



DIVISION OF  
CORPORATION FINANCE  
MAIL STOP 4628

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-4628

September 11, 2009

Mr. Vinod Bhandawat  
Chief Financial Officer  
Sterlite Industries (India) Limited  
Vendata, 75 Nehru Road  
Vile Parle (East)  
Mumbai, Maharashtra 400-099  
India

**Re: Sterlite Industries (India) Limited**  
**Form 20-F for the Fiscal Year Ended March 31, 2009**  
**Filed July 10, 2009**  
**Form 20-F/A for the Fiscal Year Ended March 31, 2009**  
**Filed July 14, 2009**  
**File No. 001-33175**

Dear Mr. Bhandawat:

We have reviewed your filing and have the following comments. We have limited our review to only your financial statements and related disclosures and do not intend to expand our review to other portions of your documents. Please provide a written response to our comments. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Form 20-F for the Fiscal Year Ended March 31, 2009

## Financial Statements

### Note 2 - Significant Accounting Policies, page F-9

#### Impairment, page F-11

1. We note you disclose on page 7 that "...BALCO suspended part of operations at its aluminum smelter..." and on page 21 that you "...ceased operations at one of your aluminum smelters at the Korba complex which may have a material adverse effect on your business and financial performance..." However, it does not appear that any impairment charge related to these ceased operations has been recognized in your income statements for any of the three years presented.

Please tell us the amounts you have capitalized for these operations and explain how you reached your no impairment conclusion.

### Note 5 - Short-Term and Long-Term Investments, page F-18

2. We note you disclose on this page a fair value balance as of March 31, 2009 of Rs.186,302 million, versus on page F-45 under Note 28 a fair value of Rs.137,741 million, for your trading securities. Please reconcile this inconsistency.

### Note 23 - Shared-Based Compensation Plans, page F-38

3. We note your disclosure indicating that you offer to your employees the long term incentive plan (LTIP) through your parent Vedanta Resources. Tell us the LTIP adoption date and whether you or Vedanta is obligated to issue these awards. Since the exercise price of these awards is denominated in US dollars and your functional currency is Indian rupees, it appears that the value of these awards will vary not only in relation to changes in share price, but also to changes in the value of US dollars against Indian rupees. As a result, paragraph 33 and footnote 19 of SFAS 123 (R) may require liability accounting from issuance dates and remeasurement to fair value at the end of each reporting period for these awards.

Please provide your analysis of this issue pursuant to paragraph 33 and footnote 19 of SFAS 123 (R). If applicable and the differences are material, quantify the effects of financial statement restatement and the additional disclosures you propose to include in your filings. If you conclude that the error impact is not material to your financial statements, provide an analysis supporting your conclusion, following the guidance in SAB Topics 1:M and 1:N.

## Engineering Comments

Form 20 – F/A for Fiscal Year Ending March 31, 2009

Strong pipeline of growth projects, page 21

4. We note you disclose you have obtained coal block allocations of 112.2 million tons from the Ministry of Coal to support BALCO's captive power plants at the Jharsuguda operations along with a long term coal linkage, and 31.5 million tons from the Madanpur Coal Block. Tell us the status of these coal block allocations (exploration, development or production) and whether you have reserves that may be reported for these properties under Industry Guide 7. In addition please modify your disclosure to clarify that a coal linkage is a long term supply contract for delivery of coal meeting specific contract specifications.

Projects and Developments, page 44

5. We note you have begun mining activity at the Kayar mine site with the intention of developing the property to produce 360,000 tons annually by the year 2010. Please disclose whether you have developed any geologic reports or feasibility studies to support your capital investment in this property. Also describe the status of this mining operation (exploration, development or production), and indicate whether you have established reserves for this property as of the date of your filing.

In addition, tell us the extent to which you are able to quantify mineralized material for this property. Mineralized material is mineralization which has been delineated by appropriate drilling and/or underground sampling to establish continuity and support an estimate of tonnage and an average grade of the selected metals. Under SEC standards, such a deposit does not qualify as a reserve until a comprehensive evaluation, based upon unit costs, grade, recoveries, and other factors, concludes economic and legal feasibility. Mineralized material should only be reported as an in place tonnage and grade, and should not be disclosed as units of product, such as ounces of gold or pounds of copper.

Projects and Developments, page 53

6. We note that you are developing the Lanjigarh bauxite mines through a joint venture and that you currently source bauxite, which has been mined on Niyamgiri Hills in Lanjigarh on your mineral lease. Please describe the state of these mines (exploration, development or production) and disclose whether you have reserves as of the date of your filing.

Closing Comments

Please respond to these comments within 10 business days or tell us when you will provide us with a response. Please furnish a letter that keys your responses to our comments and provides any requested information. Detailed letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Exchange Act of 1934 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In connection with responding to our comments, please provide, in writing, a statement from the company acknowledging that:

- the company is responsible for the adequacy and accuracy of the disclosure in the filing;
- staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and
- the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in our review of your filing or in response to our comments on your filing.

You may contact Joanna Lam at (202) 551-3476 and Lily Dang at (202) 551-3867 if you have questions regarding comments on the financial statements and related

Mr. Bhandawat  
Sterlite Industries (India) Limited  
September 11, 2009  
Page 5

matters. You may contact Ken Schuler, Mining Engineer, at (202) 551-3718 with questions about engineering comments. Please contact me at (202) 551-3686 with any other questions.

Sincerely,

Karl Hiller  
Branch Chief