



No.SEC/A-SE/11-12/39
November 01, 2011

Corporate Relationship Department
The Bombay Stock Exchange Limited
Dalal Street, Fort
Mumbai - 400 001
Fax Nos.: 022-22723121 / 22723719 /
22722037 / 22722039



STERLITE INDUSTRIES (I) LTD.

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National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051
Fax Nos.: 022-26598120/ 26598237/
26598238

Scrip Code : 500900

Scrip Code : STER-EQ

Sub : Clarification on Media Reports

Dear Sir,

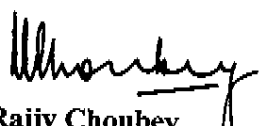
This is with reference to certain media reports that Sterlite Industries (India) Limited plans to convert all its loans given to Vedanta Aluminium Limited in to equity. The Company clarifies its stand through the attached press / media release.

Please find attached a Press Release in this regard and request you to update the same on the website of your respective stock exchanges for the benefit for the Investors.

Thanking you,

Yours sincerely,

For Sterlite Industries (India) Limited


Rajiv Choubey
Company Secretary & Head Legal

01.11.2011

Encl : as above

**vedanta**

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November 1, 2011

**Sterlite Industries (India) Limited
Clarification on Media Reports**

Sterlite Industries (India) Limited ("Sterlite") issues clarification to the news article in Economic Times of 1 November 2011, regarding increase in its stake in associate company, Vedanta Aluminium Limited ("VAL"). The article contains several misleading statements. The company would like to clarify that it does not expect any change in its shareholding in VAL, which currently stands at 29.5%. The article further states that Sterlite intends to convert all its loans to VAL into equity, which is untrue.

At present, Sterlite's investment in VAL is primarily in the form of debt/ quasi-equity, with a small amount of equity. Sterlite has stated in the past on several occasions, including its Q2 FY 2012 earnings call held on 24 October 2011, that as and when the capital structure of VAL is finalized, part of the loans/quasi-equity from Sterlite would get converted to equity of VAL, in order to achieve the target Debt-Equity ratio of VAL, and maintain Sterlite's 29.5% shareholding in VAL. This situation remains unchanged.

Sterlite Industries (India) Ltd.

**Senior Vice President – Investor Relations
Sterlite Industries (India) Limited**

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About Sterlite Industries

Sterlite Industries is India's largest non-ferrous metals and mining company with interests and operations in aluminium, copper, zinc and lead and power. It is a subsidiary of Vedanta Resources plc, a London-based diversified FTSE 100 metals and mining group. Sterlite Industries operates in subsidiaries are Hindustan Zinc Limited for its zinc and lead operations; Zinc International operations in Namibia, South Africa and Ireland. Copper Mines of Tasmania Pty Limited for its copper operations in Australia; and Bharat Aluminium Company Limited for its aluminium operations. The company operates its own copper operations in India. The company has entered the commercial energy generation business and is in the process of setting up a 2,400MW independent power plant through its wholly owned subsidiary, Sterlite Energy Limited. 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 than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.