

**STERLITE INDUSTRIES (INDIA) LIMITED**
**Regd. Office: SIPCOT Industrial Complex, Madurai Bye Pass Road, TV Pooram P.O., Tuticorin. Tamilnadu-628002**
**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2009**
**(Rs. in Lacs except as stated)**

S. No.	Particulars	Quarter ended 30.09.2009 (Unaudited)	Quarter ended 30.09.2008 (Unaudited)	Half Year ended 30.09.2009 (unaudited)	Half Year ended 30.09.2008 (Unaudited)	Previous accounting Year ended 31.03.2009 (Audited)	S. No.	Segment Information	Quarter ended 30.09.2009 (Unaudited)	Quarter ended 30.09.2008 (Unaudited)	Half Year ended 30.09.2009 (unaudited)	Half Year ended 30.09.2008 (Unaudited)	Previous accounting Year ended 31.03.2009 (Audited)
1	(a) Net Sales/Income from Operations	<b>608,546</b>	659,377	<b>1,062,257</b>	1,236,386	<b>2,114,422</b>	<b>1</b>	<b>Segment Revenue</b>					
	(b) Other Operating Income	<b>4,360</b>	21,722	<b>8,535</b>	25,213	<b>30,418</b>	a)	Copper	<b>343,138</b>	345,853	<b>560,740</b>	622,000	<b>1,061,632</b>
	<b>Total Income</b>	<b>612,906</b>	681,099	<b>1,070,792</b>	1,261,599	<b>2,144,840</b>	b)	Aluminium	<b>62,900</b>	111,724	<b>124,363</b>	228,461	<b>393,360</b>
2	Expenditure						c)	Zinc & Lead	<b>176,791</b>	172,124	<b>325,707</b>	333,984	<b>560,297</b>
	a. (Increase)/decrease in stock in trade and work in progress	<b>(16,813)</b>	10,520	<b>(50,326)</b>	(1,016)	<b>28,021</b>	d)	Power	<b>16,165</b>	2,260	<b>34,113</b>	4,766	<b>7,730</b>
	b. Consumption of raw materials#	<b>338,038</b>	329,937	<b>578,752</b>	590,021	<b>1,027,842</b>	e)	Others	<b>16,291</b>	44,232	<b>29,971</b>	71,265	<b>121,102</b>
	c. Purchases of traded goods	<b>4,932</b>	81	<b>9,285</b>	81	<b>7,570</b>		<b>Total</b>	<b>615,285</b>	676,193	<b>1,074,894</b>	1,260,476	<b>2,144,121</b>
	d. Employees Cost	<b>20,578</b>	19,263	<b>37,887</b>	37,570	<b>75,608</b>	Less:	Inter Segment Revenues	<b>6,739</b>	16,816	<b>12,637</b>	24,090	<b>29,699</b>
	e. Depreciation	<b>17,339</b>	16,665	<b>34,703</b>	33,212	<b>70,067</b>		<b>Net Sales/Income from Operations</b>	<b>608,546</b>	659,377	<b>1,062,257</b>	1,236,386	<b>2,114,422</b>
	f. Power, Fuel & Water	<b>46,365</b>	60,938	<b>93,075</b>	109,321	<b>213,183</b>							
	g. Other expenditure	<b>83,270</b>	75,136	<b>163,495</b>	154,251	<b>291,785</b>							
	<b>h. Total</b>	<b>493,709</b>	512,540	<b>866,871</b>	923,440	<b>1,714,076</b>							
3	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items</b>	<b>119,197</b>	168,559	<b>203,921</b>	338,159	<b>430,764</b>	<b>2</b>	<b>Segment Results</b>					
4	<b>Other Income</b>	<b>38,874</b>	39,483	<b>76,707</b>	76,238	<b>185,008</b>		(Profit before tax & interest)					
5	<b>Profit before Interest &amp; Exceptional Items</b>	<b>158,071</b>	208,042	<b>280,628</b>	414,397	<b>615,772</b>	a)	Copper	<b>17,185</b>	46,915	<b>26,584</b>	72,320	<b>112,965</b>
6	Interest & Finance Charges	<b>5,763</b>	5,805	<b>12,885</b>	14,547	<b>39,728</b>	b)	Aluminium	<b>6,909</b>	22,687	<b>14,409</b>	62,564	<b>68,567</b>
7	Profit after Interest but before Exceptional Items	<b>152,308</b>	202,237	<b>267,743</b>	399,850	<b>576,044</b>	c)	Zinc & Lead	<b>99,217</b>	90,403	<b>169,315</b>	183,496	<b>256,770</b>
8	Exceptional Items (Credit)	<b>2,342</b>	1,000	<b>2,342</b>	1,000	<b>(5,531)</b>	d)	Power	<b>6,026</b>	724	<b>15,149</b>	1,608	<b>3,320</b>
9	<b>Profit from Ordinary Activities before tax</b>	<b>149,966</b>	201,237	<b>265,401</b>	398,850	<b>581,575</b>	e)	Others	<b>(449)</b>	10,289	<b>(1,347)</b>	22,830	<b>23,496</b>
10	Tax expenses (Current & Deferred)	<b>25,933</b>	29,156	<b>48,981</b>	67,231	<b>85,503</b>		<b>Total</b>	<b>128,888</b>	171,018	<b>224,110</b>	342,818	<b>465,118</b>
11	Net Profit from ordinary activities after Tax	<b>124,033</b>	172,081	<b>216,420</b>	331,619	<b>496,072</b>	Less:	Interest & Finance Charges	<b>5,763</b>	5,805	<b>12,885</b>	14,547	<b>39,728</b>
12	Extraordinary Items (net of tax)	-	-	-	-	-	Add:	Other unallocable income net off expenses	<b>29,183</b>	37,024	<b>56,518</b>	71,579	<b>150,654</b>
13	<b>Net Profit for the period</b>	<b>124,033</b>	172,081	<b>216,420</b>	331,619	<b>496,072</b>	Less:	Exceptional Items (Credit) (Refer Note no 11)	<b>2,342</b>	1,000	<b>2,342</b>	1,000	<b>(5,531)</b>
14	Minority Interest	<b>36,773</b>	44,248	<b>68,966</b>	88,945	<b>126,714</b>		<b>Profit before Tax</b>	<b>149,966</b>	201,237	<b>265,401</b>	398,850	<b>581,575</b>
15	Share in the Profit/(Loss) of Associates	<b>8,625</b>	(139)	<b>15,697</b>	128	<b>(15,359)</b>							
16	<b>Net Profit after tax attributable to Consolidated Group</b>	<b>95,885</b>	127,694	<b>163,151</b>	242,802	<b>353,999</b>							



**Notes:-**

- 1 a) The Profit during the quarter and half year ended 30th September 2009 was impacted by lower LME's and lower by-product realisations which was partially offset by higher sales realisation on account of depreciation of Rupee.  
b) Other Operating income during the quarter and half year ended 30th September 2009 includes NIL (previous comparable period Rs.13,009 lacs) gain on account of foreign exchange fluctuation.
- 2 The standalone & consolidated results for the quarter and half year ended 30th September 2009 have been reviewed by Audit Committee and approved and taken on record by the Board of Directors at their respective meeting held on 29th October 2009.
- 3 The Company opted to publish only Consolidated Financial results. The standalone results of the Company will be available on Company's website www.sterlite-industries.com.
- 4 a) Consolidated Financial Statements have been prepared in accordance with the Accounting Standard 21 - "Consolidated Financial Statements and Accounting for Investments in Subsidiaries in Separate Financial Statements". The subsidiaries consolidated are Bharat Aluminium Company Limited, Sterlite Opportunities and Ventures Limited, Hindustan Zinc Limited, Sterlite Energy Limited, Monte Cello BV, Copper Mines of Tasmania Pty. Limited, Thalanga Copper Mines Pty. Limited, Sterlite Paper Limited, Fujairah Gold FZE ,Talwandi Sabo Power Limited and Sterlite (USA) Inc.  
b) An associate, Vedanta Aluminium Limited, in which the Company has significant influence, is accounted under the equity method in accordance with Accounting Standard 23 "investment in Associates in Consolidated Financial Statements".
- 5 Consistent with the treatment followed in earlier years, investment in equity shares of a power Company has been considered as an intangible asset. This has resulted in an additional amortisation charge of Rs. 117 lacs and Rs.234 lacs for the quarter and half year ended 30th September 2009 respectively and the net profit after tax for the quarter and half year being lower by Rs. 77 lacs and Rs. 154 lacs respectively. This treatment, being in preference to the requirements of Accounting Standards, has been reported on by the auditors.
- 6 Arising from the announcement of the Institute of the Chartered Accountants of India on 29th March 2008, the Company had decided to adopt Accounting Standard (AS) 30 - Financial Instruments : Recognition and Measurement effective from accounting year ended 31st March 2008.
- 7 On 31st August 2009, the US Bankruptcy Court recommended to the US District Court to confirm the Parent Plan (jointly proposed by Asarco Incorporated and Americas Mining Corporation, subsidiaries of Grupo México), and to reject the Debtors Plan (proposed by Asarco and sponsored by the Company's wholly owned subsidiary, Sterlite USA).Subsequently on 10th September 2009, Company revised its offer to \$2.565 billion payable fully in cash. In the revised offer, the Company would be the beneficiary of 100% of the proceeds from the creditor's interest in the Brownsville judgement thereby eliminating the put option granted to Asbestos Trust and providing for full cash to all creditors groups including asbestos creditors, allowed late filed claims and allowed subordinated claims (which earlier were provided a share of creditor's interest in the Brownsville judgment).  
The Company also agreed that maximum recovery from creditors interest in Brownsville judgement would be approximately \$ 900 million. US Bankruptcy Court recommended to the US District Court to not consider the 10th September 2009 amendment of Sterlite's offer and in case District Court considers the amended offer, it should still confirm the Parent Plan. The US District Court will make the final decision on which plan proponent will be selected as the winning plan proponent for Asarco. A District Court hearing commenced on 19th October 2009 where it heard the objections of various parties and a final decision is expected in the current quarter.
- 8 a) Out of the ADS proceeds of Rs. 8,05,093 lacs in 2007, so far the Company has utilised Rs.7,18,100 lacs.  
b) Out of the total right issue proceeds of Rs. 1,97,230 lacs received in past, so far the Company has utilised Rs. 1,07,219 lacs.  
c) During the period, the Company has issued 13,19,06,011 American Depository Shares (ADS) at US\$ 12.15 per share, representing 13,19,06,011 underlying equity shares of Rs. 2/- each. As a result, the Issued, Subscribed & Paid up Equity Share Capital of the Company has increased by Rs. 2,638 lacs and Securities Premium by Rs 7,62,680 lacs after adjusting ADS issue expenses and is pending for utilisation. Recommended dividend for the year ended 31st March 2009 of Rs. 3.50 per share (Face value of Rs. 2 each) have also been paid to holder of these ADS.  
The unutilised proceeds of ADS & right issue have been temporarily invested in Debt Mutual Funds & Fixed Deposits with banks.
- 9 The Company has priced its public offering of \$ 500 million through 4 % Convertible Senior Notes of \$1000 each at an initial conversion price of \$ 23.33 per ADS. The notes are convertible into 42.8688 ADSs per note subject to adjustment in certain events and is expected to be settled on 29th October 2009.
- 10 An underconstruction chimney at the 1200MW power plant project in a subsidiary engaged in aluminium operations at Korba, collapsed on 23rd September 2009 resulting in disruption of construction activities in the affected area. The Company is taking necessary steps to resume the construction activities.
- 11 Exceptional item for the quarter and half year ended 30th September 2009 of Rs. 2,342 lacs represents amount paid/payable under voluntary retirement scheme at a subsidiary engaged in aluminium operations. Exceptional item of Rs. 1,000 lacs for the quarter and half year ended 30th September 2008 represents provision for any possible liability on account of guarantee given to banks and financial institutions for the loan taken by another company.
- 12 As per Accounting Standard 17 on Segment Reporting (AS 17), the Company has reported "Segment Information", as described below: -  
The main business segment are, (a) Copper which consist of mining of copper concentrate, manufacturing of copper cathode and continuous cast copper rod, (b) Aluminium which consist of mining of bauxite and manufacturing of various aluminium products and (c) Zinc which consists of mining of ore and manufacturing of zinc ingots and lead ingots (d) Power which consists of Power excluding captive power but including power facilities predominantly engaged in generation and sale of commercial power and (e) Other business segment comprise of Phosphoric Acid and Paper. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.
- 13 The above results are prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 (AS 25 - Interim Financial Reporting) and have been subjected to "Limited Review" by the Auditors of the Company.
- 14 In terms of Clause 41 of the Listing Agreement, details of number of investor complaints for the quarter ended 30th September 2009: Beginning 2, Received 2, Disposed off 2, Pending 2.
- 15 Previous Period/Year figures have been regrouped / re-arranged wherever necessary.

**By order of the Board**

**Place: Mumbai  
Dated : 29th October, 2009**

**Anil Agarwal  
Chairman**