium minerals, anhydrite, antimony minerals aquamarine, asbestos, barium minerals, bauxite, fluorspars and others.
2. To purchase, take on lease or otherwise acquire mines, lands, and mineral properties, and also grants, concession, leases, claims, licences of or other interest in mines, mining rights, lands, mineral properties, water rights, either absolutely or conditionally and either solely or jointly with others.
3. To buy, sell, import, export, distribute, prepare, produce, process and manufacture agriculture, forest, mineral, animal or any other goods, ware commodities, merchandise, article and things of any description or kind whatsoever.
4. To crush, win, get, quarry, smelt, calcine, refine, dress, Applicant, manipulate, and prepare for market, ore, metal and mineral substances of all kinds, and to carry on any other metallurgical operations which may seem conducive to any of the Company's objects.
5. To carry on all or any of the business of exploring, discovering, producing, refining, processing, importing, exporting, distributing and generally dealing in crude oil, natural gas and other hydrocarbons.

10. **Ekaterina Limited** (“Ekaterina” or “Transferor Company”) is a company incorporated in the Republic of Mauritius on December 21 2011 (Company No.: 106900), under the provisions of the Mauritius Companies Act, 2001 as a Category 2 Global Business Company.
11. The registered office of Ekaterina is situated at C/o Multiconsult Limited, 3<sup>rd</sup> Floor, Rogers House, 5, President John Kennedy Street, Port Louis, Republic of Mauritius.
12. The Share Capital of Ekaterina for the period December 21, 2011 to February 24, 2012 is as under :

Particulars	Amount (USD)
Equity Share Capital	1
<b>TOTAL</b>	<b>1</b>

Subsequent to February 24, 2012, there has been an increase in the share capital of Ekaterina by way of issue of 1,807,608,369 number of share of US\$ 0.1 each amounting to USD 180,760,836.

13. The main objects for which Ekaterina has been established are as follows :

“Nature, General Objects, Powers And Duration :

1. To carry out global business activities in accordance with the Financial Services Act 2007;
2. To engage in any business or businesses whatsoever, which are not prohibited under the laws for the time being in force in the Republic of Mauritius, including without limitation, project development and management functions in relation to mining projects, exploration, feasibility studies, construction, equipment procurement, risk assessment, coordination, monitoring and project supervision, technical know-how and support and related activities.
3. Without prejudice to section 270(b) of the Act, to borrow or raise money by the issue of debenture stock (perpetual or terminable) bonds, mortgages or any other securities founded or based upon all or any of the assets or property of the Company or without any such security and upon such terms as to priority or otherwise as the Company shall think fit; and
4. To do all such other things as are incidental to, or the Company may think conducive to the conduct, promotion or attainment of the objects of the Company.
5. The duration of the Company is unlimited”

14. Details of cross holdings of the companies is as follows :

Vedanta Resources Plc, flagship Company of the Vedanta Group, listed on London Stock Exchange, holds through its 100% subsidiaries 55.13% stake in SGL and 100% in Ekaterina.

15. Rationale of the Scheme and Concurrent Scheme are *inter alia* summarised as under:

The Consurent Scheme is expected to simplify the group structure and make it more transparent by eliminating cross holdings. The re-organization exercise would achieve the following synergies for the group:

- Consolidate and simplification the group structures;
- Elimination of cross holdings within the group;
- Enhancement in earnings and cash flow visibility;
- Improved alignment of debt and cash flows;
- Synergies arising out of consolidation of business such as, enhancement of net worth of the combined business to capitalise on future growth potential, optimal utilisation of resources and better administration and cost reduction.

Ekaterina Limited (indirect 100% subsidiary of Vedanta Resources Plc) holds 70.5% stake in VAL and balance held by SIIL. The Concurrent Scheme shall result into consolidation of 100% equity shareholding of VAL in SGL. The Board of Directors of all the companies are of the opinion that the re-organization would benefit the shareholders, employees and other stakeholders of the companies.

16. The Board of Directors of Ekaterina and SGL has also approved the Scheme at its meeting held on the 25<sup>th</sup> February, 2012. The copy of the Scheme setting out in detail the terms and conditions of the arrangement, which has been approved by the Board of Directors of SGL on 25<sup>th</sup> February, 2012, is forming part of this Explanatory Statement.

17. The salient features of the Scheme are as follows:

- (a) The Appointed Date of the amalgamation of Ekaterina and SGL is April 1, 2012
- (b) Effective Date means later of the dates on which the certified copies of the orders of the High Court of Judicature of Bombay at Goa are filed with the Registrar of Companies, Goa, Daman & Diu or the orders of the Supreme Court of Mauritius are filed with the Registrar of Companies, Mauritius.
- (c) With effect from the Appointed Date and upon the Scheme becoming effective, upon vesting of undertaking of Ekaterina into SGL, shareholders of Ekaterina shall receive equity shares of SGL aggregating to 72,304,335 shares in the following share exchange ratio :  
  

‘Every equity shareholder of the Ekaterina holding Twenty Five (25) equity shares in Ekaterina of USD 0.1 each fully paid up as of the Record Date shall be entitled to be issued One (1) equity shares of the face value of Re. 1 each, at par, credited as fully paid-up, of SGL.’
- (d) Upon the Scheme becoming effective, Ekaterina shall stand dissolved without being wound up;
- (e) The Scheme is conditional upon and subject to:
  1. the Scheme being approved by the respective requisite majorities of the various classes of shareholders and creditors of Ekaterina and SGL as required under the Act, the relevant provisions of the applicable Mauritian law, if any, and the requisite orders of the Courts being obtained;
  2. the Scheme being approved by the Competition Commission of India;
  3. the Concurrent Scheme being sanctioned by the High Court of Judicature at Madras and the High Court of Judicature of Bombay at Goa, in India, as mentioned in the Concurrent Scheme; and



4. certified copies of the orders of the Courts referred to under sub-clause (e)(1) above being filed by Ekaterina and SGL with the respective Registrars of Companies having jurisdiction over each such Company.

**The features set out above being only the salient features of the Scheme of Amalgamation; the shareholders are requested to read the entire text of the Scheme of Amalgamation annexed hereto to get fully acquainted with the provisions thereof.**

18. The share swap ratio was approved by the Board of Directors of SGL on 25<sup>th</sup> February, 2012 after considering valuation arrived by M/s. Grant Thornton India LLP & KPMG India Private Limited and Fairness Opinion Report from Citigroup Global Markets India Private Limited.
19. The share swap ratio for the Concurrent Scheme are as follows:
  - a) Upon the amalgamation of SIIL into SGL becoming effective and upon vesting of undertaking of SIIL into SGL, shareholders of SIIL (except MALCO as MALCO is also amalgamating into SGL), as of the Record Date shall receive equity shares of SGL in the following share exchange ratio :
 

‘Every equity shareholder of SIIL holding 5 (five) equity shares in SIIL of Re. 1 each fully paid up as of the Record Date shall be entitled to be issued 3 (three) equity shares of face value Re. 1 each, at par, credited as fully paid up, of SGL’
  - b) Upon the amalgamation of MALCO with SGL becoming effective and upon vesting of undertaking of MALCO into SGL, shareholders of MALCO shall receive equity shares of SGL in the following share exchange ratio :
 

‘Every equity shareholder of MALCO holding 10 (ten) equity shares in MALCO of Rs. 2 each fully paid up as of the Record Date shall be entitled to be issued 7 (seven) equity shares of face value Re. 1 each, at par, credited as fully paid up, of SGL’.
20. The share swap ratio was approved by the Board of Directors of SGL on 25<sup>th</sup> February, 2012 after considering valuation arrived by M/s. Grant Thornton India LLP and KPMG India Private Limited and Fairness Opinion Report from Citigroup Global Markets India Private Limited. Further SIIL has also obtained fairness opinion from DSP Merrill Lynch Limited.
21. The shareholding pattern of SGL as on March 31, 2012 is as follows:

CATE- GORY CODE	CATEGORY OF SHAREHOLDER	Pre-Scheme	
		TOTAL NUMBER OF SHARES	% OF SHAREHOLDING
(A)	PROMOTER AND PROMOTER GROUP		
(1)	INDIAN		
(a)	Individual /HUF	-	-
(c)	Bodies Corporate	-	-
(e)	Others	-	-
	<b>Sub-Total A(1) :</b>	-	-

CATE- GORY CODE	CATEGORY OF SHAREHOLDER	Pre-Scheme	
		TOTAL NUMBER OF SHARES	% OF SHAREHOLDING
(2)	FOREIGN		
(b)	Bodies Corporate	479,113,619	55.13
	<b>Sub-Total A(2) :</b>	<b>479,113,619</b>	55.13
	<b>Total A=A(1)+A(2)</b>	<b>479,113,619</b>	55.13
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>		
<b>(1)</b>	<b>INSTITUTIONS</b>	-	-
(a)	Mutual Funds /UTI	7,306,217	0.84
(b)	Financial Institutions /Banks	14,892,905	1.71
(c)	Central Government / State Government(s)	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	19,213,543	2.21
(f)	Foreign Institutional Investors	217,008,595	24.97
(g)	Foreign Venture Capital Investors	-	-
(h)	Others	-	-
	<b>Sub-Total B(1) :</b>	<b>258,421,260</b>	29.73
<b>(2)</b>	<b>NON-INSTITUTIONS</b>		
(a)	Bodies Corporate	20,646,899	2.38
(b)	Individuals		
	(i) Individuals holding nominal share capital upto Rs.1 lakh	101,414,076	11.67
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	4,605,515	0.53
	Any Others (Specify)	4,900,054	0.56
(c)	Others		
	Non Resident Indians	2,121,072	0.24
	Clearing Members	2,146,161	0.25
	Trusts	625,027	0.07
	Foreign Corporate Bodies	7,794	0.00
	Directors And Relatives	-	-
	Any Other	-	-
	Foreign National	-	-
	<b>Sub-Total B(2) :</b>	<b>131,566,544</b>	15.14
	<b>Total B=B(1)+B(2) :</b>	<b>389,987,804</b>	44.87
	<b>Total (A+B) :</b>	<b>869,101,423</b>	100.00

CATE- GORY CODE	CATEGORY OF SHAREHOLDER	Pre-Scheme	
		TOTAL NUMBER OF SHARES	% OF SHAREHOLDING
(C)	Shares held by custodians, against which		
	Depository Receipts have been issued	-	-
(1)	Promoter and Promoter Group	-	-
(2)	Public	-	-
	<b>Sub-Total C(1)</b>	-	-
	<b>GRAND TOTAL (A+B+C) :</b>	<b>869,101,423</b>	<b>100.00</b>

22. The shareholding pattern (expected) of SGL, post amalgamation and arrangement is as follows :

CATE- GORY CODE	CATEGORY OF SHAREHOLDER	Post Scheme*	
		SGL's Post Merger Shareholding	% of Shareholding
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>		
(1)	INDIAN	-	-
(a)	Individual /HUF	500,496	0.02
(c)	Bodies Corporate	74,747,481	2.52
(e)	Others	-	-
	<b>Sub-Total A(1) :</b>	<b>75,247,977</b>	<b>2.54</b>
(2)	FOREIGN	-	-
(b)	Bodies Corporate	1,554,104,908	52.41
	<b>Sub-Total A(2) :</b>	<b>1,554,104,908</b>	<b>52.41</b>
	<b>Total A=A(1)+A(2)</b>	<b>1,629,352,885</b>	<b>54.95</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>	<b>4,099,248</b>	<b>0.14</b>
(1)	INSTITUTIONS		
(a)	Mutual Funds /UTI	87,356,457	2.95
(b)	Financial Institutions /Banks	25,051,693	0.84
(c)	Central Government / State Government(s)	1,680	0.00
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	117,671,714	3.97
(f)	Foreign Institutional Investors	448,654,513	15.13
(g)	Foreign Venture Capital Investors	-	-
(h)	Others	-	-
	<b>Sub-Total B(1) :</b>	<b>682,835,305</b>	<b>23.03</b>
(2)	NON-INSTITUTIONS	-	-
(a)	Bodies Corporate	143,942,615	4.85
(b)	Individuals		
	(i) Individuals holding nominal share capital upto Rs.1 lakh	170,928,006	5.76
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	22,746,074	0.77%

CATEGORY CODE	CATEGORY OF SHAREHOLDER	Post Scheme*	
		SGL's Post Merger Shareholding	% of Shareholding
(c)	Others		
	Non Resident Indians	5,957,752	0.20
	Clearing Members	2,504,245	0.08
	Trusts	43,903,993	1.48
	Overseas Corporate Bodies	2,900	0.00
	Foreign Corporate Bodies	5,185,495	0.17
	Directors And Relatives	43,200	0.00
	Any Other	391,692	0.01
	Foreign National	6,068	0.00
	<b>Sub-Total B(2) :</b>	<b>395,612,040</b>	<b>13.34</b>
	<b>Total B=B(1)+B(2) :</b>	<b>1,078,447,345</b>	<b>36.37</b>
	<b>Total (A+B) :</b>	<b>2,707,800,229</b>	<b>91.33</b>
(C)	Shares held by custodians, against which		
	Depository Receipts have been issued	-	-
(1)	Promoter and Promoter Group	99,292,711	3.35
(2)	Public	157,911,931	5.33
	<b>Sub-Total C(1)</b>	<b>257,204,642</b>	<b>8.67</b>
	<b>GRAND TOTAL (A+B+C) :</b>	<b>2,965,004,872</b>	<b>100.00</b>

\* including Concurrent Scheme consideration

23. The directors of Ekaterina and SGL may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the respective companies, or to the extent the said directors are common directors in the companies, or to the extent the said directors are the partners, directors, shareholders of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of the companies. Save as aforesaid, none of the Directors of the company have any material interest in the proposed arrangement.

24. Details of Directors of SGL and Ekaterina holding shares in SGL and Ekaterina are as under:

(a) The details of the Directors of Ekaterina and their shareholding in Ekaterina and SGL either singly or jointly or as nominee as on March 31, 2012 is as under:

Sr. No.	Name of the Directors	Designation	Equity Shares in Ekaterina	Equity shares in SGL
1	Mohammad Akhtar Janally	Director	Nil	Nil
2	Gyaneshwarnath Gowrea	Director	Nil	Nil

- (b) The details of the Directors of SGL and their shareholding in Ekaterina and SGL and either singly or jointly or as nominee as on March 31, 2012 is as under:

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>Designation</b>	<b>Equity Shares in Ekaterina</b>	<b>Equity shares in SGL</b>
1	Kuldip Kumar Kaura	Director	Nil	Nil
2	Gurudas Kamat	Director	Nil	Nil
3	Prasun Kumar Mukherjee	Managing Director	Nil	2000
4	Amit Pradhan	Whole time Director	Nil	1340
5	Kasaragod Ashok Kini	Director	Nil	Nil
6	Jagdish Pal Singh	Director	Nil	Nil

25. None of the Directors are having material interest in Ekaterina and SGL in capacity of a Creditors as on March 31, 2012.
26. The financial position of SGL will not be adversely affected by the Scheme. Further, the rights and interests of the creditors of SGL will not be prejudicially affected by the Scheme.
27. SGL has obtained the approval to the Scheme in the terms of Clause 24(f) of the Listing Agreements of BSE Limited and The National Stock Exchange of India vide their letter dated 12<sup>th</sup> April, 2012 and 2<sup>nd</sup> April, 2012 respectively. Further approval from the Competition Commission of India has been received vide letter dated 23rd April. 2012.
28. No investigation proceedings are pending under Sections 235 to 251 of the Companies Act, 1956 in respect of SGL except investigation pending by Serious Fraud Investigation Officer.
29. On the Scheme being approved by shareholders as per the requirements of Section 391 of the Act, SGL will seek sanction of the High Court of Judicature of Bombay, at Goa and Ekaterina will seek sanction of the Supreme Court of Mauritius as per the requirements of Section 261 to 264 of the Mauritius Companies Act, 2001.
30. An Equity shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him, and such proxy need not be a member of SGL. The instrument appointing the proxy should however be deposited at the registered office of SGL not later than 48 (forty eight) hours prior to the commencement of the meeting.
31. Corporate members intending to send their authorised representatives to attend the meeting are requested to lodge a certified true copy in original of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before commencement of the meeting, authorizing such person to attend and vote on its behalf at the meeting.
32. Inspection of the following documents may be had by the Shareholders of SGL at the Registered Office of SGL up to one day prior to the date of the meeting between 11 a.m. and 1 p.m. on all working days (except Saturdays):

- (a) Copy of the Order dated 27<sup>th</sup> April, 2012 of the High Court of Judicature of Bombay at Goa passed in Company Application No. 21 of 2012 directing the convening of the meeting of the Shareholders of SGL;
- (b) Scheme of Amalgamation;
- (c) Memorandum and Articles of Association of SGL;
- (d) Constitution of Ekaterina;
- (e) The Latest Audited Financial Statements of SGL for the financial year ended March 31, 2011, March 31 2010 and March 31, 2009;
- (f) Management Certified Financial Statements of Ekaterina as on March 31, 2012;
- (g) The Unaudited Financial Results of SGL as on December 31, 2011 and the Disclosure in accordance with Clause 41 and 43 of the Listing Agreement for the quarter ended December 31, 2011 made by SGL;
- (h) Valuation Report issued by M/s. Grant Thornton India LLP & KPMG India Private Limited and Fairness Opinion Report from Citigroup Global Markets India Private Limited;
- (i) Copy of No Objection Certificate to the Scheme received from BSE Limited and The National Stock Exchange of India vide their letters dated 12<sup>th</sup> April, 2012 and 2<sup>nd</sup> April, 2012 respectively.
- (j) Copy of approval of Competition Commission of India dated 12<sup>th</sup> April, 2012 and received on 23<sup>rd</sup> April, 2012.

An Information statement containing further information about the Scheme and certain related matters will be made available on or before 22nd May 2012 on SGL's website at the following address: [http://sesagoa.com/index.php?option=com\\_report&view=report&Itemid=77](http://sesagoa.com/index.php?option=com_report&view=report&Itemid=77).

This statement may be treated as an Explanatory Statement under Section 173 of the Companies Act, 1956. A copy of the Scheme, Explanatory Statement and Form of Proxy may be obtained from the Registered Office of SGL.

**sd/-**

**Chairman appointed for the meeting**

Dated this 19<sup>th</sup> May, 2012

**Registered office:**

Sesa Ghor, 20,  
EDC Complex, Patto,  
Panaji, Goa – 403 001

**SCHEME OF AMALGAMATION  
OF  
EKATERINA LIMITED  
WITH  
SESA GOA LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
PREAMBLE**

1. Ekaterina (as defined hereinafter), the Transferor Company herein, is a wholly owned subsidiary of Vedanta Resources Plc. (“**VRP**”) (through its intermediate subsidiaries), a UK Listed metals and mining conglomerate with business interests across India, Zambia, Australia, Namibia, South Africa and Ireland.
2. SGL (as defined hereinafter), the Transferee Company herein, is a flagship company of the Vedanta Group in India, the equity shareholding of which to the extent of 55.13% is currently held (through its intermediate subsidiaries) by VRP. SGL is primarily engaged in the businesses of producing and exporting iron ore.
3. Vedanta Aluminium Limited (“**VAL**”) is a company incorporated and existing under the Indian Act (as defined hereinafter), having its registered office at SIPCOT Industrial Complex, Madurai By Pass Road, T V Puram P.O., Tuticorin - 628 002, Tamil Nadu. VAL is a producer of metallurgical grade alumina and aluminium products and its 70.5% equity shareholding is currently held by Ekaterina and the balance equity shareholding, that is, 29.5% is currently held by Sterlite Industries (India) Limited (“**SIIL**”), a company incorporated and existing under the Indian Act having its registered office at SIPCOT Industrial Complex, Madurai By Pass Road, T V Puram P.O., Tuticorin - 628 002, Tamil Nadu. SIIL is another flagship company of the Vedanta Group in India, focusing on copper, zinc and lead businesses.
4. As part of the consolidation of the multiple business lines of the Vedanta Group, it is proposed that the entire shareholding of VAL shall be consolidated into and held by SGL. In order to give effect to the same, it is proposed that Ekaterina be amalgamated into and with SGL, in terms of the provisions of this Scheme (as defined hereinafter).
5. Further, by way of a separate scheme of arrangement in India (“**Concurrent Scheme**”), it is proposed to amalgamate SIIL into and with SGL.
6. Accordingly, implementation of this Scheme and the Concurrent Scheme shall result into consolidation of 100% equity shareholding of VAL in SGL.
7. This Scheme is now presented under Sections 261 to 264 and other applicable provisions of the Mauritius Act (as defined hereinafter) and Sections 391 to 394 and other applicable provisions of the Indian Act (as defined hereinafter) for amalgamation of Ekaterina into and with SGL.

The Scheme is divided into following parts:

**Part A** – Deals with definitions and share capital of Ekaterina and SGL.

**Part B** – Deals with amalgamation of Ekaterina into and with SGL.

**Part C** – Deals with General Clauses, Terms and Conditions.

## **PART A**

### **DEFINITIONS & SHARE CAPITAL**

#### **1. Definitions**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **“Indian Act” or “the Indian Act”** means the (Indian) Companies Act, 1956 and shall include any statutory modification or re-enactment thereof for the time being in force;
- 1.2 **“Appointed Date”** means April 01, 2012, being the date with effect from which Ekaterina shall stand amalgamated into and with SGL in terms of this Scheme, upon sanction of the Scheme by the Courts and the Scheme coming into effect;
- 1.3 **“Courts”** means the High Court and the Supreme Court of Mauritius, collectively;
- 1.4 **“Effective Date”** means later of the dates on which the certified copies of the orders of the High Court are filed with the Registrar of Companies, Goa, Daman & Diu or the orders of the Supreme Court of Mauritius are filed with the Registrar of Companies, Mauritius. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” shall mean and refer to the Effective Date;
- 1.5 **“High Court”** means the High Court of Judicature at Bombay, Panaji Bench, Goa and shall include National Company Law Tribunal, if applicable;
- 1.6 **“Mauritius Act”** means The Mauritius Companies Act, 2001 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force;
- 1.7 **“Record Date”** means the date to be fixed by the Board of Directors of SGL, in consultation with Ekaterina for the purposes of this Scheme;
- 1.8 **“Registrar of Companies”** means Registrar of Companies, Goa, Daman & Diu and the Registrar of Companies, Mauritius;
- 1.9 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation (with or without any modification(s), as may be approved or imposed or directed by the Courts or made as per Clause 9.6 herein) as submitted to the Honorable High Court and the Supreme Court of Mauritius;
- 1.10 **“Supreme Court of Mauritius”** means the Bankruptcy Division of the Supreme Court of Mauritius;



- 1.11 **“SGL” or “Transferee Company”** means Sesa Goa Limited, a company incorporated under the Indian Act, and having its registered office at Sesa Ghor 20 EDC complex Patto, Panjim – 403001, Goa; and
- 1.12 **“Ekaterina” or “Transferor Company”** means Ekaterina Limited, a company incorporated in the Republic of Mauritius under the Mauritius Act, and having its registered office at C/o Multiconsult Limited, 3<sup>rd</sup> Floor, Rogers House, 5, President John Kennedy Street, Port Louis, Republic of Mauritius and notwithstanding anything to the contrary in this Scheme, means and includes any and all of its investments (including the share representing 70.5% of the equity share capital of VAL, and all other shares, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities) including dividends declared or interest accrued thereon.
- 1.13 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Indian Act, the (Indian) Securities Contract Regulation Act, 1956, the (Indian) Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time;

## 2. SHARE CAPITAL

- 2.1 The Share capital of Ekaterina as on February 29, 2012 is as

	Amount in USD
<b>Issued, Subscribed &amp; Paid-up</b>	
180,76,08,370 equity share of USD 0.1 each	18,07,60,837
<b>TOTAL</b>	<b>18,07,60,837</b>

The entire equity share capital of Ekaterina is held by Twinstar Holdings Limited and Welter Holding Limited, wholly owned subsidiaries of Vedanta Resources Plc.

- 2.2 The Share capital of SGL as on March 31, 2011 is as under:

	Amount in Rs.
<b>Authorised</b>	
1,000,000,000 equity shares of Re. 1 each	1,000,000,000
<b>TOTAL</b>	<b>1,000,000,000</b>
<b>Issued, Subscribed &amp; Paid-up</b>	
869,101,423 equity shares of Re 1 each	869,101,423
<b>TOTAL</b>	<b>869,101,423</b>

There has been no change in the share capital of SGL since March 31, 2011.

Equity shares of SGL are listed on the BSE Limited and the National Stock Exchange of India Limited, in India.

Besides the above, SGL has 2,168 number of Foreign Currency Convertible Bonds outstanding (each of which is convertible into 13,837 equity shares), that are currently listed on the Singapore Exchange Limited.

### **3. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein, with or without any modification(s) as may be approved or imposed or directed by the Courts or made as per Clause 9.6 of the Scheme, shall become effective on the Effective Date and shall be implemented from the Appointed Date.

## **PART B**

### **AMALGAMATION OF EKATERINA WITH SGL**

#### **4. PROVISIONS UNDER THE MAURITIUS LAWS PERTAINING TO AMALGAMATION**

- 4.1 Ekaterina is incorporated under the Mauritius Act and holds Global Business Licence Category 2 under the laws of Mauritius.
- 4.2 In terms of the laws prevalent in Mauritius, a company holding Global Business Licence Category 2 can merge with a foreign company incorporated under the laws of jurisdictions other than that of Mauritius.
- 4.3 In terms of Section 4(2)(a) of Part II of the Fourteenth Schedule of the Mauritius Act, Ekaterina has to comply with the laws of Mauritius regarding amalgamation of Ekaterina with SGL.
- 4.4 In terms of Section 4(2)(b) of Part II of the Fourteenth Schedule of the Mauritius Act, SGL, being incorporated under the laws of the jurisdiction other than Mauritius, must submit to the Registrar of Mauritius the following:
  - 4.4.1 An agreement that a service of process may be effected on and against it (as the surviving company (being “SGL”) or the consolidated company) in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of the constituent company (being “Ekaterina”) incorporated under the Mauritius Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Act;
  - 4.4.2 An irrecoverable appointment of the Registrar as its agent to accept service of process in proceedings referred to in sub paragraph 4.4.1 above. As advised by the Mauritius Counsel, generally, the Registrar of Companies, Mauritius requests that some other person domiciled in Mauritius should be appointed as agent on his behalf. Accordingly, Ekaterina shall appoint Mr. Akhtar Janally, having his office at C/o Multiconsult Limited, 3<sup>rd</sup> Floor, Rogers House, 5, President John Kennedy Street, Port Louis, Republic of Mauritius as agent to accept service of process in proceedings referred to in sub-paragraph 4.4.1 above
  - 4.4.3 An agreement that it shall promptly pay to the dissenting members, if any, of the constituent company incorporated under the Mauritius Act, the amount, if any, to which they are entitled under the Mauritius Act, with respect to the rights of dissenting members; and
  - 4.4.4 A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (being the Order of the High Court sanctioning the Scheme) where it is incorporated or if such certificate is issued, any other evidence of the merger or consolidation as the Registrar of Companies in Mauritius considers acceptable.

- 4.5 Ekaterina shall with all reasonable dispatch make application under Section 261 and other applicable provisions of the Mauritius Act for seeking sanction of the Supreme Court of Mauritius to the Scheme subject to such other terms and conditions as the Supreme Court of Mauritius may deem fit.
- 4.6 Thus, the Scheme shall take effect in Mauritius on such date as is stated in this Scheme and upon fulfilling the aforesaid requirements under the Mauritius Act.

## **5. TRANSFER AND VESTING**

### **5.1 Amalgamation and vesting of Assets and Liabilities and entire business of Ekaterina into and with SGL**

5.1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, Ekaterina, as defined (which expression includes the assets, liabilities and the entire business undertaking of Ekaterina) shall stand amalgamated with and be vested in SGL, as a going concern, without any further act or deed, as per the provisions contained herein and in this Scheme.

5.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- (i) All properties of Ekaterina, including investments in shares (including shares representing 70.5% of the equity share capital of VAL) and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the vesting orders and by operation of law become the property of SGL, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of SGL. Any investments of Ekaterina (including shares representing 70.5% of the equity share capital of VAL) shall be recorded in the name of SGL by operation of law as transmission in SGL as a successor in interest and any documents of title of Ekaterina shall also be deemed to have been mutated and recorded as the title of SGL to the same extent and manner as originally held by Ekaterina and enabling the ownership, right, title and interest therein as if SGL was originally Ekaterina. SGL shall subsequent to the vesting order be entitled to the delivery and possession of all documents of title of such property in this regard.
- (ii) All taxes payable by or refundable to Ekaterina, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of SGL, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, etc, as would have been available to Ekaterina, shall pursuant to this Scheme becoming effective, be available to SGL.

- (iii) Benefits of any and all corporate approvals as may have already been taken by Ekaterina, whether being in the nature of compliances or otherwise, shall stand vested in SGL and the said corporate approvals and compliances shall, upon this Scheme becoming effective, be deemed to have been taken/complied with by SGL.
- (iv) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by Ekaterina shall be deemed to have been accrued to and/or acquired for and on behalf of SGL and shall, upon this Scheme coming into effect, pursuant to the provisions of Section 394(2) and other applicable provisions of the Indian Act, and the relevant provisions of the applicable Mauritian law, if any, without any further act, instrument or deed be and stand vested in or be deemed to have been vested in SGL to that extent and shall become the estates, assets, right, title, interests and authorities of SGL.

5.1.3 SGL shall, at any time after this Scheme becoming effective, in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which Ekaterina has been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. SGL shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of Ekaterina and to carry out or perform all such formalities or compliances referred to above on the part of Ekaterina.

5.1.4 The provisions of this Scheme as they relate to the amalgamation of Ekaterina into and with SGL has been drawn up to comply with the conditions relating to “amalgamation” as defined under Section 2(1B) of the (Indian) Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the (Indian) Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the (Indian) Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the (Indian) Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

## **5.2 Conduct of Businesses till Effective Date**

With effect from the Appointed Date and up to and including the Effective Date:

- (i) all profits or income arising or accruing in favour of Ekaterina and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc) or losses arising or incurred by Ekaterina shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of SGL;

- (ii) Ekaterina shall carry on its business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:
    - (a) when the same is expressly provided in this Scheme; or
    - (b) when the same is in the ordinary course of business as carried on by Ekaterina, as on the date of filing of this Scheme in the Court; or
    - (c) when written consent of SGL has been obtained in this regard.
  - (iii) except by mutual consent of the boards of directors of Ekaterina and SGL, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by Ekaterina and/or SGL as on the date of sanction of this Scheme by the board of directors of SGL, or except as contemplated in this Scheme, pending sanction of this Scheme, Ekaterina and/or SGL shall not make any change in their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies);
  - (iv) Ekaterina shall not alter or substantially expand its business, except with the written concurrence of SGL; and
  - (v) Ekaterina shall not amend its constitution, except with the written concurrence of SGL.
- 5.3 (i) With effect from the Effective Date, SGL shall carry on and shall be entitled to carry on the business of Ekaterina.
- (ii) For the purpose of giving effect to the amalgamation orders passed under Sections 391 to 394 and other applicable provisions of the Indian Act and the relevant provisions of the applicable Mauritian laws, in respect of this Scheme by the Courts, SGL shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of Ekaterina, in accordance with the provisions of Sections 391 to 394 of the Act and the relevant provisions of the applicable Mauritian law, if any. SGL is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.
  - (iii) Upon this Scheme becoming effective, SGL unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of

Ekaterina with effect from the Appointed Date, in order to give effect to the foregoing provisions.

5.4 Ekaterina confirms that it has no liabilities and there are no existing charges / hypothecation / mortgages subsisting or created over or in respect of its assets or any part thereof, for securing any liability or for any other reasons.

5.5 Ekaterina confirms that there are no suits/proceedings pending against Ekaterina.

## **6. DISSOLUTION OF EKATERINA**

Upon the Scheme becoming effective and upon the Supreme Court of Mauritius giving an Order under appropriate provisions of the Mauritius Act, Ekaterina shall be dissolved, without any further act or deed, without being wound up.

## **7. CONSIDERATION**

7.1 Upon the coming into effect of the Scheme and consequent to amalgamation of Ekaterina with SGL, SGL shall without any further application, act, instrument or deed, issue and allot equity shares to the equity shareholder(s) of Ekaterina, whose names are recorded in the Register of Members on the Record Date, in the following manner:

Every equity shareholder of the Ekaterina holding Twenty Five [25] equity shares in Ekaterina of USD 0.1 each fully paid up as of the Record Date shall be entitled to be issued One [1] equity shares of the face value of Re. 1 each, at par, credited as fully paid-up, of SGL.

7.2 In the event that the aggregate number of equity shares to be issued by SGL to the shareholder(s) of Ekaterina results in a fraction of share, the Board of Directors of SGL shall round-off such fraction to the nearest whole number, and thereupon shall issue and allot equity shares to the shareholder(s) of Ekaterina.

7.3 The equity shares of SGL will be issued in dematerialized form to the shareholders of Ekaterina.

7.4 The equity shares in the capital of SGL issued to the shareholder(s) of Ekaterina, as aforesaid, shall be subject to the provisions of the Memorandum of Association and Articles of Association of SGL and shall rank *pari passu* in all respects with the existing equity shares of SGL.

7.5 All equity shares of SGL issued pursuant to the Scheme shall be listed on the BSE Limited and the National Stock Exchange of India Limited, in India, in accordance with applicable laws. Listing of all the equity shares of SGL shall be completed within a period of ninety (90) days from the Record Date of Ekaterina or such longer period as may be required for this purpose by such stock exchanges.

7.6 For the purpose of this Part B, the Board of Directors of SGL shall, after the Scheme is sanctioned but before it becomes effective, determine a Record Date for determining the entitlement of the shareholders of Ekaterina to the equity shares of SGL in terms hereof.

- 7.7 The issue and allotment of equity shares by SGL as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 81(1A) and any other applicable provisions of the Indian Act were duly complied with.
- 7.8 SGL shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of equity shares under the Scheme.
- 7.9 The issuance of equity shares of SGL shall be pursuant to an exemption from registration under Section 3(a)(10) of the United States Securities Act of 1933, as amended from time to time (the “**Securities Act**”). For purposes of ensuring that the Scheme complies with the requirements of Section 3(a)(10) of the Securities Act, Ekaterina shall undertake that:
- (i) the holders of the equity shares of Ekaterina, as against their equity shares, shall receive equity shares of SGL and shall not receive cash or other consideration (except in respect of any fractional shares); and
  - (ii) the Scheme shall become effective only after it has been approved by the Courts.

## **8. ACCOUNTING TREATMENT IN THE BOOKS OF SGL**

- 8.1 On the Scheme becoming effective, SGL shall account for the amalgamation of Ekaterina as follows:
- (i) The face value of equity shares issued pursuant to Clause 7.1 above will be recorded as equity share capital;
  - (ii) The investments and other assets, recorded in the books of Ekaterina shall be recorded by SGL at their respective book values;
  - (iii) The identity of the reserves of Ekaterina, if any and to the extent deemed appropriate by the Board of Directors of SGL, shall be preserved and they shall appear in the financial statements of SGL in the same form and manner, in which they appeared in the financial statements of Ekaterina, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of Ekaterina available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of SGL for such distribution pursuant to this Scheme becoming effective, as if Ekaterina were an Indian company.
  - (iv) The difference between the book value of the total assets and total liabilities of Ekaterina transferred to SGL after adjusting for the face value of equity shares allotted by SGL pursuant to sub-clause (i) above, and after adjusting for the treatment of reserves in 8.1 (iii) above, shall be recorded as and credited or debited to the general reserve account of SGL;
  - (v) SGL shall follow the method of accounting as prescribed for the ‘pooling of interest method’ under Accounting Standard 14 as notified under the Companies Accounting Rules, 2006 applicable in India.



- (vi) The balances of the Profit and Loss Accounts of Ekaterina (as appearing in the books of accounts of Ekaterina at the close of business on the day preceding the Appointed Date) shall be aggregated and added to or set-off (as the case may be) with the corresponding balance appearing in the financial statements of SGL.
- (vii) SGL shall record in its books of account, all transactions of Ekaterina in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date. Any inter-company payables and receivables (including loans, advances or debenture etc.) between Ekaterina and SGL shall be cancelled and SGL shall accordingly not record any of such payables and receivables in its books.
- (viii) If there is any differences in accounting policies between SGL and Ekaterina, impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted and reported in accordance with applicable accounting rules and principles, so as to ensure that the financial statements of SGL reflect the financial position on the basis of consistent accounting policies.

## **PART C**

### **9. GENERAL TERMS AND CONDITIONS**

- 9.1 Upon the Scheme becoming effective, the Board of Directors of SGL shall be entitled to reconstruct the accounts and/or to revise income tax returns, TDS returns, etc. of SGL, even beyond the respective due dates and shall also have the right to claim refunds, advance tax credits, credit of tax, credit of tax deducted at source, credit of foreign taxes paid/withheld, etc., if any, as may be required consequent to implementation of the Scheme.
- 9.2 Ekaterina and SGL shall, with all reasonable dispatch, make respective applications to the relevant Courts, under Sections 391 to 394 and other applicable provisions of the Indian Act and the relevant provisions of the applicable Mauritian law, if any, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or creditors and for sanctioning the Scheme with such modifications, as may be approved by the Courts.
- 9.3 Upon the Scheme being approved by the requisite majority of the shareholders and creditors of Ekaterina and SGL (wherever required), the said companies shall, with all reasonable dispatch, file respective petitions before the relevant Courts for sanction of the Scheme under Sections 391 to 394 and other applicable provisions of the Indian Act, and the relevant provisions of the applicable Mauritian law, if any, and for such other order or orders, as the Courts may deem fit for carrying the Scheme into effect. Upon the Scheme becoming effective, the shareholders of Ekaterina and SGL, shall be deemed to have also accorded their approval under all relevant provisions of the Indian Act, and the relevant provisions of the applicable Mauritian law, if any, for giving effect to t
- 9.4 The effectiveness of the Scheme is conditional upon and subject to:
- (a) the Scheme being approved by the respective requisite majorities of the various classes of shareholders and creditors of Ekaterina and SGL as required under the Indian Act, the relevant provisions of the applicable Mauritian law, if any, and the requisite orders of the Courts being obtained;
  - (b) the Scheme being approved by the Competition Commission of India;;
  - (c) the Concurrent Scheme being sanctioned by the High Court of Judicature at Madras and the High Court of Judicature at Bombay - Panaji Bench, Goa, in India, as mentioned in the Concurrent Scheme; and
  - (b) certified copies of the orders of the Courts referred to under sub-clause (a) above being filed by Ekaterina and SGL with the respective Registrars of Companies having jurisdiction over each such Company.
- 9.5 Upon sanction of the Scheme and upon the Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and shall become effective and operative only in the sequence and in the order mentioned hereunder:

- (a) amalgamation of Ekaterina into and with SGL in accordance with Part B of this Scheme; and
  - (b) issue and allotment of fully paid-up equity shares of SGL to the shareholders of Ekaterina in terms of Clause 7 of this Scheme.
- 9.6 Ekaterina and SGL (acting through their respective boards of directors) may assent to any modifications or amendments to the Scheme, which the Courts and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme. Ekaterina and SGL (acting through their respective boards of directors) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to the Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Courts or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of the Scheme and/or any matters concerning or connected therewith.
- 9.7 Ekaterina and SGL (acting through their respective Boards of Directors) shall be at liberty to withdraw the Scheme in entirety, or to decide not to give effect to any one or more of the parts contained herein, whether for the reason of any condition or alteration imposed by Courts or any other governmental/regulatory authority not being acceptable to them, or otherwise.
- 9.8 All costs, expenses, charges, fees, taxes, duties, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of the Scheme and matters incidental thereto shall be borne and paid by the respective companies.
- 9.9 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between Ekaterina and SGL and their respective shareholders and/or creditors, and the terms and conditions of the Scheme, the latter shall prevail.
- 9.10 If any part of the Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any party, in which case Ekaterina and SGL (acting through its respective boards of directors), to which such part relates to, shall attempt to bring about a modification in the Scheme, as will best preserve for Ekaterina and SGL, the benefits and obligations of this Scheme, including but not limited to such part.
- 9.11 The vesting of properties and liabilities to, and the continuance of proceedings by or against SGL, as envisaged in respective parts of this Scheme shall not affect any transaction or proceedings already concluded by Ekaterina, as the case may be, on or before the relevant Appointed Dates, and after such Appointed Dates till the relevant Effective Date, to the end and intent that SGL accepts and adopts all acts, deeds and

things done and executed by Ekaterina in respect thereto as done and executed on behalf of itself.

- 9.12 (a) Ekaterina and SGL shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date in the ordinary course of business. In other words, the shareholders of Ekaterina shall not be entitled to dividend (whether interim and/or final), if any, declared and paid by SGL to their shareholders prior to the Effective Date and *vice versa*.
- (b) The holders of the shares of Ekaterina and SGL shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of Ekaterina and SGL to demand or claim any dividends which, subject to the provisions of the Indian Act and the relevant provisions of the applicable Mauritian law, if any, shall be entirely at the discretion of the boards of directors of Ekaterina and SGL respectively, and if applicable as per the provisions of the Indian Act, and the relevant provisions of the applicable Mauritian law, if any, be subject to the approval of the shareholders of Ekaterina and SGL, respectively.
- 9.13 Upon the Scheme becoming effective, SGL shall be entitled to use all labels, packaging, point of sale material, sign board, samples, closures, other publicity material, etc, lying unused with Ekaterina, and which Ekaterina are otherwise entitled to use under any applicable law, till such time as all of such packaging, labels, closures, etc, are exhausted.
- 9.14 Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation in the sequence provided for under Clause 9.5 of this Part C and from the Appointed Date provided for in the Scheme.

**IN THE HIGH COURT OF JUDICATURE OF BOMBAY AT GOA  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY APPLICATION NO. 21 OF 2012**

In the matter of the Companies Act, 1956 (1 of 1956);  
AND  
In the matter of Sections 391 to 394 of the Companies Act, 1956;  
AND  
In the matter of Scheme of Amalgamation  
AMONGST  
Ekaterina Limited ('Ekaterina' or 'the Transferor Company')  
AND  
Sesa Goa Limited ('SGL' or 'Transferee Company')  
And  
their respective shareholders and creditors.

**Sesa Goa Limited**, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Sesa Ghor, 20, EDC Complex, Patto, Panaji, Goa – 403 001

)  
)  
) ..... Applicant Company

**FORM OF PROXY**

I/We, \_\_\_\_\_, the undersigned being the equity shareholder(s) of Sesa Goa Limited, the Applicant Company do hereby appoint Mr./ Ms. \_\_\_\_\_ of \_\_\_\_\_ and failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy, to act for me/us at the meeting of the Equity Shareholders to be held at Hotel Mandovi, D. B. Marg, Panaji, Goa - 403 001 on Tuesday, 19th June, 2012 at 11.30 A.M or so soon thereafter after the conclusion of the meeting of the Applicant Company convened in the matter of Company Application No. 20 of 2012, for the purpose of considering and, if thought fit, approving, with or without modification(s), proposed Amalgamation embodied in the Scheme of Amalgamation of Ekaterina Limited and Sesa Goa Limited and their respective Shareholders and Creditors ('Scheme' or 'the Scheme') and at such meeting, and any adjournment or adjournments thereof, to vote, for me/us and in my/our(s) name(s) \_\_\_\_\_ [herein, if 'for', insert 'FOR', if 'against' insert 'AGAINST' and in the later case strike out the words below after 'amalgamation'] the said amalgamation either with or without modification as my proxy may approve.

\*Strike out what is not necessary

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2012

Name \_\_\_\_\_

Address \_\_\_\_\_

Affix  
Rs. 1/-  
Revenue  
Stamp

Signature across the Stamp

(For Demat holding) DP Id. \_\_\_\_\_ Client Id. \_\_\_\_\_

(For Physical holding) Folio No. \_\_\_\_\_ No. of Shares held : \_\_\_\_\_

**Signatures of Shareholder(s)**

Sole / First Holder : \_\_\_\_\_

Second Holder : \_\_\_\_\_

Third Holder : \_\_\_\_\_

Signature of Proxy : \_\_\_\_\_

**Notes:**

- (1) Proxy need not be a shareholder.
- (2) The Proxy must be deposited at the Registered Office of the Company at Sesa Ghor, 20, EDC Complex, Patto, Panaji, Goa – 403 001 not later than 48 hours before the meeting.
- (3) All alterations made in the form of Proxy should be initialed.
- (4) In case of multiple proxies, the proxy later in time shall be accepted.
- (5) Body Corporate and FII Equity Shareholder(s) would be required to deposit certified copies of Board/Custodial resolutions/Power of Attorney in original, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Registered Office of Sesa Goa Limited at Sesa Ghor, 20, EDC Complex, Patto, Panaji, Goa – 403 001 at least 48 hours before the time of holding the meeting.



## ATTENDANCE SLIP

### SESA GOA LIMITED

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

**COURT CONVENED MEETING OF SHAREHOLDERS ON TUESDAY, 19TH JUNE, 2012 at 11.30 AM. OR SO SOON THEREAFTER AFTER THE CONCLUSION OF THE MEETING OF THE APPLICANT COMPANY IN THE MATTER OF COMPANY APPLICATION NO. 21 OF 2012**

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

I/We hereby record my/our presence at the Meeting of the Equity Shareholders of the Company, convened pursuant to the Order dated 27th April, 2012 of the Hon'ble High Court of Judicature of Bombay at Goa, at Hotel Mandovi, D. B. Marg, Panaji, Goa - 403 001 on Tuesday, 19th June, 2012 at 11.30 A.M or so, soon thereafter after the conclusion of the meeting of the Applicant Company convened in the matter of Company Application No. 20 of 2012.

Name and Address of Shareholder **(IN BLOCK LETTERS)**: \_\_\_\_\_

\_\_\_\_\_

Signature : \_\_\_\_\_

(For Demat holding) DP Id. \_\_\_\_\_ Client Id. \_\_\_\_\_

(For Physical holding) Folio No. \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

Name And Address of the Proxy Holder (in block letters, to be filled in by the proxy attending instead of the equity shareholder):

\_\_\_\_\_

\_\_\_\_\_

Signature of the Proxy : \_\_\_\_\_

\* (To be filled in by the Proxy in case he/she attends instead of the shareholder)

Notes:-

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

