## STERLITE INDUSTRIES (INDIA) LIMITED

**Regd. Office: SIPCOT Industrial Complex,**

**Madurai Bypass Road, TV Puram P.O., Tuticorin-628002, Tamilnadu**

**PART I**

**(Rs in Crore except as stated)**

### STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2013

| S. No. | Particulars | Quarter ended | | | Year ended |
|---|---|---|---|---|---|
| | | **30.06.2013 (Unaudited)** | 31.03.2013 (Audited) (Refer Note 6) | 30.06.2012 (Unaudited) | 31.03.2013 (Audited) |
| 1 | **Income from Operations** | | | | |
| | (a) Net Sales/Income from Operations (Net of excise duty) | **1,182.60** | 4,956.82 | 4,558.13 | 18,910.29 |
| | (b) Other Operating Income | **3.60** | 3.12 | 2.95 | 10.74 |
| | **Total Income from Operations (net)** | **1,186.20** | 4,959.94 | 4,561.08 | 18,921.03 |
| 2 | **Expenses** | | | | |
| | (a) Cost of materials consumed# | **354.73** | 3,608.08 | 4,145.70 | 16,582.07 |
| | (b) Purchases of stock-in-trade | **404.24** | 7.44 | - | 11.72 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | **284.30** | 786.77 | 22.32 | 371.12 |
| | (d) Employee benefits expense | **27.15** | 26.67 | 26.16 | 110.43 |
| | (e) Depreciation and amortisation expense | **44.30** | 46.50 | 36.04 | 162.74 |
| | (f) Exchange loss/(gain) | **272.54** | (14.38) | 219.46 | 136.40 |
| | (g) Other expenses | **140.18** | 228.83 | 239.30 | 993.75 |
| | **Total Expenses** | **1,527.44** | 4,689.91 | 4,688.98 | 18,368.23 |
| 3 | **Profit/(Loss) from operations before other income, finance costs and exceptional items** | **(341.24)** | 270.03 | (127.90) | 552.80 |
| 4 | Other Income | **856.68** | 392.93 | 348.12 | 2,093.62 |
| 5 | **Profit from ordinary activities before finance costs and Exceptional Items** | **515.44** | 662.96 | 220.22 | 2,646.42 |
| 6 | Finance costs | **266.73** | 204.94 | 150.60 | 615.39 |
| 7 | **Profit from ordinary activities after finance costs but before Exceptional Items** | **248.71** | 458.02 | 69.62 | 2,031.03 |
| 8 | Exceptional items | **-** | 100.00 | - | 100.00 |
| 9 | **Profit from Ordinary Activities before tax** | **248.71** | 358.02 | 69.62 | 1,931.03 |
| 10 | Tax expense | **25.11** | 72.70 | 24.28 | 353.76 |
| 11 | **Net Profit from Ordinary activities after Tax** | **223.60** | 285.32 | 45.34 | 1,577.27 |
| 12 | Extraordinary Items (net of tax expense) | **-** | - | - | **-** |
| 13 | **Net Profit for the period** | **223.60** | 285.32 | 45.34 | 1,577.27 |
| 14 | Paid-up equity share capital (Face value of Re. 1 each) | **336.12** | 336.12 | 336.12 | 336.12 |
| 15 | Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year | | | | 25,227.25 |
| 16 | Earnings Per Share (Rs.) (Not annualised)* | | | | |
| | -Basic EPS | **0.67 *** | 0.85 * | 0.13 * | 4.69 |
| | -Diluted EPS | **0.67 *** | 0.85 * | 0.13 * | 4.69 |

#Comprises of exchange loss - Rs 39.81 Crore in Q1 FY 2013-14, Rs 11.28 Crore in Q4 FY 2012-13, Rs 360.48 Crore in Q1 FY 2012-13, Rs 324.96 Crore in FY 2012-13.

| PART II | | Quarter ended | | | Year ended |
|---|---|---|---|---|---|
| **S. No.** | **Particulars** | **30.06.2013 (Unaudited)** | 31.03.2013 (Audited) | 30.06.2012 (Unaudited) | 31.03.2013 (Audited) |
| **A** | **PARTICULARS OF SHAREHOLDING** | | | | |
| 1 | Public Shareholding (Excluding shares against which ADRs are issued) | | | | |
| | - Number of Shares | **1,110,165,879** | 1,120,161,691 | 1,143,523,659 | 1,120,161,691 |
| | - Percentage of Shareholding | **33.03%** | 33.33% | 34.02% | 33.33% |
| 2 | Promoters & promoter group Shareholding (Excluding shares against which ADRs are issued) $ | | | | |
| (a) | **Pledged/Encumbered** | | | | |
| | - Number of Shares | **-** | - | - | - |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | **-** | - | - | - |
| | - Percentage of shares (as a % of the total share capital of the Company) | **-** | - | - | - |
| (b) | **Non-encumbered** | | | | |
| | - Number of Shares | **1,791,932,643** | 1,791,932,643 | 1,791,932,643 | 1,791,932,643 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | **100.00%** | 100.00% | 100.00% | 100.00% |
| | - Percentage of shares (as a % of the total share capital of the Company) | **53.31%** | 53.31% | 53.31% | 53.31% |

$ The Promoter and Promoter group in addition to the equity shareholding also hold 4.92% of the equity capital in the form of ADR represented by 16,54,87,852 equity shares as on June 30, 2013.

The balance ADR of 8.74% represented by 29,36,21,160 equity shares are held by CITI Bank as custodian.

| | **Particulars** | **Quarter ended 30.06.2013** |
|---|---|---|
| **B** | **INVESTOR COMPLAINTS** | |
| | Pending at the beginning of the quarter | **-** |
| | Received during the quarter | **9** |
| | Disposed of during the quarter | **9** |
| | Remaining unresolved at the end of the quarter | **-** |

| S. No. | Segment Information | Quarter ended 30.06.2013 (Unaudited) | 31.03.2013 (Audited) (Refer Note 6) | 30.06.2012 (Unaudited) | Year ended 31.03.2013 (Audited) |
|---|---|---|---|---|---|
| | | | | | **(Rs in Crore)** |
| **1** | **Segment Revenue** | | | | |
| a) | Copper | **1,163.61** | 4,879.59 | 4,382.96 | 18,367.90 |
| b) | Phosphoric Acid | **21.82** | 77.78 | 189.78 | 604.08 |
| c) | Others | **0.28** | - | - | - |
| | **Total** | **1,185.71** | 4,957.37 | 4,572.74 | 18,971.98 |
| | Less: Inter Segment Revenues | **3.11** | 0.55 | 14.61 | 61.69 |
| | **Net Sales/Income from Operations** | **1,182.60** | 4,956.82 | 4,558.13 | 18,910.29 |
| **2** | **Segment Results** | | | | |
| | (Profit before tax & interest) | | | | |
| a) | Copper | **(44.99)** | 265.03 | 124.42 | 719.52 |
| b) | Phosphoric Acid | **(12.31)** | (8.94) | 9.18 | 18.53 |
| c) | Others | **(0.09)** | (0.04) | (0.07) | (0.30) |
| | **Total** | **(57.39)** | 256.05 | 133.53 | 737.75 |
| | Less : Finance Costs | **266.73** | 204.94 | 150.60 | 615.39 |
| | Add: Other unallocable income net off expenses | **572.83** | 406.91 | 86.69 | 1,908.67 |
| | Less: Exceptional Item | **-** | 100.00 | - | 100.00 |
| | **Profit before Tax** | **248.71** | 358.02 | 69.62 | 1,931.03 |
| **3** | **Capital Employed** | | | | |
| | (Segment Assets less Segment Liabilities) | | | | |
| a) | Copper | **6,990.53** | 4,735.28 | 3,154.76 | 4,735.28 |
| b) | Phosphoric Acid | **216.18** | 230.88 | 215.11 | 230.88 |
| c) | Others | **4.99** | 5.00 | 5.01 | 5.00 |
| d) | Unallocated | **18,485.88** | 20,592.21 | 21,371.03 | 20,592.21 |
| | **Total** | **25,697.58** | 25,563.37 | 24,745.91 | 25,563.37 |
| | Others business segment represents Aluminium Foils division. | | | | |

**Notes:-**

1 The above results for the quarter ended June 30, 2013 have been reviewed by Audit Committee at its meeting. The Board of Directors at its meeting held on July 25, 2013 approved the above results and its release. The statutory auditors of the Company have conducted limited review of these results.

2 Arising from the announcement of the Institute of Chartered Accountants of India (ICAI) on March 29, 2008 the Company had adopted Accounting Standard (AS) 30 - Financial Instruments: Recognition and Measurement effective from accounting year ended March 31, 2008 along with consequential revisions to other Accounting Standards.

3 In an appeal filed by the Company against the closure order of the Tuticorin copper smelter by Tamil Nadu Pollution Control Board ("TNPCB"), the National Green Tribunal (NGT) passed an interim order on May 31, 2013 allowing the copper smelter to recommence operations and appointed an Expert Committee to submit a report on the plant operations. Post this interim order, the plant recommenced operations on June 23, 2013 and therefore the plant remained closed for a major duration of the quarter impacting the revenue and profits of the copper segment. Subsequently, on July 15, 2013, the NGT permitted the Company to continue to operate the copper smelter based on the report of the Expert Committee and has reserved its final order. Separately, TNPCB has filed an appeal against the interim order passed by the NGT before the Supreme Court.

4 As a part of the overall Vedanta Group consolidation and simplification exercise, the Board of Directors approved the Scheme of Amalgamation of the Company with Sesa Goa Limited with the Appointed Date as April 1, 2011, subject to requisite approvals from various statutory authorities and the Jurisdictional Hon'ble High Courts. Post approval by the shareholders of the respective companies, petitions were filed in the respective Jurisdictional High Courts. The High Court of Bombay at Goa approved the Amalgamation and Reorganisation Scheme by an order dated April 3, 2013, which has been subsequently appealed by a shareholder. The hearings in the appeal are over and order is awaited. The High Court of Madras has also approved the Scheme of Arrangement (Merger) of the Company with Sesa Goa Limited on July 25, 2013.

5 (a) In respect of the Niyamgiri mining lease of Vedanta Aluminium Limited ("VAL"), the Hon'ble Supreme Court in its order dated April 18, 2013 directed the Government of Orissa to place any unresolved issues and claims of the local communities under the Forest Right Act and rules before the Gram Sabha. The Government of Orissa has initiated the process of conducting Gram Sabha in 12 villages, which are scheduled to be completed by the August 19, 2013. On conclusion of the proceedings before the Gram Sabha, the finding of these claims will be communicated to the Ministry of Environment and Forests ("MOEF") through the Government of Orissa. The MOEF, within two months thereafter, shall take a final decision for grant of stage II forest clearance for the Niyamgiri mining project of Orissa Mining Corporation ("OMC").

(b) With regard to the Expansion Project of VAL at Lanjigarh, pursuant to the Hon'ble Orissa High Court's finding in VAL's Review Petition that the clarification issued by MOEF on November 16, 2010 with regard to grant of environmental clearance lacked statutory authority, VAL's fresh application for environmental clearance is under process. MOEF has sought certain clarification from the Govt. of Orissa based on which it will advise on the public hearing for the proposed expansion project. In the meantime, VAL has put the expansion activity on hold.

On July 11, 2013, VAL has started the existing refinery operations, which were temporarily suspended due to paucity of bauxite.

The above matters are critical to the planned operations of VAL. The management expects that with the timely support of relevant authorities adequate quantity of bauxite will be secured from Orissa / other States to continue its operations and that the above issues will be satisfactorily resolved. The management of the Company has evaluated and considered good, its loans granted and investments made in VAL aggregating to Rs 16,624 Crore.

6 The figures in respect of the results for preceding quarter ended March 31, 2013 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2013 and published year to date figures upto the third quarter ended December 31, 2012, in the financial year ended March 31, 2013. Previous Period / Year figures have been regrouped / rearranged wherever necessary.

**By order of the Board**

**Place: Mumbai** **Anil Agarwal**

**Dated : July 25, 2013** **Chairman**

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# STERLITE INDUSTRIES (INDIA) LIMITED

**Regd. Office: SIPCOT Industrial Complex,**

**Madurai ByPass Road, TV Puram P.O., Tuticorin-628002, Tamilnadu**

**STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER ENDED JUNE 30, 2013**

**PART I** (Rs in Crore except as stated)

| S. No. | Particulars | Quarter ended | | | Year ended |
|---|---|---|---|---|---|
| | | **30.06.2013 (Unaudited)** | 31.03.2013 (Audited) (Refer Note 7) | 30.06.2012 (Unaudited) | 31.03.2013 (Audited) |
| 1 | Income from Operations | | | | |
| | a) Net Sales/Income from Operations (Net of excise duty) | **8,189.95** | 12,609.18 | 10,591.39 | 44,921.89 |
| | b) Other Operating Income | **59.13** | 64.58 | 57.05 | 240.40 |
| | **Total Income from operations (net)** | **8,249.08** | 12,673.76 | 10,648.44 | 45,162.29 |
| 2 | Expenses | | | | |
| | a) Cost of materials consumed # | **1,872.27** | 4,598.08 | 5,165.90 | 20,748.43 |
| | b) Purchases of stock-in-trade | **404.24** | 52.46 | - | 56.74 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | **92.48** | 1,121.81 | (126.07) | 134.99 |
| | d) Employee benefits expense | **482.01** | 503.46 | 450.41 | 1,879.94 |
| | e) Depreciation and amortisation expense | **525.56** | 453.36 | 518.17 | 2,031.78 |
| | f) Power & Fuel charges | **1,221.31** | 1,081.08 | 1,115.31 | 4,419.63 |
| | g) Exchange loss/(gain) | **229.70** | - | 217.36 | - |
| | h) Other expenses | **2,004.22** | 2,010.15 | 1,734.62 | 7,453.68 |
| | **Total Expenses** | **6,831.79** | 9,820.40 | 9,075.70 | 36,725.19 |
| 3 | **Profit from Operations before other income, finance costs & Exceptional Items** | **1,417.29** | 2,853.36 | 1,572.74 | 8,437.10 |
| 4 | a) Other Income | **1,066.21** | 798.35 | 948.36 | 3,453.24 |
| | b) Exchange loss/(gain) | **-** | (77.88) | - | (16.84) |
| 5 | **Profit from ordinary activities before finance costs and Exceptional Items** | **2,483.50** | 3,729.59 | 2,521.10 | 11,907.18 |
| 6 | Finance costs | **361.88** | 275.77 | 241.90 | 922.24 |
| 7 | **Profit from ordinary activities after finance costs but before Exceptional Items** | **2,121.62** | 3,453.82 | 2,279.20 | 10,984.94 |
| 8 | Exceptional items | **-** | 117.53 | - | 117.53 |
| 9 | **Profit from Ordinary Activities before tax** | **2,121.62** | 3,336.29 | 2,279.20 | 10,867.41 |
| 10 | Tax expense (including deferred tax and net of MAT credit entitlement) | **356.51** | 418.03 | 333.94 | 1,618.39 |
| 11 | **Net Profit from Ordinary activities after Tax** | **1,765.11** | 2,918.26 | 1,945.26 | 9,249.02 |
| 12 | Extraordinary Items (net of tax expense) | **-** | - | - | - |
| 13 | **Net Profit for the period** | **1,765.11** | 2,918.26 | 1,945.26 | 9,249.02 |
| 14 | Share in the loss of Associate | **(259.93)** | (206.39) | (166.61) | (659.79) |
| 15 | Minority Interest | **571.12** | 787.24 | 577.06 | 2,528.91 |
| 16 | **Net Profit after taxes, minority interest and consolidated share in loss of associate** | **934.06** | 1,924.63 | 1,201.59 | 6,060.32 |
| 17 | Paid-up equity share capital (Face value of Re 1 each) | **336.12** | 336.12 | 336.12 | 336.12 |
| 18 | Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year | | | | 50,619.05 |
| 19 | Earnings Per Share (Rs) (Not annualised)* | | | | |
| | -Basic | **2.78 *** | 5.73 * | 3.57 * | 18.03 |
| | -Diluted | **2.78 *** | 5.73 * | 3.57 * | 18.03 |

# Comprises of exchange loss - Rs 53.16 Crore in Q1 FY 2013-14, Rs 2.16 Crore in Q4 FY 2012-13, Rs 396.73 Crore in Q1 FY 2012-13, Rs 343.45 Crore in FY 2012-13

| PART II | | Quarter ended | | | Year ended |
|---|---|---|---|---|---|
| **S. No.** | **Particulars** | **30.06.2013 (Unaudited)** | 31.03.2013 (Audited) | 30.06.2012 (Unaudited) | 31.03.2013 (Audited) |
| **A** | **PARTICULARS OF SHAREHOLDING** | | | | |
| 1 | Public Shareholding (excluding shares against which ADRs are issued) | | | | |
| | - Number of Shares | **1,110,165,879** | 1,120,161,691 | 1,143,523,659 | 1,120,161,691 |
| | - Percentage of Shareholding | **33.03%** | 33.33% | 34.02% | 33.33% |
| 2 | Promoters & Promoter Group Shareholding (Excluding shares against which ADRs are issued) $ | | | | |
| **(a)** | **Pledged/Encumbered** | | | | |
| | - Number of Shares | **-** | - | - | - |
| | - Percentage of shares | **-** | - | - | - |
| | (as a % of the total shareholding of promoter and promoter group) | | | | |
| | - Percentage of shares | **-** | - | - | - |
| | (as a % of the total share capital of the Company) | | | | |
| **(b)** | **Non-encumbered** | | | | |
| | - Number of Shares | **1,791,932,643** | 1,791,932,643 | 1,791,932,643 | 1,791,932,643 |
| | - Percentage of shares | 100.00% | 100.00% | 100.00% | 100.00% |
| | (as a % of the total shareholding of promoter and promoter group) | | | | |
| | - Percentage of shares | **53.31%** | 53.31% | 53.31% | 53.31% |
| | (as a % of the total share capital of the Company) | | | | |

$ The Promoter and Promoter group in addition to the equity shareholding also hold 4.92% of the equity capital in the form of ADR represented by 16,54,87,852 equity shares as on June 30, 2013.

The balance ADR of 8.74% represented by 29,36,21,160 equity shares are held by CITI Bank as custodian.

| | **Particulars** | **Quarter ended 30.06.2013** |
|---|---|---|
| **B** | **INVESTOR COMPLAINTS** | |
| | Pending at the beginning of the quarter | **-** |
| | Received during the quarter | **9** |
| | Disposed of during the quarter | **9** |
| | Remaining unresolved at the end of the quarter | **-** |

(Rs in Crore)

| S. No. | Segment Information | Quarter ended 30.06.2013 (Unaudited) | Quarter ended 31.03.2013 (Audited) (Refer Note 7) | Quarter ended 30.06.2012 (Unaudited) | Year ended 31.03.2013 (Audited) |
|---|---|---|---|---|---|
| 1 | **Segment Revenue** | | | | |
| a) | Copper | **2,446.53** | 5,783.05 | 5,125.46 | 21,199.57 |
| b) | Aluminium | **745.24** | 953.85 | 780.49 | 3,425.73 |
| c) | Zinc, Lead and Silver | | | | |
| | (i) Zinc & Lead - India | **2,466.04** | 3,208.80 | 2,253.23 | 10,231.46 |
| | (ii) Silver - India | **408.01** | 611.04 | 388.20 | 2,092.66 |
| | (iii) Zinc - International | **938.10** | 1,130.25 | 1,011.68 | 4,331.26 |
| | **Total** | **3,812.15** | 4,950.09 | 3,653.11 | 16,655.38 |
| d) | Power | **1,201.02** | 857.95 | 874.70 | 3,167.32 |
| e) | Others | **46.91** | 78.18 | 189.79 | 604.47 |
| | **Total** | **8,251.85** | 12,623.12 | 10,623.55 | 45,052.47 |
| Less: | Inter Segment Revenues | **61.90** | 13.94 | 32.16 | 130.58 |
| | **Net Sales/Income from Operations** | **8,189.95** | 12,609.18 | 10,591.39 | 44,921.89 |
| 2 | **Segment Results** | | | | |
| | (Profit before tax & interest) | | | | |
| a) | Copper | **(50.93)** | 334.26 | 200.63 | 971.68 |
| b) | Aluminium | **(25.72)** | 29.01 | 3.70 | 84.99 |
| c) | Zinc, Lead and Silver | | | | |
| | (i) Zinc & Lead - India | **1,021.29** | 1,559.16 | 865.48 | 4,370.01 |
| | (ii) Silver - India | **271.83** | 454.90 | 348.23 | 1,472.58 |
| | (iii) Zinc - International | **187.76** | 291.80 | 187.83 | 1,011.13 |
| | **Total** | **1,480.88** | 2,305.86 | 1,401.54 | 6,853.72 |
| d) | Power | **257.31** | 207.68 | 189.74 | 621.74 |
| e) | Others | **(14.19)** | (12.94) | 7.92 | 10.39 |
| | **Total** | **1,647.35** | 2,863.87 | 1,803.53 | 8,542.52 |
| Less: | Finance costs | **361.88** | 275.77 | 241.90 | 922.24 |
| Add: | Other unallocable income net off expenses | **836.15** | 865.72 | 717.57 | 3,364.66 |
| Less: | Exceptional items | **-** | 117.53 | - | 117.53 |
| | **Profit before tax** | **2,121.62** | 3,336.29 | 2,279.20 | 10,867.41 |
| 3 | **Capital Employed** | | | | |
| | (Segment Assets less Segment Liabilities) | | | | |
| a) | Copper | **8,089.83** | 6,212.67 | 4,432.49 | 6,212.67 |
| b) | Aluminium | **10,682.97** | 10,109.61 | 9,878.16 | 10,109.61 |
| c) | Zinc, Lead and Silver | | | | |
| | (i) Zinc - India | **10,196.23** | 10,165.62 | 9,069.74 | 10,165.62 |
| | (ii) Zinc - International | **4,251.08** | 4,088.90 | 5,277.84 | 4,088.90 |
| | **Total** | **14,447.31** | 14,254.52 | 14,347.58 | 14,254.52 |
| d) | Power | **14,846.97** | 14,496.52 | 13,002.79 | 14,496.52 |
| e) | Others | **771.85** | 782.99 | 587.81 | 782.99 |
| f) | Unallocated | **17,810.41** | 19,382.74 | 17,746.63 | 19,382.74 |
| | **Total** | **66,649.34** | 65,239.05 | 59,995.46 | 65,239.05 |

The main business segments are, (a) Copper which consist of mining of copper concentrate, manufacturing of copper cathode, continuous cast copper rod, anode slime from purchased concentrate and manufacturing of precious metal from anode slime (b) Aluminium which consist of mining of bauxite and manufacturing of various aluminium products (c) Zinc which consists of mining of ore, manufacturing of zinc and lead ingots and silver, both from own mining and purchased concentrate (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, Paper, Infrastructure etc. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

Additional intra segment information of revenues and results for the Zinc, Lead and Silver segment have been provided to enhance understanding of segment business.

**Notes:-**

1 The above results for the quarter ended June 30, 2013 have been reviewed by Audit Committee at its meeting. The Board of Directors at its meeting held on July 25, 2013 approved the above results and its release. The statutory auditors of the Company have conducted limited review of these results.

2 Arising from the announcement of the Institute of Chartered Accountants of India (ICAI) on March 29, 2008 the Company had adopted Accounting Standard (AS) 30 - Financial Instruments: Recognition and Measurement effective from accounting year ended March 31, 2008 along with consequential revisions to other Accounting Standards.

3 In an appeal filed by the Company against the closure order of the Tuticorin copper smelter by Tamil Nadu Pollution Control Board ("TNPCB"), the National Green Tribunal (NGT) passed an interim order on May 31, 2013 allowing the copper smelter to recommence operations and appointed an Expert Committee to submit a report on the plant operations. Post this interim order, the plant recommenced operations on June 23, 2013 and therefore the plant remained closed for a major duration of the quarter impacting the revenue and profits of the copper segment. Subsequently, on July 15, 2013, the NGT permitted the Company to continue to operate the copper smelter based on the report of the Expert Committee and has reserved its final order. Separately, TNPCB has filed an appeal against the interim order passed by the NGT before the Supreme Court.

4 As a part of the overall Vedanta Group consolidation and simplification exercise, the Board of Directors approved the Scheme of Amalgamation of the Company with Sesa Goa Limited with the Appointed Date as April 1, 2011, subject to requisite approvals from various statutory authorities and the Jurisdictional Hon'ble High Courts. Post approval by the shareholders of the respective companies, petitions were filed in the respective Jurisdictional High Courts. The High Court of Bombay at Goa approved the Amalgamation and Reorganisation Scheme by an order dated April 3, 2013, which has been subsequently appealed by a shareholder. The hearings in the appeal are over and order is awaited. The High Court of Madras has also approved the Scheme of Arrangement (Merger) of the Company with Sesa Goa Limited on July 25, 2013.

5 (a) In respect of the Niyamgiri mining lease of Vedanta Aluminium Limited ("VAL"), the Hon'ble Supreme Court in its order dated April 18, 2013 directed the Government of Orissa to place any unresolved issues and claims of the local communities under the Forest Right Act and rules before the Gram Sabha. The Government of Orissa has initiated the process of conducting Gram Sabha in 12 villages, which are scheduled to be completed by the August 19, 2013. On conclusion of the proceedings before the Gram Sabha, the finding of these claims will be communicated to the Ministry of Environment and Forests ("MOEF") through the Government of Orissa. The MOEF, within two months thereafter, shall take a final decision for grant of stage II forest clearance for the Niyamgiri mining project of Orissa Mining Corporation ("OMC").

(b) With regard to the Expansion Project of VAL at Lanjigarh, pursuant to the Hon'ble Orissa High Court's finding in VAL's Review Petition that the clarification issued by MOEF on November 16, 2010 with regard to grant of environmental clearance lacked statutory authority, VAL's fresh application for environmental clearance is under process. MOEF has sought certain clarification from the Govt. of Orissa based on which it will advise on the public hearing for the proposed expansion project. In the meantime, VAL has put the expansion activity on hold.

On July 11, 2013, VAL has started the existing refinery operations, which were temporarily suspended due to paucity of bauxite.

The above matters are critical to the planned operations of VAL. The management expects that with the timely support of relevant authorities adequate quantity of bauxite will be secured from Orissa / other States to continue its operations and that the above issues will be satisfactorily resolved. The management of the Company has evaluated and considered good, its loans granted and investments made in VAL aggregating to Rs 17,458 Crore.

(c) The Company has, over a period invested Rs 3,563 Crore in VAL, by way of Equity Shares and Redeemable Cumulative Preference Shares. The Company has accounted for its share of losses of its associate, even though the carrying amount of the equity investment has reduced to Nil. The additional losses (including share of hedging reserves) amounting to Rs 261 Crore for the quarter ended June 30, 2013 has been recognised in the results.

6 The Company has opted to publish only Consolidated Financial results. The standalone results of the Company will be available on Company's website www.sterlite-industries.com. Additional information on standalone basis are as follows:

(Rs in Crore)

| **Particulars** | **Quarter ended 30.06.2013 (Unaudited)** | 31.03.2013 (Audited) (Refer Note 7) | Quarter ended 30.06.2012 (Unaudited) | Year ended 31.03.2013 (Audited) |
|---|---|---|---|---|
| Net Sales/Income from Operations | **1,182.60** | 4,956.82 | 4,558.13 | 18,910.29 |
| Exchange loss/(gain) | **272.54** | (14.38) | 219.46 | 136.40 |
| Profit before Tax & exceptional items | **248.71** | 458.02 | 69.62 | 2,031.03 |
| Exceptional items | **-** | 100.00 | - | 100.00 |
| Profit after exceptional items & before Tax | **248.71** | 358.02 | 69.62 | 1,931.03 |
| Profit after exceptional items & Tax | **223.60** | 285.32 | 45.34 | 1,577.27 |

7 The figures in respect of the results for preceding quarter ended March 31, 2013 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2013 and published year to date figures upto the third quarter ended December 31, 2012, in the financial year ended March 31, 2013. Previous Period / Year figures have been regrouped / rearranged wherever necessary.

**By Order of the Board**

**Place: Mumbai**
**Dated : July 25, 2013**

**Anil Agarwal**
**Chairman**

**25 July 2013**

# Sterlite Industries (India) Limited

## Unaudited Consolidated Results for the First Quarter Ended 30 June 2013

**Mumbai, India:** Sterlite Industries (India) Limited ("SIIL" or "Sterlite" or "the Company") today announced its unaudited consolidated results for the first quarter (Q1) ended 30 June 2013.

## Q1 FY 2014 Highlights

- Mined metal production up 27% and integrated zinc production up 10% at Zinc India
- Power generation up 34% at the Jharsuguda 2400 MW Plant
- Strong Balance sheet with cash & liquid investments of Rs. 25,890 crore
- Merger of Sterlite and Sesa Goa Ltd has received approval of the High Court of Madras on July 25, 2013

## Consolidated Financial Performance

| | Q1 | | | Q4 |
|---|---|---|---|---|
| **Particulars** *(In Rs. crore, except as stated)* | **FY2014** | **FY2013** | *% change YoY* | **FY2013** |
| Net Sales/Income from operations | 8,190 | 10,591 | (23%) | 12,609 |
| EBITDA | 2,173 | 2,337 | (7%) | 3,323 |
| Interest expense | 362 | 242 | 50% | 276 |
| Foreign Exchange (loss)/gain | (230) | (217) | 6% | 78 |
| Profit before Depreciation and Taxes | 2,647 | 2,797 | (5%) | 3,907 |
| Depreciation | 526 | 518 | 2% | 453 |
| Profit before Exceptional items | 2,122 | 2,279 | (7%) | 3,454 |
| Exceptional Items | - | - | - | 118 |
| Taxes | 357 | 334 | 7% | 418 |
| Profit After Taxes | 1,765 | 1,945 | (9%) | 2,918 |
| Minority Interest | 571 | 577 | (1%) | 787 |
| Share in Profit/(Loss) of Associate | (260) | (167) | 56% | (206) |
| Attributable PAT after exceptional item | 934 | 1,202 | (22%) | 1,925 |
| Basic Earnings per Share (Rs./share) | 2.78 | 3.57 | (22%) | 5.73 |
| Underlying Earnings per Share* (Rs./share) | 3.17 | 3.99 | (21%) | 5.77 |
| Exchange rate (Rs./$) – Average | 55.95 | 54.22 | 3% | 54.17 |
| Exchange rate (Rs./$) – Closing | 59.70 | 56.31 | 6% | 54.39 |

** Based on profit for the period after adding back exceptional items and other gains and losses, and their resultant tax and minority interest effects*

**Mr. Anil Agarwal, Chairman:** "We achieved a strong performance in the first quarter of FY 2014, and delivered production growth at our world-class Zinc, Silver, Power and Aluminium businesses despite global economic volatility and lower metal prices. We remain focused on completing the merger with Sesa Goa, and ramping up production from our growth projects across our world class asset portfolio."

Revenues and EBITDA were lower primarily on account of a temporary closure of the Tuticorin copper smelter, which was partially offset by higher power generation at the Jharsuguda 2,400 MW power plant and higher production at Zinc India. Temporary closure of the Tuticorin smelter negatively impacted EBITDA by Rs. 180 crore.

Attributable PAT and Basic EPS were impacted by lower EBITDA and higher losses at associate. Higher interest costs on borrowings was largely offset by increase in other income.

## Merger of Sterlite and Sesa Goa Limited and Vedanta Group Consolidation

The proposed Merger of Sterlite and Sesa Goa Limited and Vedanta Group Consolidation has received the approval of the High Court of Madras on July 25, 2013 and the approval of the High Court of Bombay at Goa on April 3, 2013.

One of the shareholders of Sesa Goa has filed an appeal against the order passed by the High Court of Bombay at Goa before the Division Bench of the same court. The hearings before the Division Bench have been completed and the order is awaited.

## Zinc - India Business

| | Q1 | | | Q4 |
|---|---|---|---|---|
| **Production** *(in'000 tonnes, or as stated)* | **FY2014** | **FY2013** | ***% change YoY*** | **FY2013** |
| Mined metal content | 238 | 187 | 27% | 260 |
| **Refined Zinc – Total** | 174 | 161 | 8% | 182 |
| Refined Zinc – Integrated | 173 | 157 | 10% | 181 |
| **Refined Lead - Total** [1] | 33 | 31 | 5% | 35 |
| Refined Lead – Integrated | 29 | 29 | 1% | 32 |
| **Refined Saleable Silver - Total (in tonnes)** [2] | 96 | 73 | 31% | 108 |
| Refined Saleable Silver - Integrated (in tonnes) | 77 | 71 | 9% | 91 |
| | | | | |
| **Financials** *(In Rs. crore, except as stated)* | | | | |
| Revenue [3] | 2,874 | 2,641 | 9% | 3,820 |
| EBITDA | 1,440 | 1,349 | 7% | 2,098 |
| PAT | 1,630 | 1,542 | 6% | 2,174 |
| Zinc CoP without Royalty (Rs./MT) | 46,765 | 45,759 | 2% | 44,901 |
| Zinc CoP without Royalty ($/MT) | 836 | 844 | (1%) | 829 |
| Zinc CoP with Royalty ($/MT) | 995 | 1,007 | (1%) | 998 |
| Zinc LME Price ($/MT) | 1,840 | 1,928 | (5%) | 2,033 |
| Lead LME Price ($/MT) | 2,049 | 1,974 | 4% | 2,301 |
| Silver LBMA Price ($/oz) | 23.1 | 28.3 | (18%) | 30.1 |

1. *Including captive consumption of 1,644 tonnes in Q1 FY 2014 vs. 1,641 tonnes in Q1 FY 2013 and 1,777 tonnes in Q4 FY 2013.*
2. *Excluding captive consumption of 8.8 tonnes in Q1 FY 2014 vs. 8.6 tonnes in Q1 FY 2013 and 9.2 tonnes in Q4 FY 2013.*
3. *Including zinc concentrate sale of nil in Q1 FY 2014 vs. nil in Q1 FY 2013 and 61,097 tonnes metal in concentrate in Q4 FY 2013.*

During Q1, mined metal production was 27% higher than the corresponding prior quarter. The increase in production was in line with our plan to deliver 1 million tonne mined metal production for the year.

Integrated production of refined zinc was 10% higher, due to higher smelter utilization. Integrated production of refined lead was in line with the corresponding prior quarter. Integrated saleable silver production was 9% higher driven by higher volumes from Sindesar Khurd and Zawar mines.

Revenues were higher by 9% on account of higher sales volume and depreciation of Indian Rupee, partially offset by lower metal prices.

The zinc cost of production (COP) without royalty was 2% higher in Rupee terms and 1% lower in US Dollar terms. The increase in Rupee COP was primarily due to lower sulphuric acid credits and higher excavation costs, partially offset by lower coal prices, lower specific coal consumption and the benefits of higher volumes.

EBITDA was 7% higher on account of higher volume partially offset by higher operating costs. PAT for the quarter was 6% higher at Rs. 1,630 Crore.

## Zinc - International Business

| | Q1 | | | Q4 |
|---|---|---|---|---|
| **Production** *(in'000 tonnes, or as stated)* | **FY2014** | **FY2013** | *% change YoY* | **FY2013** |
| Mined metal content- BMM and Lisheen | 56 | 70 | (21%) | 65 |
| Refined Zinc – Skorpion | 34 | 36 | (4%) | 36 |
| Total | 90 | 106 | (15%) | 102 |
| **Financials** *(In Rs. crore, except as stated)* | | | | |
| Revenue | 938 | 1,012 | (7%) | 1,130 |
| EBITDA | 298 | 337 | (12%) | 434 |
| PAT | 190 | 190 | - | 267 |
| CoP – ($/MT) | 1,162 | 1,126 | 3% | 1,121 |
| Zinc LME Price ($/MT) | 1,840 | 1,928 | (5%) | 2,033 |
| Lead LME Price ($/MT) | 2,049 | 1,974 | 4% | 2,301 |

Zinc-Lead Metal in Concentrate (MIC) production was lower on account of disruptions in production caused by accidents at Lisheen and BMM.

EBITDA was 12% lower on account of lower volumes, lower metal prices and marginally higher COP.

## Copper – India / Australia Business

| | Q1 | | | Q4 |
|---|---|---|---|---|
| **Production** *(in'000 tonnes, or as stated)* | **FY2014** | **FY2013** | *% change YoY* | **FY2013** |
| Copper - Mined metal content | 6 | 7 | (13%) | 7 |
| Copper - Cathodes | 16 | 88 | (82%) | 86 |
| Tuticorin power sales (million units) | 137 | - | - | 35 |
| **Financials** *(In Rs. crore, except as stated)* | | | | |
| Revenue | 2,465 | 5,301 | (53%) | 5,860 |
| EBITDA | (2) | 265 | (100%) | 375 |
| Foreign Exchange gain/(loss) | (273) | (219) | 25% | 14 |
| Exceptional items | - | - | - | (100) |
| PAT | (190) | 96 | (298%) | 322 |
| Tc/Rc (US¢/lb) | 13.9 | 12.4 | 12% | 14.8 |
| Net CoP – cathode (US¢/lb) | NM | 5.4 | - | 10.7 |
| Copper LME Price ($/MT) | 7,148 | 7,869 | (9%) | 7,931 |

*NM = Not Meaningful.*

During Q1, mined metal production at Australia was 13% lower due to lower grades. Copper cathode production was lower due to a temporary closure of the Tuticorin smelter for most of the quarter.

EBITDA was lower due to fixed expenses of the Tuticorin smelter partially offset by gains on sale of surplus power from the first 80 MW unit of Tuticorin power plant. Contribution from Australian operations was affected by lower sales volume, lower LME and higher COP.

Following the Tamil Nadu Pollution Control Board's (TNPCB) order for closure of the Tuticorin copper smelter on March 29, 2013, the National Green Tribunal (NGT) after hearing company's appeal, passed an interim order on May 31, 2013 conditionally allowing the smelter to recommence operations, and the plant restarted on June 23, 2013. On July 15, 2013, an expert committee confirmed that the plant meets the prescribed standards, and the NGT in its order of even date took cognizance of the findings of the expert committee and observed that the company "is neither an existing pollutant nor is a threat of future pollution (not violating prescribed standards) resulting in health hazards", and declined to modify its earlier interim order dated 31st May, 2013, enabling the plant to continue to operate. Separately, the TNPCB has also filed an appeal against the NGT's earlier interim order before the Supreme Court.

## Aluminium Business - BALCO

| | Q1 | | | Q4 |
|---|---|---|---|---|
| **Production** *(in'000 tonnes, or as stated)* | **FY2014** | **FY2013** | *% change YoY* | **FY2013** |
| Aluminium | 61 | 60 | 1% | 62 |
| | | | | |
| **Financials** *(In Rs. crore, except as stated)* | | | | |
| Revenue | 745 | 780 | (5%) | 954 |
| EBITDA | 28 | 57 | (51%) | 85 |
| PAT | (63) | (7) | - | 20 |
| CoP ($/MT) | 1,934 | 1,910 | 1% | 1,930 |
| CoP (Rs./MT) | 108,233 | 103,542 | 5% | 104,532 |
| Aluminum LME Price ($/MT) | 1,835 | 1,978 | (7%) | 2,003 |

During Q1, the Korba-II aluminium smelter continued to operate at its rated capacity.

Revenues were 5% lower on account of lower sales volume and fall in metal prices, partially offset by the depreciation of Indian Rupee.

Net sales realization over LME was $ 445 per tonne during the quarter.

Aluminium COP was higher primarily on account of further tapering of coal linkage as per the Coal Block policy and higher operating cost of captive power plant due to maintenance shutdown of one of the units of 540 MW Captive Power Plant (CPP). The increase in aluminium COP on account of further coal tapering was Rs. 3,900 per tonne of aluminium in Q1 FY2014 as compared to Q1 FY2013.

The BALCO 1,200MW captive power plant is awaiting its consent to operate. We expect to tap first metal at the 325 ktpa BALCO-III aluminium smelter in Q3 FY2014. Having obtained both stages of forest clearance for the BALCO coal block, we are working on obtaining other approvals which are taking longer than expected, and we expect to commence mining in Q1 FY2015.

## Aluminium Business – Vedanta Aluminium Limited (Associate Company)

| | Q1 | | | Q4 |
|---|---|---|---|---|
| **Production** *(in'000 tonnes, or as stated)* | **FY2014** | **FY2013** | *% change YoY* | **FY2013** |
| Alumina – Lanjigarh | - | 218 | - | - |
| Aluminum – Jharsuguda | 134 | 124 | 8% | 133 |
| | | | | |
| **Financials** *(in Rs. crore except as stated)* | | | | |
| Revenue | 1,630 | 1,681 | (3%) | 1,709 |
| EBITDA | 260 | 306 | (15%) | 261 |
| Interest Expense | 765 | 506 | 51% | 542 |
| Foreign Exchange gain/(loss) | (162) | (160) | 1% | (205) |
| PAT | (881) | (565) | 56% | (700) |
| SIIL Share (29.5%) | (260) | (167) | 56% | (206) |
| Aluminium CoP ($/MT) | 1,675 | 1,845 | (9%) | 1,799 |
| Aluminium CoP (Rs./MT) | 93,734 | 100,020 | (6%) | 97,496 |
| Aluminium LME Price ($/MT) | 1,835 | 1,978 | (7%) | 2,003 |

Aluminium production was 8% higher during the quarter. The Jharsuguda-I smelter operated at 7% above its rated capacity, with significant improvements in specific power consumption, throughput and other operational parameters resulting in a COP lower than the corresponding prior quarter as well as Q4 FY2013. This was achieved despite running the smelter with third-party alumina feed as operations of the Lanjigarh alumina refinery were temporarily suspended. The refinery has subsequently recommenced its operations in July.

EBITDA was lower primarily on account of the fixed costs of the Lanjigarh refinery during the quarter and lower Aluminium LME, partially offset by higher volumes and lower COP.

Net sales realization over LME was $ 320 per tonne during the quarter.

PAT was lower by Rs. 316 crore primarily on account of higher interest cost. Interest cost was higher due to cessation of interest capitalization pertaining to the Jharsuguda-II smelter on account of delay in its commissioning, in compliance with the relevant accounting standard.

**Status of Investment in Vedanta Aluminium Limited as at 30 June 2013**

| **Investment in VAL** (Rs. crore) | **Sterlite** | **Vedanta** | **External** | **Total** |
|---|---|---|---|---|
| Equity | 563 | 1,391 | - | **1,954** |
| Preference Shares | 3,000 | - | - | **3,000** |
| Quasi Equity / Debt | 13,895 | 571 | 13,065 | **27,530** |
| **Total Funding** | **17,458** | **1,962** | **13,065** | **32,484** |
| Corporate Guarantees | 2,287 | 22,602 | - | **24,889** |

In view of the impending merger, the company borrowed Rs. 5,000 crore externally and lent it to VAL, with an objective of optimizing the overall cost of borrowings for VAL. This has resulted in retiring a part of the higher cost project finance debt at VAL.

## Power Business

| | Q1 | | | Q4 |
|---|---|---|---|---|
| **Particulars** *(in million units)* | **FY2014** | **FY2013** | *% change YoY* | **FY2013** |
| **Total Power Sales** | 2,953 | 2,458 | 20% | 2,433 |
| SEL 2400 MW Jharsuguda[1] | 2,604 | 1,938 | 34% | 2,073 |
| BALCO 270MW Power Sales | 187 | 338 | (45%) | 282 |
| HZL Wind Power | 162 | 182 | (11%) | 78 |
| | | | | |
| **Financials** *(in Rs. crore except as stated)* | | | | |
| Revenue | 1,144 | 857 | 33% | 847 |
| EBITDA | 402 | 329 | 22% | 330 |
| PAT | 139 | 83 | 68% | 110 |
| Average Cost of Generation (Rs./unit) | 2.15 | 2.02 | 6% | 1.81 |
| Net Average Realization (Rs./unit) | 3.49 | 3.44 | 1% | 3.16 |
| SEL Cost of Generation (Rs./unit) | 2.21 | 2.14 | 3% | 1.76 |
| SEL Net Realization (Rs./unit) | 3.45 | 3.51 | (2%) | 3.09 |

1. *Includes production under trial run of 202 MU in Q1 FY2013.*

Power sales during the quarter were 20% higher on account of higher power generation from Jharsuguda 2,400MW plant. The plant operated at PLF of 54% for all four units during the quarter as compared with 50% for three units during the corresponding prior period.

Power sales volumes at the BALCO 270 MW plant were lower due to diversion of 204 million units of power to the Korba-II smelter as one unit of BALCO 540 MW CPP was under maintenance shutdown.

Average power realization increased to Rs. 3.49 due to higher sales volume from open access. The power generation cost at SEL during the quarter was Rs. 2.21 per unit as compared with Rs. 2.14 per unit in corresponding prior quarter.

EBITDA for the quarter was 22% higher, primarily on account of higher power generation at Jharsuguda 2,400MW plant.

The first unit of the 1,980MW Talwandi Sabo power project is expected to be synchronized in Q3 FY2014.

## Cash, Cash Equivalents and Liquid Investment

As at 30 June 2013, the company has consolidated cash, cash equivalents and liquid investments of Rs. 25,890 crore, out of which Rs. 15,369 crore was invested in debt mutual funds, Rs. 2,217 crore in bonds, and Rs. 8,304 crore in bank deposits. The company continues to follow a conservative investment policy and invests in high quality debt instruments with the mutual funds, bonds and fixed deposits with banks.

***Note:*** *Figures in previous periods have been regrouped or restated, wherever necessary to make them comparable to current period.*

**For further information, please contact:**

Ashwin Bajaj
Senior Vice President – Investor Relations
sterlite.ir@vedanta.co.in
Tel: +91 22 6646 1531

Sheetal Khanduja
AGM – Investor Relations
sterlite.ir@vedanta.co.in
Tel: +91 22 6646 1531

**About Sterlite Industries**

Sterlite Industries (India) Limited is India's largest diversified metals and mining company. The company produces aluminium, copper, zinc, lead, silver, and commercial energy. Sterlite Industries has a portfolio of world class assets in India, Australia, Namibia, South Africa and Ireland. Sterlite Industries is listed on the Bombay Stock Exchange and National Stock Exchange in India and the New York Stock Exchange in the United States. For more information, please visit www.sterlite-industries.com

**Disclaimer**

This press release contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward–looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behaviour of financial and metals markets including the London Metal Exchange, fluctuations in interest and or exchange rates and metal prices; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different that those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.

**Regd. Office:** SIPCOT Industrial Complex, Madurai Bypass Road, TV Puram P.O., Tuticorin-628002, Tamil Nadu