



STERLITE
INDUSTRIES (INDIA) LIMITED

Surging Ahead

Sterlite is constantly moving up the value chain.

Growing by leaps and bounds.

Sterlite owes its success to its strategy of 'acquisition and expansion.' A strategy that has enabled the Company to grasp the emerging opportunities and compete in the global market.

Sterlite's blend of people, processes and resources enables it to deliver tremendous gains in productivity, for the benefit of all stakeholders.

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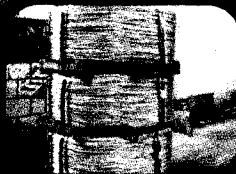
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VISION

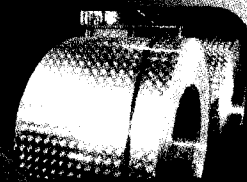
*Quickly grasping the opportunities
provided by the ever changing global
equations and shifting paradigms,
restructuring and re-engineering to
achieve leadership in all facets;
building an organisation that people
are proud to be associated with,
and setting the standard by which
organisations measure quality
and efficiency.*



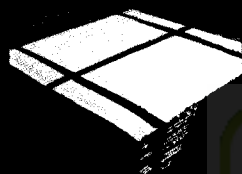
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COPPER RODS



ALUMINIUM ROLLED
PRODUCTS



COPPER CATHODE



ALUMINIUM ROD
& INGOTS



COPPER MINES



ZINC INGOTS



LEAD INGOTS



STERLITE
INDUSTRIES (INDIA) LIMITED
STERLITE INDUSTRIES (INDIA) LIMITED

BOARD OF DIRECTORS

Anil Agarwal	Chairman and Managing Director
Dwarka Prasad Agarwal	
Ishwarlal Patwari	
A.T. Kusre	Nominee Director - ICICI
Navin Agarwal	Whole Time Director
Sandeep Junnarkar	
Gautam Doshi	
C.V. Krishnan	Whole Time Director
Berjis Desai	
Madan Gopal Pachisia	
<hr/>	
Tarun Jain	Director (Finance)

COMPANY SECRETARY

A. S. Khandwala

AUDITORS

M/s. Chaturvedi & Shah - Mumbai
M/s. Das & Prasad - Kolkata

BANKERS

ABN Amro Bank
Credit Agricole Indosuez
HDFC Bank Limited
ICICI Bank Limited
State Bank of India

Corporation Bank
The Bank of Nova Scotia
Development Bank of Singapore
Bank of Maharashtra
UTI Bank Limited
Syndicate Bank

TRANSFER AGENTS

M/s. Sharepro Services

(Unit : Sterlite Industries (India) Limited)

- 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai - 400 021.
Tel.: (022) 2288 1568/69, 2282 5163, 2288 4527 ▪ Fax: (022) 2282 5484
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Tel.: (022) 2821 5168, 2832 9828/2114 ▪ Fax: (022) 2837 5646
E-mail: sharepro@vsnl.com



STERLITE
INDUSTRIES (INDIA) LIMITED
CHAIRMAN'S SPEECH



Dear Shareholders,

The year 2002-03 has been another landmark year for your Company and has heralded infinite opportunities for future growth and diversification. The Sterlite Group after successfully acquiring Bharat Aluminium Company Limited (BALCO), added another feather in its cap by acquiring Hindustan Zinc Limited (HZL) through the Government of India's divestment programme and thus has made deep forays in attaining leadership position in non-ferrous mining and metals segment in India.

The Company has further firmed up plans to augment the capacities of plants and raise production levels to international standards. This should enable us to derive benefits of economies of scale and compete with other players globally.

I am pleased to share that your Company has shown excellent performance with net profits at Rs.1,676.67 million, i.e. 38% higher than the previous period (on annualised basis), in spite of subdued local demand for copper.

The de-bottlenecking exercise and augmentation of copper production capacity from 180,000 MT to 300,000 MT per annum will further enhance efficiencies and plant productivity. The exercise to target the export market has shown positive results with the exports having registered a quantum growth.

Our efforts to enhance our presence in Middle East and Far East Countries have resulted in significant increase of Copper rods exports to these markets. I share the optimism reflected in various industry reports that demand growth in China and rest of Asia is expected to remain promising.

During the year 'Sterlite' Brand Copper Cathodes were registered as 'Grade A' Copper on London Metal Exchange (LME).

The LME accreditation is a major milestone and is a testimony to your Company's quality standards, systems and processes which are truly world class.

This accreditation is expected to open new avenues and markets for copper exports and improve premium earnings.

It appears that non-ferrous metals including Copper are out of the sluggish price phase which is clearly visible in the recent spurt in LME prices. The favourable demand supply equation is further expected to give support to Copper prices.

The power transmission line aluminium conductors division has also kept pace and



STERLITE
INDUSTRIES (INDIA) LIMITED
CHAIRMAN'S SPEECH

attained a market share of around 60%. The division has also set sights on the growing export markets and has accessed new markets in Africa and European countries.

Recent developments in the country also augur well for sustaining the demand of conductors in India. The Accelerated Power Development Reforms Programme (APDRP), the approval of the Electricity Bill 2003 and deregulation of power production and distribution would open the doors for fresh investments in power sector and would offer business opportunities in a big way in the coming years.

The Company has continued to concentrate on cost reduction measures and reducing average cost of financing on its borrowings. Other key measures were reduction of overheads and improved realizations resulting in better profitability.

Growth has been a matrix of successful acquisitions, turnaround and cost effective expansions. The Sterlite Group is a US \$1.5 billion group with an array of products and is today positioned to expand its presence in international markets.

The success of the Group's endeavours lies in the commitment of employees at all levels. Each employee at Sterlite armed with an

entrepreneurial spirit has risen to all challenges and consistently performed in a manner that drives the Company to set higher goals. The Company has also benefited from the cross fertilisation of minds and ideas between various companies in the Group and human resources, our core asset, have been further enhanced by employing the best talent available in the industry.

Sterlite is committed to the environment and is highly conscious of its social responsibilities. Sustainable development is the cornerstone of Sterlite's social commitment and caring for the environment. Education, health and welfare of the society at large is finely interwoven with overall corporate business objectives.

I believe growth is the symbiosis of various objectives, each complementing the other and in the process creating value and maximising returns for all stakeholders.

With best regards,

Anil Agarwal
Chairman & Managing Director
Dated : July 26, 2003.



STERLITE

INDUSTRIES (INDIA) LIMITED

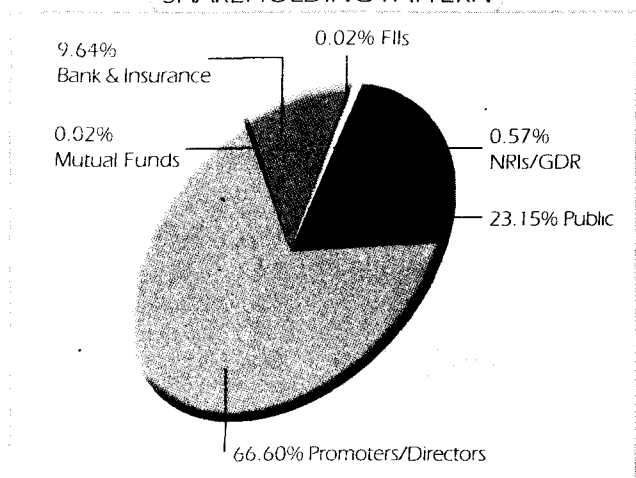
FIVE YEARS AT A GLANCE

(Rs. Millions)

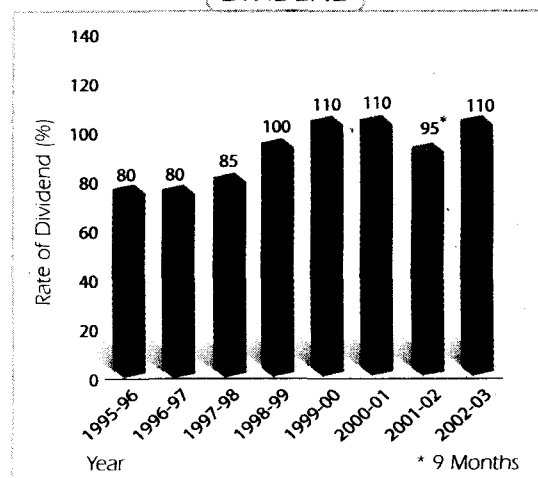
Particulars	1998-99	1999-00	2000-01	2001-02	2002-03
Sales & Services (Including Other Income)	14907	22651	31212	35583*	34245
Gross Profit (EBIDTA)	1998	3159	3301	3805*	4512
Cash Profit (PBDT)	1212	1821	2281	2580*	3002
Net Profit (PAT)	571	1051	1279	1213*	1677
Gross Fixed Assets	17420	17995	19852	20298	21343
Net Current Assets	5691	9302	4571	5778	4703
Capital Employed	22208	25596	29303	30246	33334

* Annualised.

SHAREHOLDING PATTERN



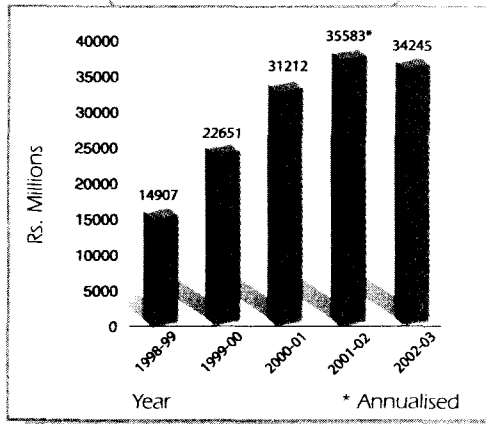
DIVIDEND



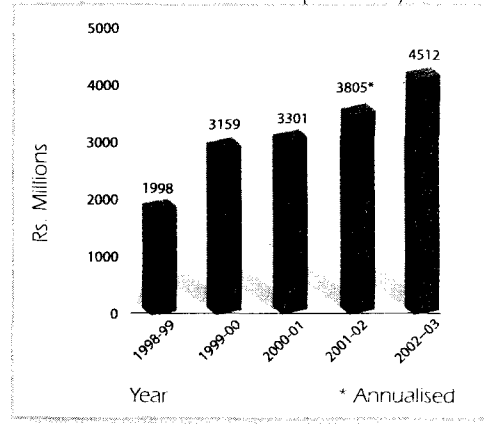


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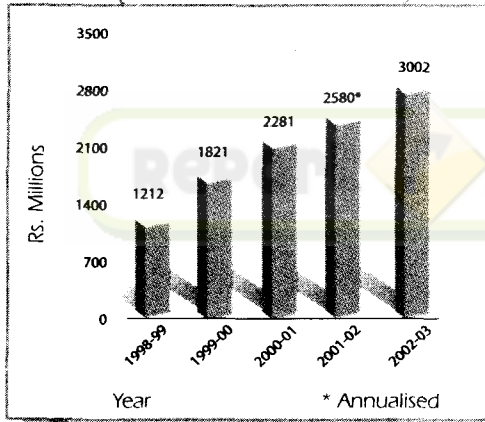
SALES AND SERVICES



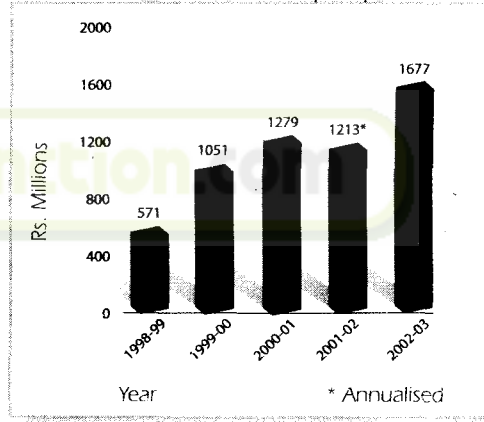
GROSS PROFIT (EBIDTA)



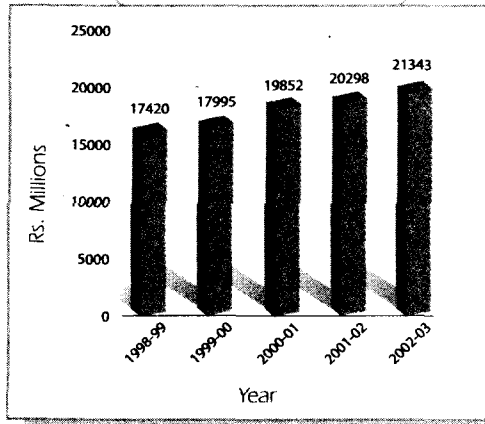
OPERATING PROFIT (EBIT)



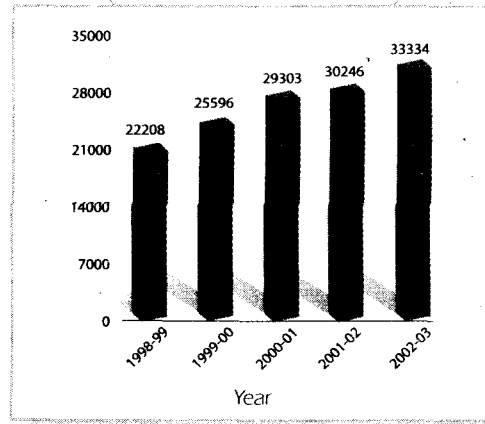
NET PROFIT (PAT)



GROSS FIXED ASSETS



CAPITAL EMPLOYED

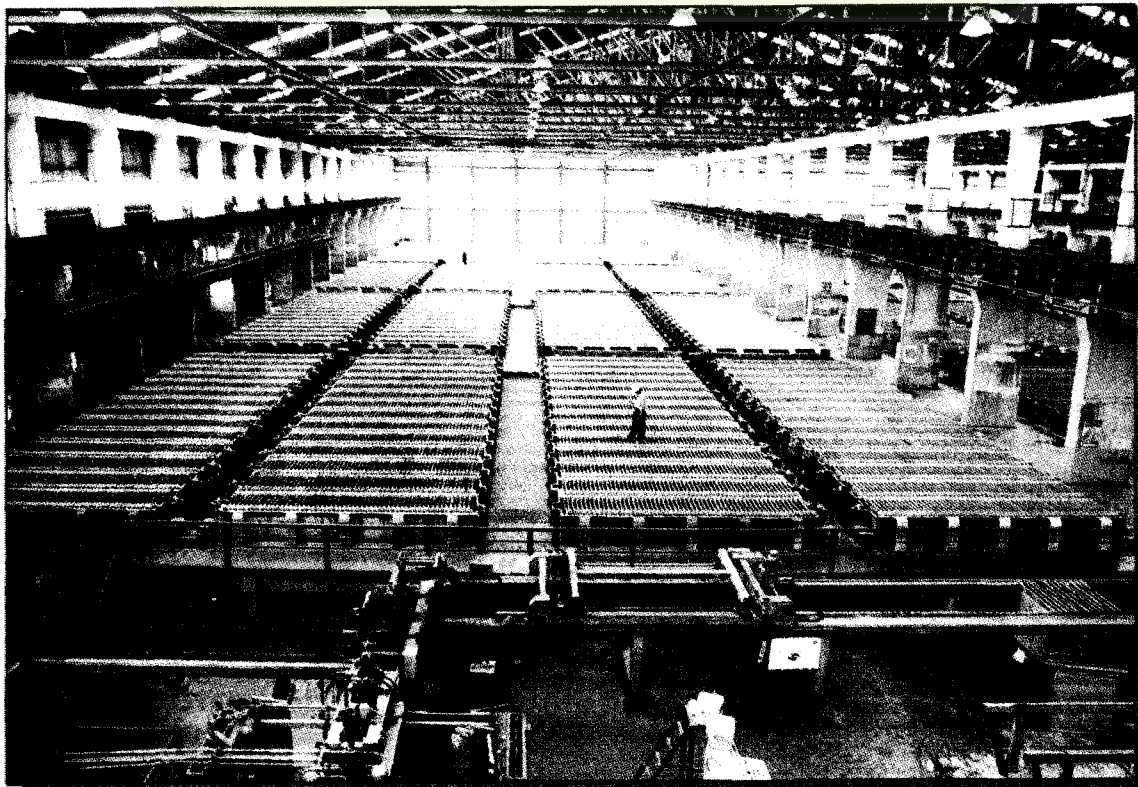




STERLITE
INDUSTRIES (INDIA) LIMITED
LONDON METAL EXCHANGE ACCREDITATION

*T*his year Sterlite has crossed an important milestone in its journey towards excellence and global benchmarking. The London Metal Exchange has awarded the prestigious Grade 'A' accreditation to STERLITE Brand Copper cathodes.

This achievement has catapulted Sterlite into the league of world class copper producers. Considering our ambitious expansion program, the LME accreditation is expected to open up new frontiers for our cathodes and in the process give considerable boost to exports.



Copper Refinery