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Earnings Presentation

Earnings Call Q1 FY23

25th July 2022

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Industry Updates



1

**Industry
updates**

2

Future
growth levers

3

STL
financials

4

Q&A
session

The digital infrastructure industry is growing at a rapid pace



01



Massive investments in network build

Network creators investing heavily in digital infrastructure and deployment of fibre networks (esp. in US & Europe)

02



Tech becoming mainstream

5G, FTTx technologies and edge datacentres growing at a rapid pace

03



Optical demand on a growth trajectory

Sustainable demand for Optical networking

Strong Tailwinds of Massive Investment Cycle

Network creators and Governments plan to invest heavily in digital infrastructure



ENHANCED SPENDING & DEPLOYMENT BY NETWORK CREATORS

USA

AT&T Capex set to rise from **\$16.5 Bn to \$20 Bn** in 2022

US to pass 9M households per year with fiber over the coming three years and reach **87 mn fiber connected homes**

Europe

- **Openreach** plans to reach **25 Mn.** homes by 2026
- **Netomnia** plans **1 Mn.** homes pass by 2023
- **Hyperoptic** targets **3 Mn.** homes by 2024
- **CityFiber** on track to reach **8 Mn.** homes across UK by 2025
- **Open Fiber** targets to reach **24 Mn.** homes by 2031

India

- **Bharti Airtel** plans to invest **\$15.0 Bn capex** through 4 subsidiaries
- **Bharti Airtel** aiming for **40 Mn. home broadband** customers by 2025

Data Centers

Meta allocates **\$31.5 Bn capex in 2022**

Hyperscale capex in the last 4 quarters, increases by **25% to over \$ 150 bn.**

US CAPEX SURGE

\$275 Bn.

Investment by Telcos, Cable MSO's, Internet content providers along with Govt. stimulus in 2022

INCREASE IN GOVERNMENT INCENTIVES & FEDERAL SPENDING

US



Aims to invest **\$65 Bn. in broadband as a part of Infrastructure Bill**

UK



Project Gigabit **£5 Bn. for 85% broadband connectivity by 2025**

India



Bharat Net program being **extended to 360,000 villages**



5G becoming the fastest growing technology

- 5G Investments : expected to be **\$500 Bn.** from 2022 to 2025
- 5G subscriptions: **660 Mn.** as of 2021 and expected to reach to **4.4 Bn.** by 2027
- 5G base stations in China: **1.43 Mn.** as of 2021 and expected to reach to **3.65 Mn.** by 2025



FTTx growing massively in Europe, US, India

- **\$125 Bn.** earmarked for FTTH deployments in the North America for next 5 years
- UK's BT Openreach plans to spend **£15 Bn.** over the next 5-6 years
- Italy's Open Fiber plans **\$11 Bn.** investment in new 10-yr strategy

Datacentres

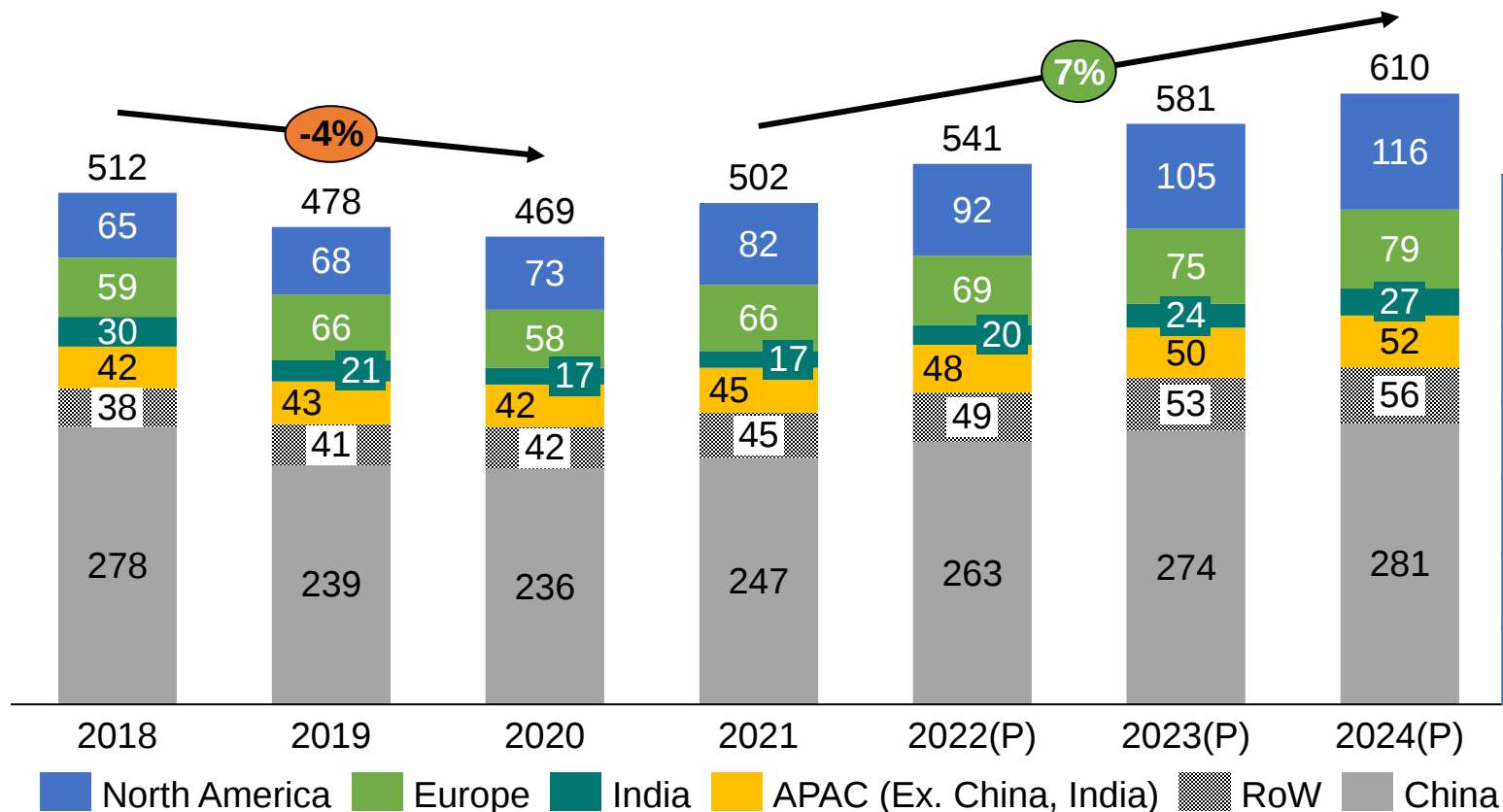
Increasing CAPEX by data centers

- Data center CAPEX to **grow by 10% CAGR** over the next five years, to **\$350 Bn.** by 2026
- Google plans to invest **\$9.5 Bn.** in building offices and data centers in the US in 2022
- **1,200 Hyper scale data centers** by 2026; 314 DC currently in pipeline

03 Leading to sustainable growth in global OFC volumes



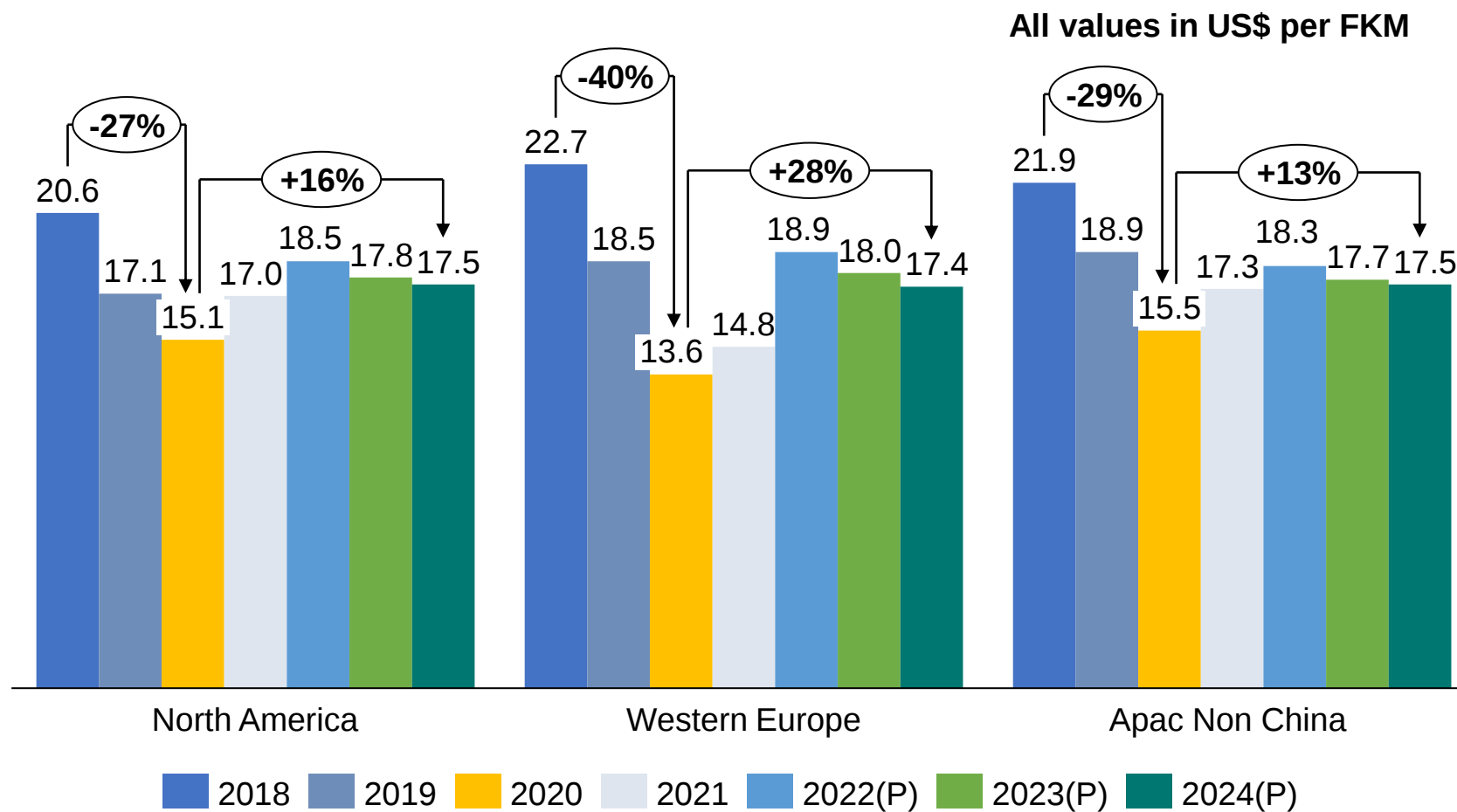
OFC Demand region wise (Mn Fkm)



Region	CAGR 2021-24
North America	12%
Europe	6%
India	16%
APAC (Ex. China & India)	5%
RoW	7%
China	4%

STL focus markets **North America & Europe are high potential and fast growing**

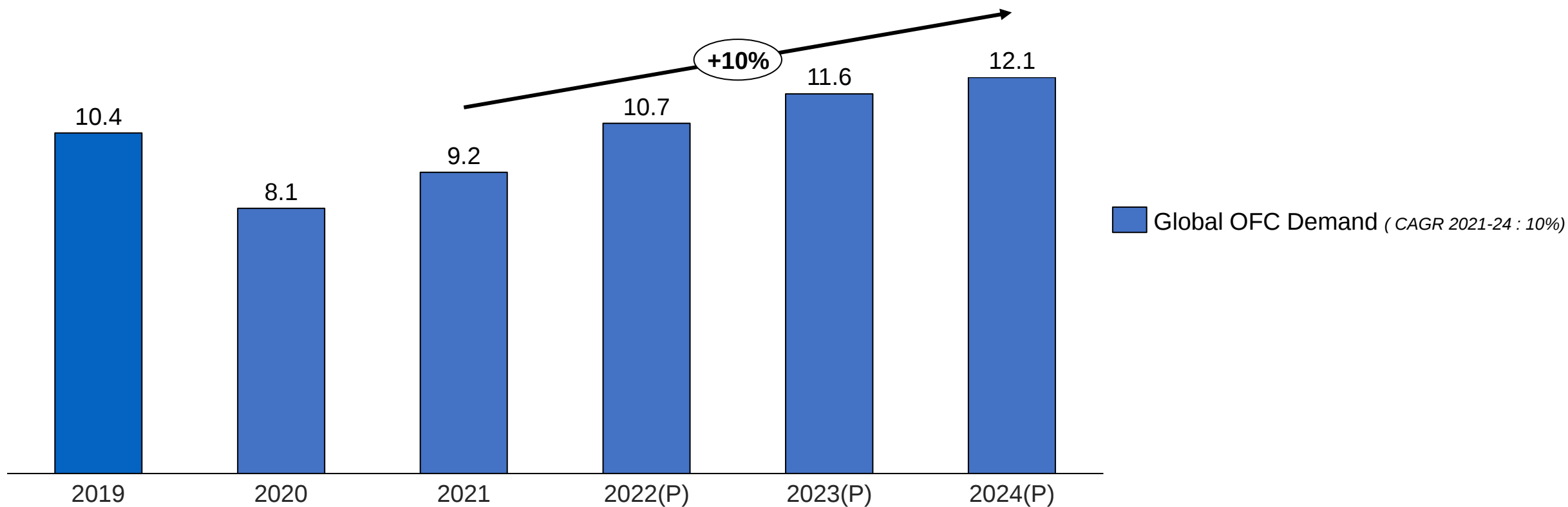
OFC prices have rebounded since 2020



Note: indicative cable prices based on applications within the feeder/local segment

Region	Growth 2020-24
North America	16%
Western Europe	28%
APAC (Ex. China)	13%

Global OFC Demand (\$ Bn.)



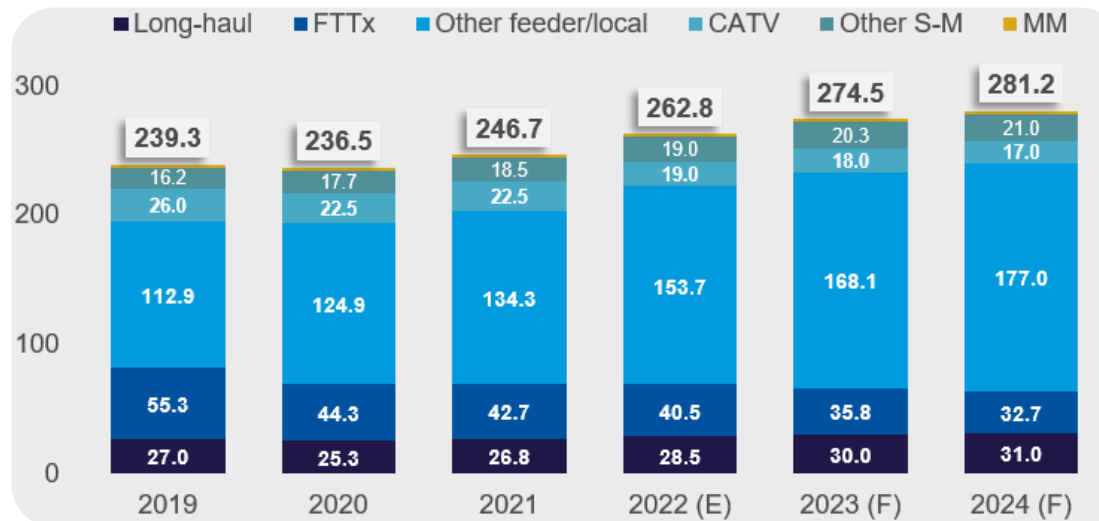
Demand

- China Carriers combined loose tube tender volumes in 2021-22 reached 235 mn.fkm, which is 17% increase than 2020-21
- 5G continues to drive fibre demand. China expects 5G users to reach 900 mn. by 2025
- FTTH build and connecting last 5% of population can be very fibre intensive due to rural localities

Supply

- As per CRU, most major fibre and cable suppliers are running at high utilizations for operational capacity in both fibre and cables
- Trade barriers including anti dumping duties posed by EU and US is leading Chinese players to focus away from these markets.
- Growing Protectionism leading to local manufacturing. E.g. IIJA in US requires 55% domestic sourced material

Chinese cable demand by Application segment



We are in a decade long investment cycle



Multi-year network build cycle

1

5G

Increased demand of fibre due to cell densification

2

FTTx

Increase in FTTx penetration & network modernisation by governments leading to increase in fibre demand

3

Hyperscalers

Increased demand of fibre due to capex increase, particularly for edge datacentres

3 investments cycles are coinciding
(7 - 10 years timeframe)

Future Growth Levers

1

Industry
updates

2

**Future
growth levers**

3

STL
financials

4

Q&A
session

Two Focussed Growth Levers



1

Scale Optical Business



- Scale global OFC **market share**
- Increase market share in the **US**
- Increase **OI attach rate**

2

Globalise Services Business



- Focus on **strategic segments** in India
- Globalise services with **UK** as the base by leveraging existing capability & customer relationships

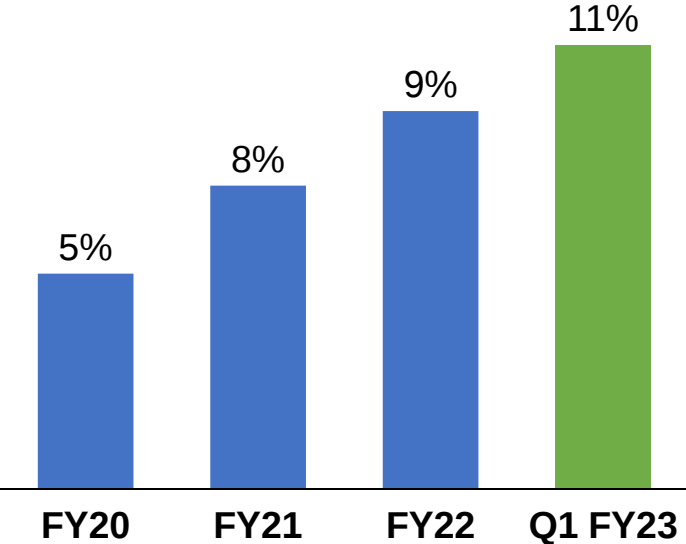
Focus on strategic growth opportunities through a prudent capital allocation framework

1

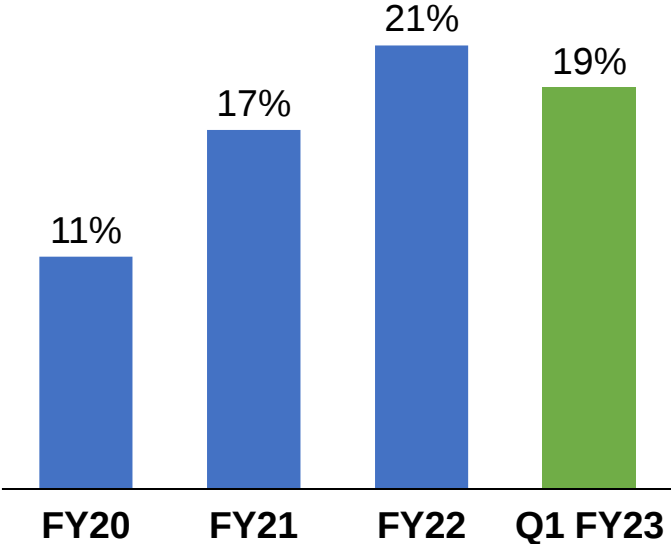
Grow Optical Business
Increase Global OFC Market Share in all focus markets



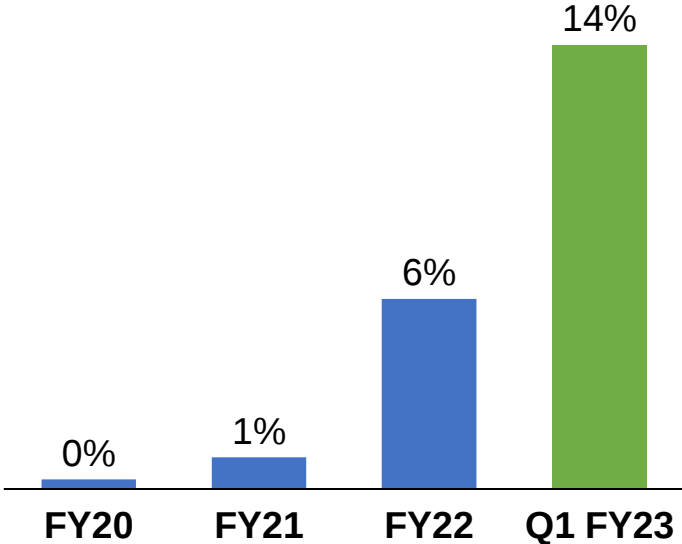
Global ex-China OFC
Market share



Europe OFC Market
share



North America
OFC Market share



Gaining market share in all focus markets

Market Share = STL Sales Volume in the region / Total Market Demand in the region

¹ – CRU

² – Company Data

1

Grow Optical Business Established foothold in the US



FY20

Entry in US Market

FY21-22

Added new Customers

45 customers till Q1 FY23

FY23 onwards

**Partnering top tier telcos
&**

Local manufacturing

Secured
**multi - million dollar,
multi - year contract
with
North American Telco**

**Optical Fibre Cable
Facility, USA**



US manufacturing expected to *start* in Q3 FY23

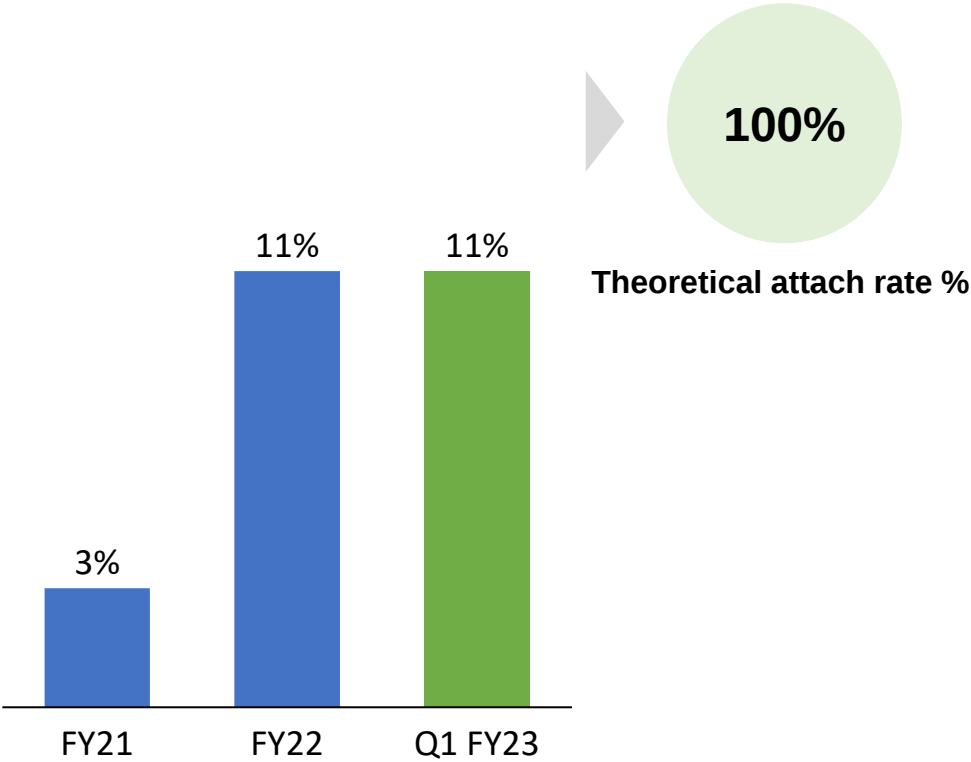
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Grow Optical Business

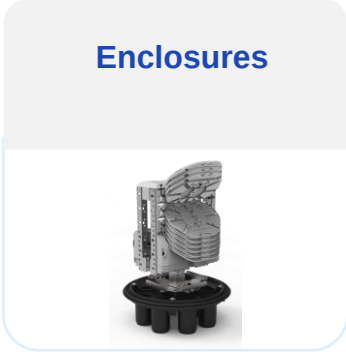
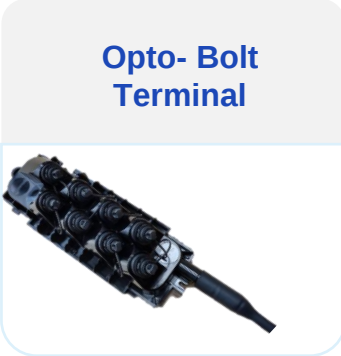
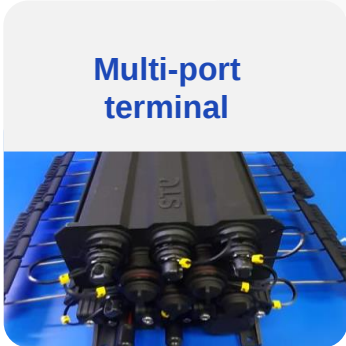
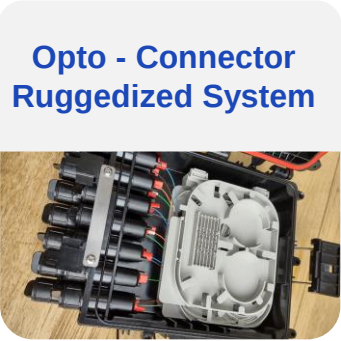
Increase Optical interconnect attach rate %



Optical Interconnect attach rate



Optical Interconnect Product Portfolio



Focus on **growing attach rate** to increase customer wallet share

SCALE GLOBAL MARKETS



- Integrated Clearcomm to complement network deployment capability and expand UK market access
- Robust global resourcing model (through STL Academy)
- Fully integrated solution and delivery engine (focusing on digitization & Automation)

CORE INDIA MARKET



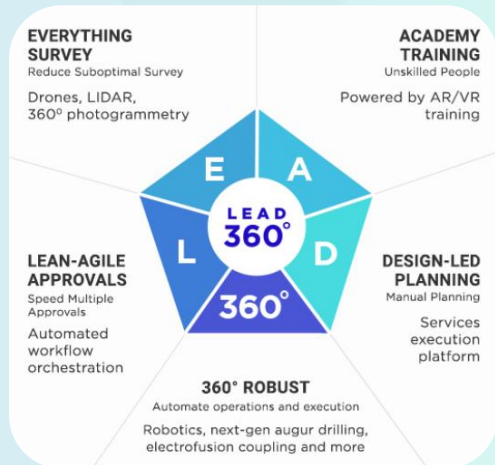
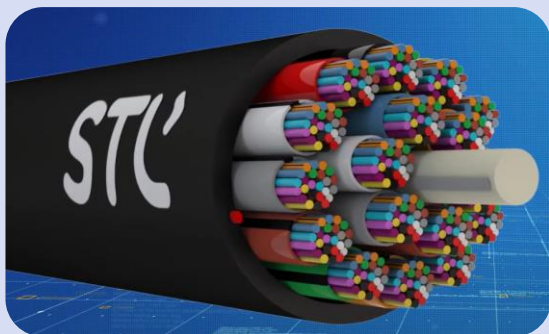
- Expand opportunity pipeline arising from 5G deployment. Increase wallet share of Telco CAPEX spend
- Continued tapping into robust public spending under Bharatnet program
- Continued focus on digital network build-outs



Continue to establish **competitive advantage** by training engineers at **STL academy** and keeping talent pool deployment ready for UK

2

Globalise Services Business Providing end to end solution to Netomnia



Backward Compatible Bend Insensitive Fibre

World's slimmest 432 F Next Gen Micro cable

Drop Cable & Opto-bolt Terminal Optical Interconnect Kits

FTTH Network Design & Deployment



**2x faster deployment
10x scale**



Bringing it all together as end to end solution

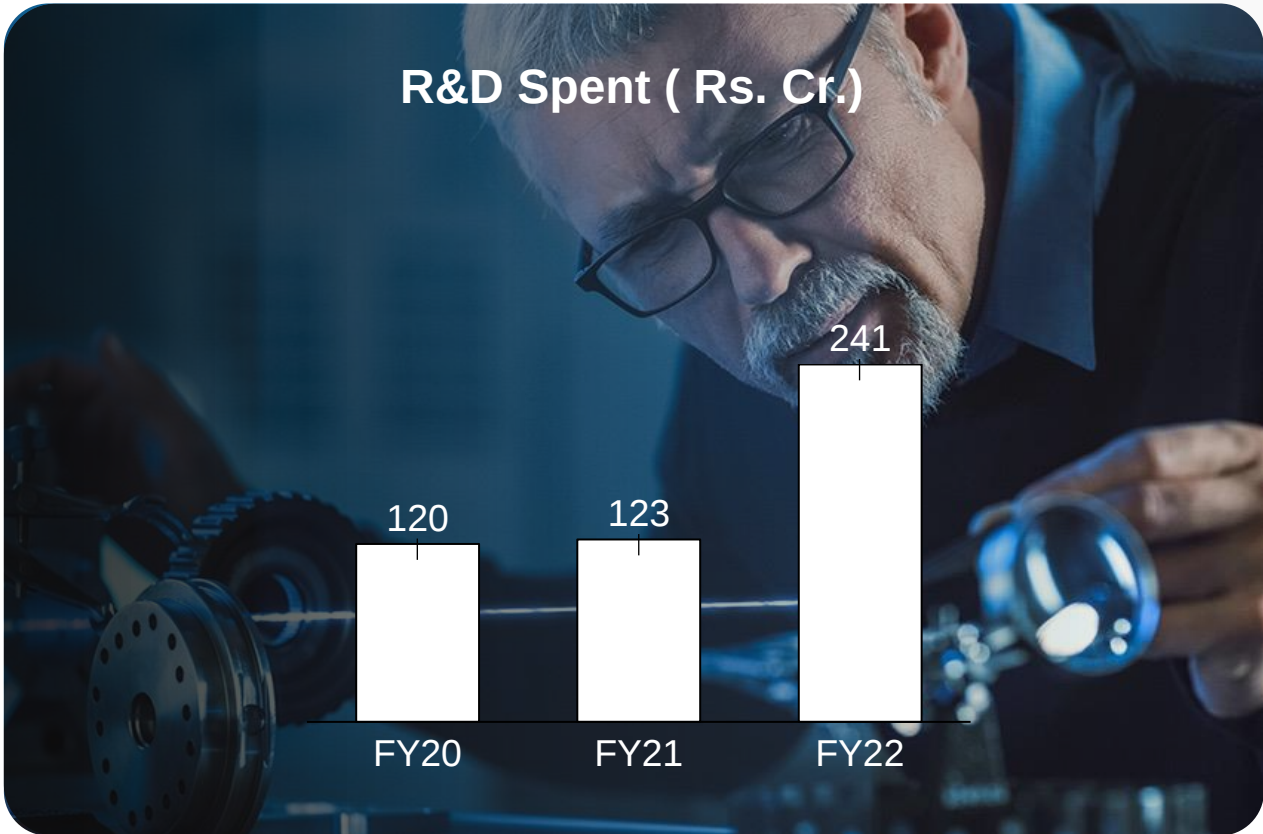


**35% cost saving
50% manpower saving**

Consistent investment in R&D



742¹ Patents
As on end of Q1 FY23



R&D spent at Rs. 53 Cr. in Q1 FY23

Developing next gen world class products for the last mile access solutions



STL at
MWC 2022

SHOWCASED
5G Solutions

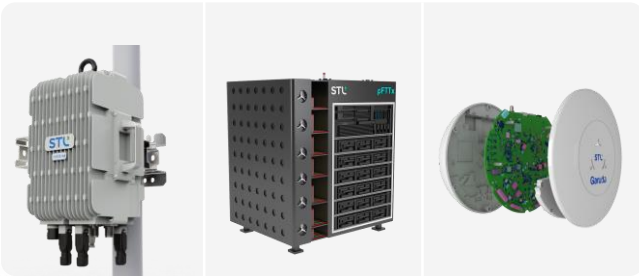


R&D driven
Products

Radio Hardware	pFTTx	RIC
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8*

Product SKU's / versions launched



Traction with global
Customers

Telcos & Alternative Network Providers	Private Enterprises
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5#+

Orders, PoC's, and engagement

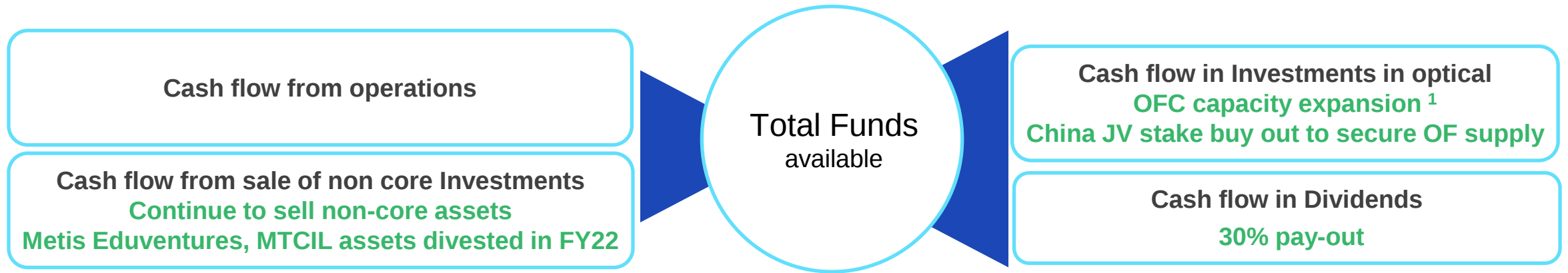
netomnia

Focus on **customer acquisition** in FY23

Exploring **Strategic partnerships** to invest in the business

- 7 SKUs of Radio, 1 of pFTTx
- # – As on date

Focus on strategic growth opportunities through a prudent capital allocation framework



- *Allocate our capital expenditure towards our OFC capacity expansion, particularly in US*
- *Post timely allocation of capex investments, optimize debt & capital structure*
- *Continue to divest non core assets*

¹ – Ongoing investments include setting up US facility and other brown field expansions

STL Financials

STL

1
Industry
updates

2
Future
growth levers

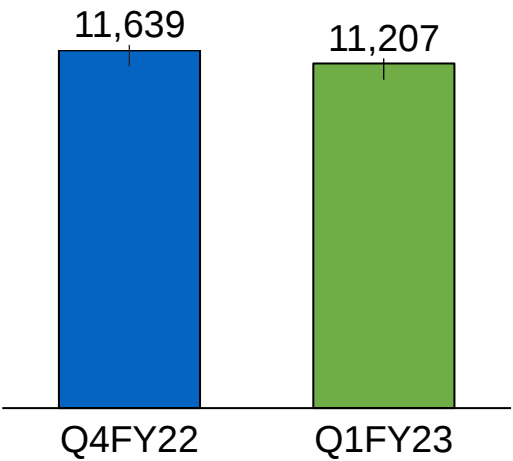
3
STL
financials

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Q&A
session

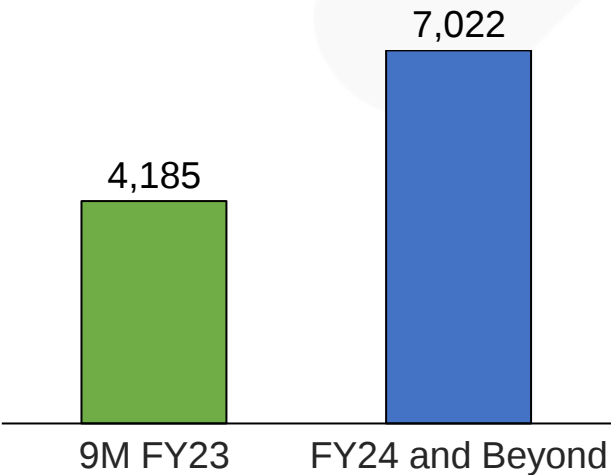
Our order book is stable



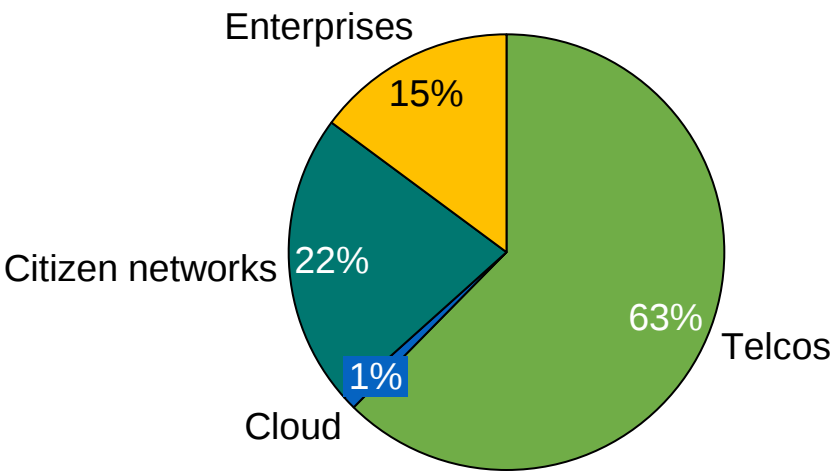
Open Order Book (Rs. Cr.)



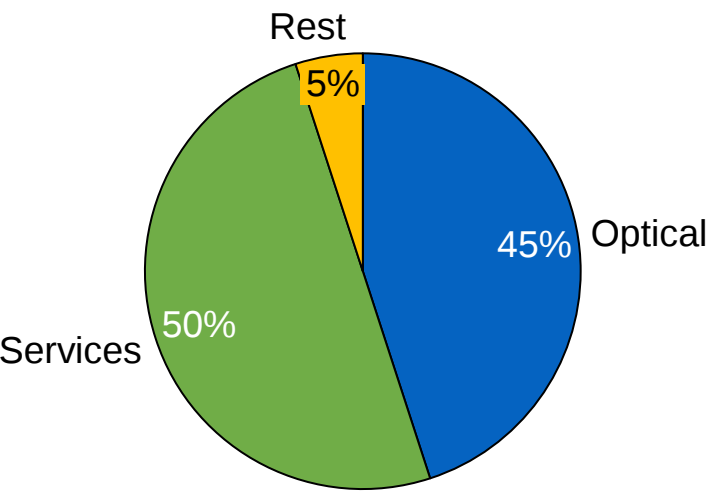
Order Book Spread (Rs. Cr.)



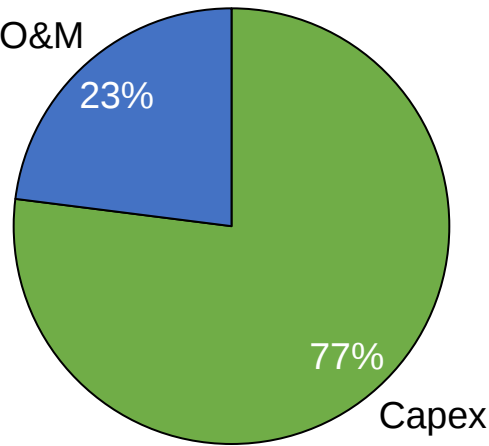
Open Order Book Customer wise



Open Order Book BU wise



Open Order Book Capex vs Opex



Note : Short closed Rs. 1,615 Cr. of open order book in Q1 FY23

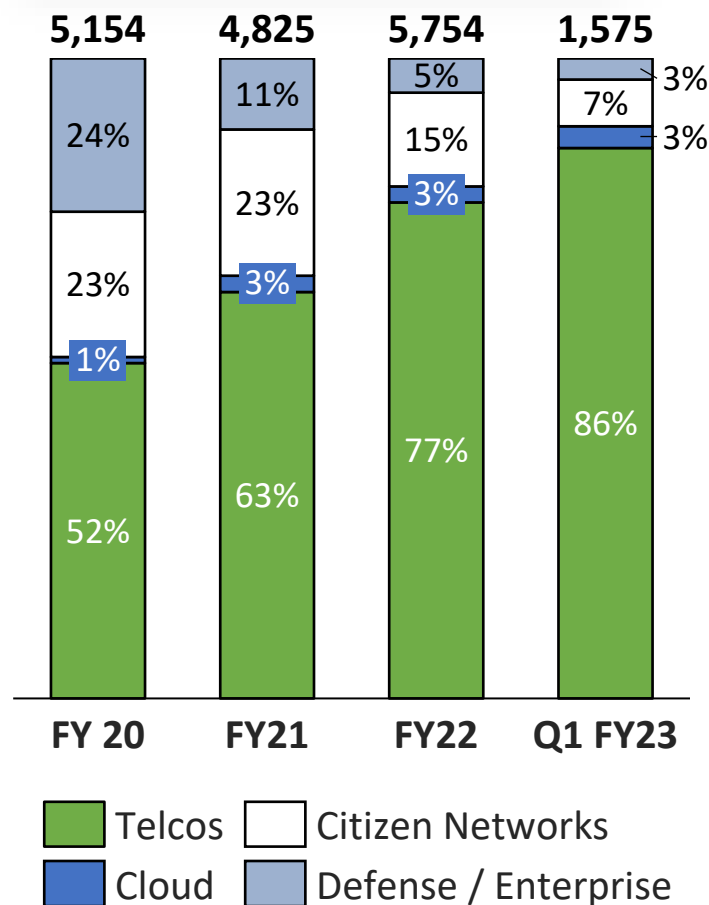
Revenue mix is moving to segments and geographies of choice



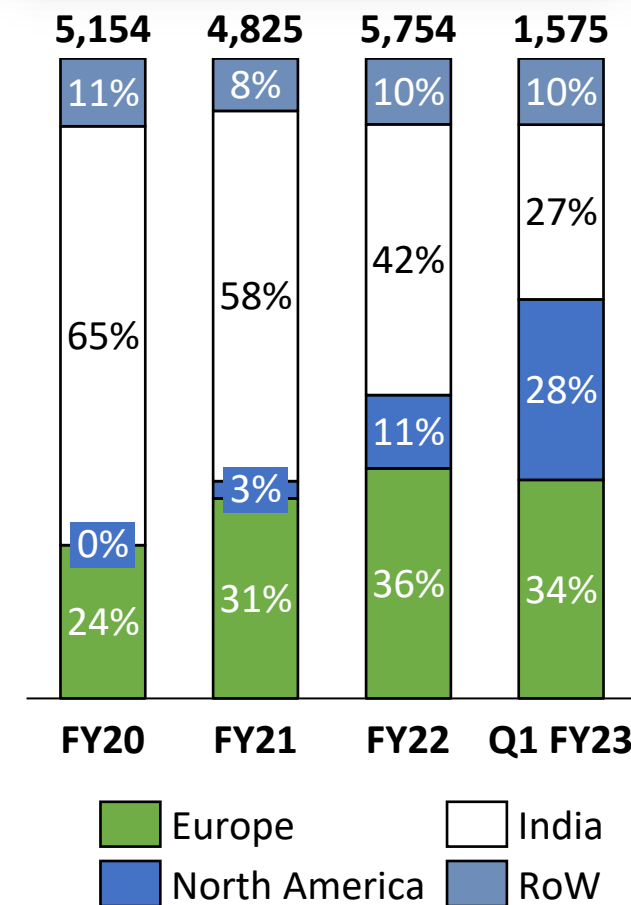
Key Order Wins Q1 FY23

- **Multi million dollar, multi year contract with a North American telco** for optical fibre cable
- New orders for optical fibre cable in **North American market** from distributor partner
- Optical fibre cable & Optical Interconnect contract with **a European telco**
- Enabling **Netomnia** to fiberize multiple cities with ultra fast broadband in UK
- Fibre roll out for a **leading Indian telco**

Customer Segments Revenues (Rs. Cr.)



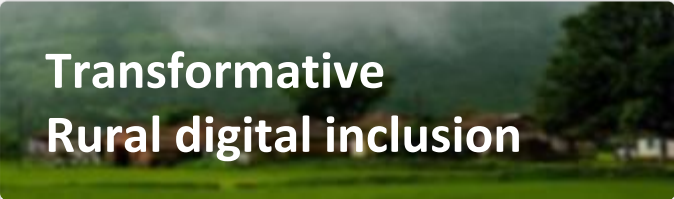
Geographical Distribution Revenues (Rs. Cr.)



Project Execution is on track



India - Public



Transformative
Rural digital inclusion

Bharatnet Project in

Telangana

54%
Completed



Network Modernisation

PSU

52%
Completed



India - Private



Modern Optical Network

Fibre roll out

(Large Indian telco)

Phase - 1

100% Completed



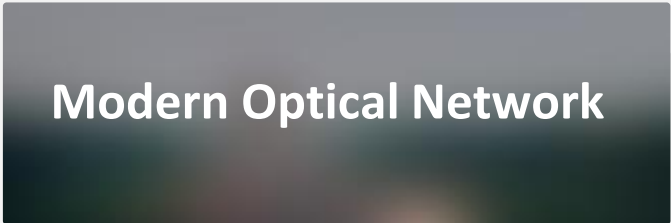
Phase - 2

5% Completed



Phase - 3

0% Completed



Modern Optical Network

Fibre Roll out

5% Completed



Global, UK



Gigabit Networks

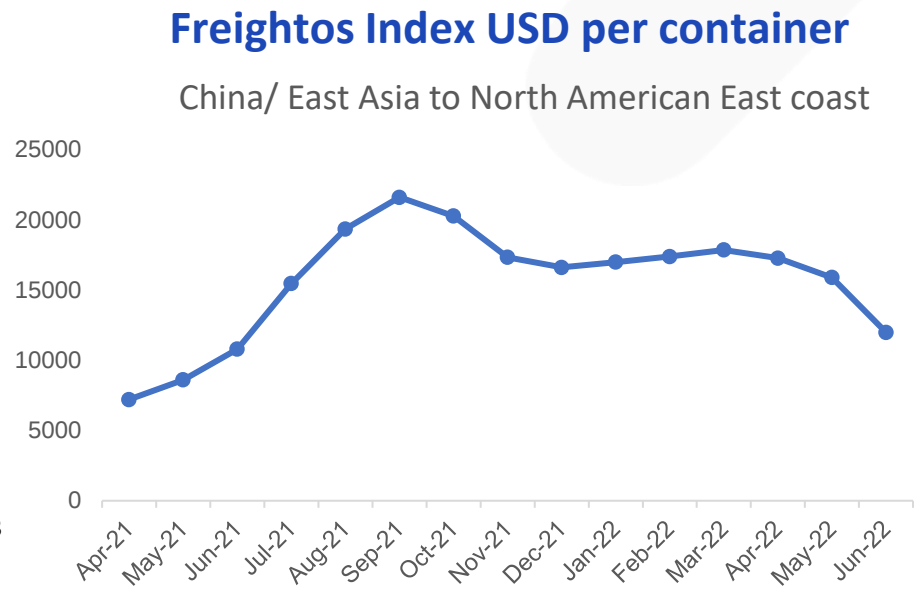
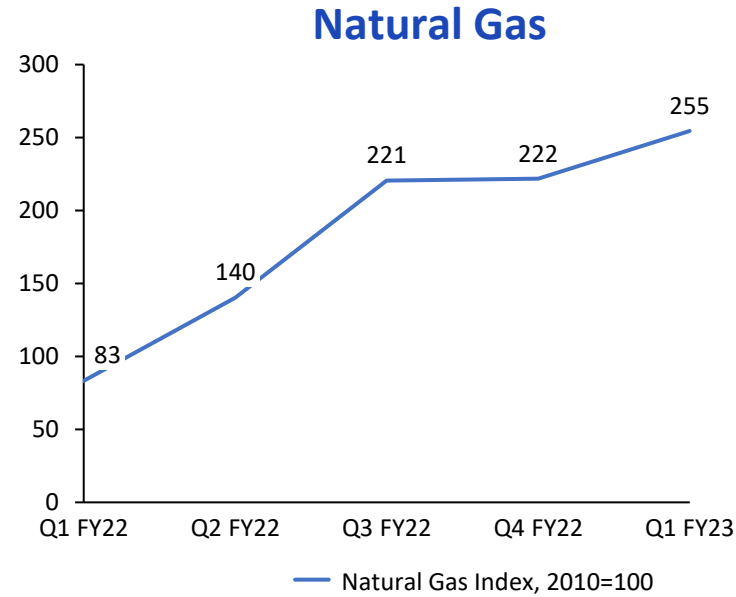
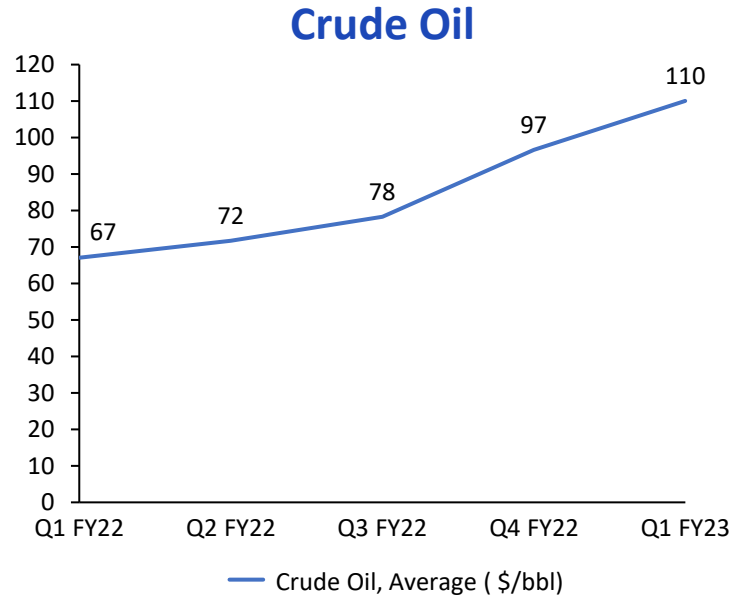
FTTH , UK

All Projects

5%
Completed

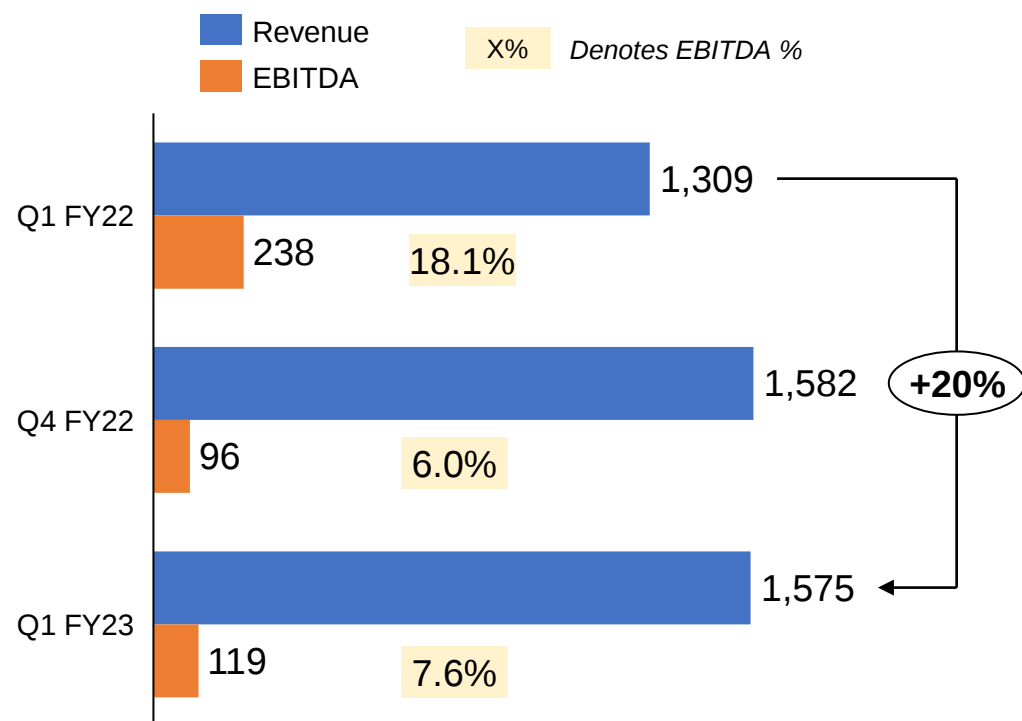


Q1 FY23 saw inflation headwinds continue in major raw materials, However logistics cost has started to ease;



- Raw material prices particularly polymer prices linked to crude oil have strengthened in Q1 FY23
- Gas (LNG and Helium) prices have also exhibited increases. Helium gas prices have increased sharply in recent quarters due to production problems at major US and Russian suppliers.
- Logistics cost have started to come down towards the end of Q1 FY23

Revenue grows 20 % y-o-y in Q1 FY23; Operating margins improve QoQ



Growth Drivers < 20% YoY>

- OFC volume growth
- Realization increase due to mix change
- Increase in UK services revenue

Margin improvement drivers < 160 bps QoQ >

- Revenue Mix shift towards Optical business
- Revenue Mix shift towards North America
- Increase in OI Margins

All figs in INR Cr

Note: Q4 FY22 EBITDA excludes one time gain of Rs. 25.57 Cr. On sale of MTCIL to compare operational profitability

Q1 FY23 Revenue Split

	Optical	Services	Digital & Access
Revenue	Rs. 1,137 Cr. 72%	Rs. 419 Cr. 27%	Rs. 41 Cr. 3%

Note : Q1 FY23 Capacity Utilisation for OFC at 88%, calculated on production volume & OFC capacity at 36.8 mn. fkm.

Consolidated Financials: Abridged Version



P&L (Rs. Cr.)	FY20	FY21	FY22	Q1 FY23
Revenue	5,154	4,825	5,754	1,575
EBITDA	1,104	854	594	119
EBITDA %	21%	18%	10%	8%
Depreciation	290	285	329	82
EBIT	813	568	265	37
Interest	221	203	241	69
Exceptional Gain/(loss)	(51)	-	16	
PBT (Before share of Associates and JV)	542	365	40	(32)
Tax	109	111	14	(8)
Net Profit¹ (After minority Interest)	434	275	60	(20)

Balance Sheet (Rs. Cr.)	FY20	FY21	FY22
<i>Net Worth</i> (including minority interest)	2,023	2,085	2,042
<i>Net Debt²</i>	1,970	2,410	2,782
Total	3,993	4,495	4,824
<i>Fixed Assets³</i>	2,502	2,664	2,935
<i>Goodwill</i>	122	292	296
<i>Net Working Capital</i>	1,369	1,539	1,593
Total	3,993	4,495	4,824

¹ Profit for the year attributable to owners of the Parent (including share of net Profit of Associate & Joint venture) and Profit (loss) from Discontinued operations

² Net debt = Gross borrowing (-) cash and cash equivalents (-) current investments

³ (PPE + CWIP + Intangibles - Capex creditors - lease liability - redemption liability + advance for FA) and Investment in JV & Associate's.

Driven by our purpose to transform lives

Committed to Net-Zero Emissions by 2030



Zero Waste to Landfill Certified¹

175,000+ MT

Waste diverted from landfills (FY18-22)

15,000+ tCO₂e

Reduced through energy efficiency initiatives
(FY21 – Q1 FY23)

500,000+ m³

of water recycled (FY19- Q1 FY23)

56%

Procurement (by value) done locally (FY 21)



Committed to the UN SDGs²

15

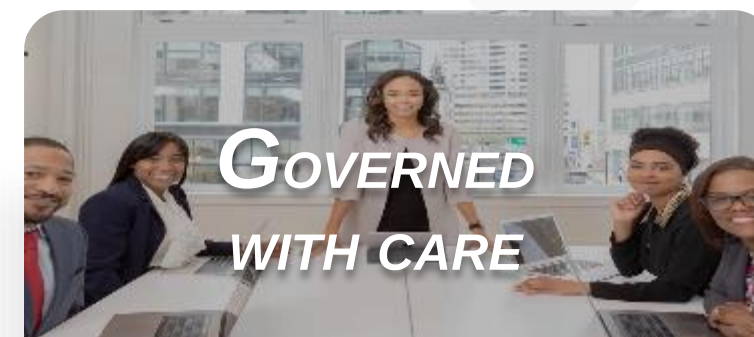
Aligned with 15 of the 17 SDGs

700,000+

Lives benefitted through STL's ed-tech & women
empowerment programmes (FY19 – Q1 FY 23)

2 mn.+

Lives benefitted through STL's healthcare programmes
(FY19 – Q1 FY23)



Strong Internal Governance

Two of the Big Four

as statutory & internal auditors

Executive and Management committees in place

71 ESG awards won (FY20 – Q1 FY23)

Source : ESG report for which independent assurance has been provided by DQS (Statement in FY 21 Annual report)

¹ Certified by Intertek, a U.S. Quality Assurance provider

² Cumulative till FY 21, SDG – Sustainable Development Goals

Strong demand and pricing outlook for Optical Fibre Cable : Multi-year network build cycle in full swing. The global OFC volume & pricing expected to grow in 2022

Aiming for global leadership in Optical Business: Look to achieve strong market share gains in North America and Europe, increase attach rate in optical Interconnect

Focussing on Strategic segments in Global Services: Look to ramp up execution in UK; Build profitable order book in strategic segments in India

Focus on strategic growth opportunities through prudent capital allocation framework: Allocating most capital to optical business ; Divesting non-core assets

Lets answer your questions

STL



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Industry
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**Q&A
session**



beyond tomorrow

Annexure : Key Business risks



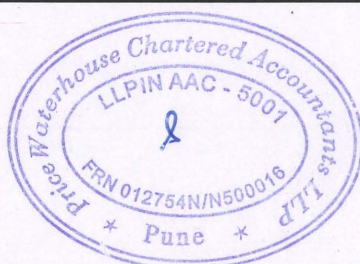
S.No.	Risk	Risk Definition	Comment
1	Geo Political & Economic Risk	Uncertainty in economic (Inflation, increase in interest rate, etc), political conditions may lead to adverse effects.	Focus on cash generation
2	Customer & Industry Demand	Reduction in Capex done by communication industry may dampen demand	Focus on selling end to end optical solutions, Geographic diversification particularly growing share in North America
3	Competition & Product Pricing	Competitive bidding on long term contracts may adversely affect pricing	Focus on reducing product cost & improving product mix
4	Product Portfolio & innovation	Inability to innovate, adapt new technology may negatively impact business	New products across businesses, particularly wireless business are undergoing field testing
5	Service Delivery Risk	Delay in ROW permission, covid lockdowns can delay project timelines	Project execution is as per planned schedule; No significant delays
6	Supply Chain Risk	shortage of containers and supply chain disruptions. Inflationary cost pressure	Price increase to offset the impact of higher input cost. Logistic cost is coming down
7	Talent Management Risk	Inability to attract and retain best professional talent may adversely impact	Certified Great place to work 3 rd time in a row
8	Commodity Risk	Inflationary pressure can negatively impact profitability	Price increase to offset the impact of higher input cost. Logistic cost is getting stabilized and trending down
9	Liquidity Risk	Inability to raise capital, manage indebtedness can negatively affect investments	Credit rating AA by CRISIL and ICRA
10	Litigation & Dispute	Disputes with customers, vendors, partners, competition may adversely impact	Adequate provision in books based on risk assessment
11	Cyber Security Risk	Ransomware, malware, phishing, data privacy breaches may adversely impact	Adequate IT systems protection in place

STERLITE TECHNOLOGIES LIMITED
(CIN : L31300PN2000PLC202408)
CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022



(₹ in crores except earnings per share)

Particulars	Quarter ended			Year ended
	Jun 22 (Unaudited)	Mar 22 (Unaudited)	Jun 21 (Unaudited)	Mar 22 (Audited)
Revenue from operations	1,575	1,582	1,309	5,754
Other income	5	31	7	60
Total income	1,580	1,613	1,316	5,814
Total expenditure	1,461	1,491	1,077	5,220
Cost of materials consumed	903	986	660	3,237
Purchase of stock-in-trade	(0)	0	2	3
(Increase) / decrease in finished goods, stock-in-trade and WIP	(152)	(161)	(72)	(375)
Employee benefits expense	232	237	193	871
Other expenses	478	429	295	1,484
Earnings before exceptional item, interest, tax, depreciation and amortisation (EBITDA)	119	122	238	594
Finance costs	69	69	49	241
Depreciation and amortisation expense	82	92	70	329
Profit before tax and share of net profits of investments accounted using equity method	(32)	(39)	119	24
Share of profit/(loss) of joint venture and associate company	1	(3)	9	5
Profit before exceptional items and tax	(31)	(42)	128	29
Exceptional items (refer note 4)	-	-	16	16
Profit before tax	(31)	(42)	144	45
Tax expense :	(8)	(11)	38	14
Current tax	17	24	42	100
Deferred tax	(25)	(36)	(4)	(86)
Net profit after tax and share in profit / (loss) of joint venture and associate company	(23)	(31)	106	31
Profit/(loss) from discontinued operations (refer note 6)	-	5	1	14
Net profit for the period	(23)	(26)	107	45
Other comprehensive income				
A. i) Items that will be reclassified to profit or loss	(9)	12	(2)	7
ii) Income tax relating to these items	1	(3)	2	(0)
B. i) Items that will not be reclassified to profit or loss	-	4	-	4
ii) Income tax relating to these items	-	(1)	-	(1)
Other comprehensive income	(8)	12	0	10
Total comprehensive income for the period	(31)	(14)	107	55
Net profit attributable to				
a) Owners of the company	(20)	(23)	116	60
b) Non controlling interest	(3)	(3)	(9)	(15)
Other comprehensive income attributable to				
a) Owners of the company	(6)	11	(3)	5
b) Non controlling interest	(2)	1	3	5
Total comprehensive income attributable to				
a) Owners of the company	(26)	(12)	113	65
b) Non controlling interest	(4)	(2)	(6)	(10)
Paid-up equity capital (face value ₹ 2 per share)	80	80	79	80
Reserves (excluding revaluation reserves)				1,875
Earnings per equity share (EPS) to owners of the parent				
Basic EPS - from continuing operations (₹)	(0.51)	(0.66)	2.89	1.28
Diluted EPS - from continuing operations (₹)	(0.51)	(0.66)	2.86	1.26
Basic EPS - from discontinued operations (₹)	-	0.08	0.03	0.23
Diluted EPS - from discontinued operations (₹)	-	0.07	0.03	0.23
Basic EPS - from continuing and discontinued operations (₹)	(0.51)	(0.58)	2.92	1.51
Diluted EPS - from continuing and discontinued operations (₹)	(0.51)	(0.58)	2.89	1.50



1. The above results have been reviewed by the Audit Committee. The Board of Directors at its meeting held on July 25, 2022 have approved the above results.

2. The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

3. The Group has only one operating segment which is Connectivity and Network Solutions. Accordingly, separate segment information is not required to be disclosed.

4. For the year ended March 31, 2022, the amount of ₹ 16 crores reported under exceptional items in the financial results includes profit of ₹ 67 crores recognised on account of transfer of land situated at Hyderabad, provision of ₹ 14 crores with respect to an order against the Group for claim filed by a vendor for non-fulfilment of certain contractually agreed off take obligations, a charge of ₹ 8 crores towards cancellation of a lease agreement by STI US (wholly owned subsidiary) and an impairment charge of ₹ 29 crores for the assets of JSTFCL (a subsidiary) basis the assessment of recoverable value of assets performed by management.

Also, during the year ended March 31, 2022, the Group recorded an additional provision of ₹ 64 crores based on final settlement with the customer for supplies made in the previous years by an adjustment to revenue from operations. The Group has also recorded additional provision of ₹ 116 crores relating to ongoing projects based on discussions and negotiations with the customer and vendors.

5. The Group is developing cutting edge 5G ready, open and programmable wireless solutions. These include 5G small cells, 5G multi band macro radios, RAN intelligent controller, programmable fiber to the solution and wifi-6 access solution. During the quarter ended June 30, 2022, the Group has made a net investment of ₹ 77 crores on the wireless solutions (quarter ended June 30, 2021 - ₹ 48 crores), of which ₹ 57 crores (quarter ended June 30, 2021 - ₹ 28 crores) has been spent on product development which is charged to the statement of profit and loss and ₹ 20 crores (quarter ended June 30, 2021 - ₹ 20 crores) is spent on developing 5G testing lab, which has been capitalised.

6. Profit from discontinued operations pertains to Maharashtra Transmission Communication Infrastructure Limited (MTCIL), erstwhile subsidiary of the Group. During the quarter and year ended March 31, 2022, the Group sold investment in MTCIL and recognised a gain of ₹ 26 crores as other income.

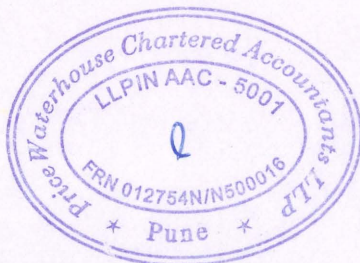
7. The Group, on July 27, 2021 (the "Acquisition date") entered into a share purchase agreement to acquire 100% stake in Clearcomm Group Limited (UK). The Group acquired 80% of the shares of Clearcomm Group Limited for a purchase consideration of GBP 11 million. The Group recognised a provisional goodwill of GBP 9 million during the year ended March 31, 2022 pending completion of purchase price allocation. During the quarter ended June 30, 2022, the Group has completed the allocation of purchase price to identified assets and liabilities as at acquisition date fair value as per Ind AS 103 – Business Combinations. Accordingly, amount of goodwill has been reduced to GBP 6 million on account of increase in the value of identified intangible assets in consolidated balance sheet. Accordingly, previous period numbers have been restated to reflect the measurement period adjustments.

Further, the Group has an obligation to acquire the balance 20% by FY 2022-23 for a consideration based on an earn out model (multiple of EBITDA). Accordingly, the Group has recognised the liability with respect to the redemption amount.

The Group acquired 100% of the shares of Optotec S.p.A. (Optotec) including its wholly owned subsidiary, Optotec International S.A for a purchase consideration of EUR 32 million as per share purchase agreement dated November 02, 2020 as amended on January 08, 2021. During the year ended March 31, 2022, the Group completed the allocation of purchase price to identified assets and liabilities as at acquisition date fair value as per Ind AS 103 – Business Combinations and identified intangible assets and recognised a goodwill of EUR 11 million in consolidated balance sheet. Consequential impact on profit for the previous quarters was recognised in the year ended March 31, 2022.

Due to these acquisitions, the performance of the current period is not comparable to the previous periods disclosed.

8. The Group, on June 28, 2022, has signed a definitive agreement to acquire balance 25% stake in Jiangsu Sterlite Tongguang Fiber Co. Ltd. (JSTFCL). Currently, the Group is holding 75% equity shares of JSTFCL. Post-acquisition of balance 25% equity shares, JSTFCL will become a wholly owned subsidiary of STL. The conditions precedent to the closing of the agreement are in process as on June 30, 2022.



Signature

STERLITE TECHNOLOGIES LIMITED
Notes to consolidated financial results :


9. The disclosures required as per the provisions of Regulation 52(4) and 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, are given below:

Ratios	Quarter ended			Year ended
	Jun 22 (Unaudited)	Mar 22 (Unaudited)	Jun 21 (Unaudited)	Mar 22 (Audited)
Debt equity ratio (total debt / total equity)	1.83	1.62	1.41	1.62
Debt service coverage ratio [Profit before interest, depreciation, amortisation and tax after exceptional items/ (finance cost + principal long term loan repayment)]	0.83	0.94	1.19	1.10
Interest service coverage ratio (Profit before interest, depreciation, amortisation and tax after exceptional items / finance cost)	1.72	1.77	5.15	2.51
Current ratio (current assets / current liabilities)	1.00	1.02	1.11	1.02
Long term debt to working capital (Long term debt / working capital)	250.07	16.93	2.66	16.93
Bad debt to accounts receivable ratio [(Bad debts + provision for doubtful debts) / trade receivables]	(0.00)	0.00	-	0.06
Current liability ratio (Current liabilities / total liabilities)	0.75	0.73	0.72	0.73
Total debt to total assets (Total debts / total assets)	0.40	0.38	0.35	0.38
Asset coverage ratio - NCD 7.30% (Value of secured asset mortgaged, hypothecated / outstanding amount of borrowing)	1.14	1.11	1.11	1.11
Asset coverage ratio - NCD 8.25% (Value of secured asset mortgaged, hypothecated / outstanding amount of borrowing)	1.30	1.28	1.77	1.28
Trade receivables turnover ratio (Annualised revenue from operations / closing current trade receivables)	3.65	3.71	2.98	3.37
Inventory turnover ratio (Annualised cost of goods sold / closing inventory)	2.82	3.59	3.03	3.11
Operating margin (%) (Profit before interest, tax and exceptional items / revenue from operations)	2%	2%	14%	5%
Net Profit Margin (%) (Net profit after tax and exceptional items / revenue from operations)	-1%	-2%	8%	1%
Capital redemption reserve (₹ in crores)	2	2	2	2
Net worth (₹ in crores)	1,929	1,954	1,987	1,954

The Group has maintained minimum required assets cover ratio of 1.1 times as per debenture issue terms of non convertible debentures carrying interest @ 7.30% p.a. and assets cover ratio of 1.25 times of non convertible debentures carrying interest @ 8.25% which signifies adequate security. Debentures are secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of certain immovable fixed assets of the Group.

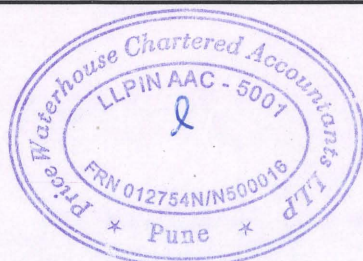
10. Previous period/year figures have been regrouped / rearranged, wherever necessary to conform to current period's classification.

Place: Mumbai
Date: July 25, 2022

For and on behalf of the Board of Directors of
Sterlite Technologies Limited

Ankit Agarwal
Managing Director
DIN : 03344202

Registered office: Sterlite Technologies Limited, 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1, Pune, Maharashtra- 411001
www.stl.tech Telephone : +91 20 30514000 Fax: +91 20 30514113

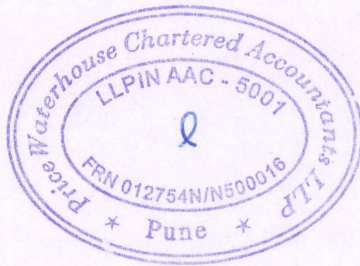


STERLITE TECHNOLOGIES LIMITED
(CIN : L31300PN2000PLC202408)
STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022



(₹ in crores except earnings per share)

Particulars	Quarter ended		Year ended	
	Jun 22 (Unaudited)	Mar 22 (Unaudited)	Jun 21 (Unaudited)	Mar 22 (Audited)
Revenue from operations	1,270	1,329	1,123	5,021
Other income	12	22	8	60
Total income	1,282	1,351	1,131	5,081
Total expenditure	1,163	1,272	916	4,594
Cost of materials consumed	638	722	550	2,587
Purchase of stock-in-trade	18	30	2	164
(Increase) / decrease in finished goods, stock-in-trade and WIP	(53)	(28)	(26)	(118)
Employee benefits expense	153	161	136	611
Other expenses	407	387	254	1,350
Earnings before exceptional item, interest, tax, depreciation and amortisation (EBITDA)	119	79	215	487
Finance costs	61	63	46	219
Depreciation and amortisation expense	54	55	50	209
Profit before exceptional items and tax	4	(39)	119	58
Exceptional items (refer note 4)	-	-	53	53
Profit before tax	4	(39)	172	111
Tax expense :	2	(6)	40	29
Current tax	4	14	35	67
Deferred tax	(2)	(20)	5	(38)
Net profit for the period	2	(33)	132	82
Other comprehensive income				
A. i) Items that will be reclassified to profit or loss	(3)	11	(6)	0
ii) Income tax relating to these items	1	(3)	1	(0)
B. i) Items that will not be reclassified to profit or loss	-	4	-	4
ii) Income tax relating to these items	-	(1)	-	(1)
Other comprehensive income	(2)	11	(5)	3
Total comprehensive income for the period	(0)	(22)	127	85
Paid-up equity capital (face value ₹ 2 per share)	80	80	79	80
Reserves (excluding revaluation reserves)				1,763
Earning per share (₹) - basic	0.05	(0.82)	3.31	2.06
Earning per share (₹) - diluted	0.05	(0.82)	3.28	2.04



- The above results have been reviewed by the Audit Committee. The Board of Directors at its meeting held on July 25, 2022 have approved the above results.
- The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The Company has only one operating segment which is Connectivity and Network Solutions. Accordingly, separate segment information is not required to be disclosed.
- For the year ended March 31, 2022, the amount of ₹ 53 crores reported under exceptional items in the financial results includes profit of ₹ 67 crores recognised on account of transfer of land situated at Hyderabad. The amount also includes provision of ₹ 14 crores with respect to an order against the Company for claim filed by a vendor for non-fulfilment of certain contractually agreed off take obligations.
Also, during the year ended March 31, 2022, the Company recorded an additional provision of ₹ 64 crores based on final settlement with the customer for supplies made in the previous years by an adjustment to revenue from operations. The Company also recorded additional provision of ₹ 116 crores relating to ongoing projects based on discussions and negotiations with the customer and vendors.
- The Company is developing cutting edge 5G ready, open and programmable wireless solutions. These include 5G small cells, 5G multi band macro radios, RAN intelligent controller, programmable fiber to the solution and wifi-6 access solution. During the quarter ended June 30, 2022, the Company has made a net investment of ₹ 77 crores on the wireless solutions (quarter ended June 30, 2021 - ₹ 48 crores), of which ₹ 57 crores (quarter ended June 30, 2021 - ₹ 28 crores) has been spent on product development which is charged to the statement of profit and loss and ₹ 20 crores (quarter ended June 30, 2021 - ₹ 20 crores) is spent on developing 5G testing lab, which has been capitalised.
- During the year ended March 31, 2022, the Company recognised an impairment provision of ₹ 22 crores for the investment made in one of its wholly owned Indian subsidiaries.
- During the quarter and year ended March 31, 2022, the Company sold investment in MTCIL and recognised a gain of ₹ 10 crores as other income.

8. The disclosure required as per the provisions of Regulation 52(4) and 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

Ratios	Quarter ended		Year ended	
	Jun 22 (Unaudited)	Mar 22 (Unaudited)	Jun 21 (Unaudited)	Mar 22 (Audited)
Debt equity ratio (total debt / total equity)	1.60	1.40	1.25	1.40
Debt service coverage ratio [Profit before interest, depreciation, amortisation and tax after exceptional items/ (finance cost + principal long term loan repayment)]	0.92	0.86	1.31	1.20
Interest service coverage ratio (Profit before interest, depreciation, amortisation and tax after exceptional items / finance cost)	1.95	1.26	5.78	2.46
Current ratio (current assets / current liabilities)	0.97	0.99	1.05	0.99
Long term debt to working capital (Long term debt / working capital)	(5.68)	(32.40)	3.53	(32.40)
Bad debt to accounts receivable ratio [(Bad debts + provision for doubtful debts) / trade receivables]	(0.00)	0.00	-	0.06
Current liability ratio (Current liabilities / total liabilities)	0.81	0.80	0.79	0.80
Total debt to total assets (Total debts / total assets)	0.39	0.35	0.33	0.35
Asset coverage ratio - NCD 7.30% (Value of secured asset mortgaged, hypothecated / outstanding amount of borrowing)	1.14	1.11	1.11	1.11
Asset coverage ratio - NCD 8.25% (Value of secured asset mortgaged, hypothecated / outstanding amount of borrowing)	1.30	1.28	1.77	1.28
Trade receivables turnover ratio (Annualised revenue from operations / closing current trade receivables)	2.82	2.87	2.53	2.72
Inventory turnover ratio (Annualised cost of goods sold / closing inventory)	4.50	6.51	4.69	5.92
Operating margin (%) (Profit before interest, tax and exceptional items / revenue from operations)	5%	2%	15%	6%
Net Profit Margin (%) (Net profit after tax and exceptional items / revenue from operations)	0%	-2%	12%	2%
Capital redemption reserve (₹ in crores)	2	2	2	2
Net worth (₹ in crores)	1,845	1,843	1,954	1,843

The Company has maintained minimum required assets cover ratio of 1.1 times as per debenture issue terms of non convertible debenture carrying interest @ 7.30% p.a. and 1.25 times for carrying interest @ 8.25% p.a. which signifies adequate security. Debentures are secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of certain immovable fixed assets of the Company.

9. Previous period/year figures have been regrouped / rearranged, wherever necessary to conform to current period's classification.

Place: Mumbai

Date: July 25, 2022

For and on behalf of the Board of Directors of
Sterlite Technologies Limited

Ankit Agarwal
Managing Director
DIN : 03344202

Registered office: Sterlite Technologies Limited, 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1, Pune, Maharashtra- 411001
www.stl.tech Telephone : +91 20 30514000 Fax: +91 20 30514113

Price Waterhouse Chartered Accountants LLP

To,
The Board of Directors
Sterlite Technologies Limited
4th Floor, Godrej Millennium,
Koregaon Road 9, STS 12/1,
Pune, Maharashtra- 411001

1. We have reviewed the unaudited financial results of Sterlite Technologies Limited (the "Company") for the quarter ended June 30, 2022, which are included in the accompanying Standalone Financial Results for the quarter ended June 30, 2022, together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership Number 108391
UDIN: 22108391ANNUGD2130
Place: Pune
Date: July 25, 2022

Price Waterhouse Chartered Accountants LLP, 7th Floor, Tower A - Wing 1, Business Bay, Airport Road
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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

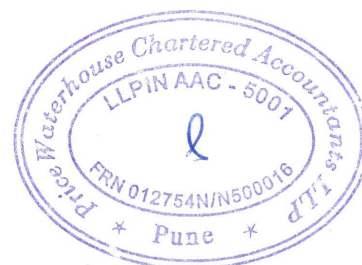
Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

To,
The Board of Directors
Sterlite Technologies Limited
4th Floor, Godrej Millennium,
Koregaon Road 9, STS 12/1,
Pune, Maharashtra- 411001

1. We have reviewed the consolidated unaudited financial results of Sterlite Technologies Limited (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), and its share of the net profit after tax and total comprehensive income of its jointly controlled entity and associate companies (refer to paragraph 4 of the report) for the quarter ended June 30, 2022 which are included in the accompanying Consolidated Financial Results for the quarter ended June 30, 2022, together with the notes thereon (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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Price Waterhouse Chartered Accountants LLP

4. The Statement includes the results of the following entities:

Sr. No.	Name of the entity	Relationship
1.	Sterlite Tech Cables Solutions Limited	Subsidiary
2.	Speedon Networks Limited	Subsidiary
3.	Sterlite Innovative Solutions Limited	Subsidiary
4.	STL Digital Limited	Subsidiary
5.	Sterlite (Shanghai) Trading Company Limited	Subsidiary
6.	Elitecore Technologies SDN. BHD	Subsidiary
7.	Sterlite Tech Holding Inc.	Subsidiary
8.	PT Sterlite Technologies Indonesia	Subsidiary
9.	Sterlite Technologies DMCC	Subsidiary
10.	Sterlite Global Ventures (Mauritius) Limited	Subsidiary
11.	Sterlite Technologies Pty Ltd	Subsidiary
12.	STL Networks Limited	Subsidiary
13.	STL UK Holdco Limited	Subsidiary
14.	STL Solutions Germany GmbH	Subsidiary
15.	STL Network Services Inc.	Subsidiary
16.	STL Tech Solutions Limited	Subsidiary
17.	Metallurgica Bresciana S.p.A	Subsidiary
18.	STL Optical Interconnect S.p.A.	Subsidiary
19.	Sterlite Technologies UK Ventures Limited	Subsidiary
20.	STL Edge Networks Inc.	Step down subsidiary
21.	Clearcomm Group Ltd.	Step down subsidiary
22.	Sterlite Telesystems Limited	Step down subsidiary
23.	Jiangsu Sterlite and Tongguang Fibre Co. Ltd	Step down subsidiary
24.	Sterlite Technologies Inc.	Step down subsidiary
25.	Elitecore Technologies (Mauritius) Limited	Step down subsidiary
26.	Impact Data Solutions Limited	Step down subsidiary
27.	Impact Data Solutions B.V.	Step down subsidiary
28.	Vulcan Data Centre Solutions Limited	Step down subsidiary
29.	Optotec S.p.A.	Step down subsidiary
30.	Optotec International S.A	Step down subsidiary
31.	STL Optical Tech Limited	Step down subsidiary
32.	STL Digital Inc.	Step down subsidiary
33.	STL Tech GmbH	Step down subsidiary
34.	Sterlite Conduspar Industrial Ltda.	Jointly Controlled Entity
35.	MB Maanshan Special Cables Co. Ltd.	Associate Company
36.	ASOCS Limited	Associate Company
37.	Manshaan Metallurgica Bresciana Electrical Technology Limited	Associate Company

Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 5 and 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Price Waterhouse Chartered Accountants LLP

5. We did not review the interim financial information of three subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 76.34 crores, total net loss after tax of Rs. 2.75 crores and total comprehensive loss of Rs. 0.45 crores, for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results. The interim financial information of these subsidiaries have been reviewed by other auditors and their reports, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

6. We did not review the interim financial information of one subsidiary included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. Nil, total net loss after tax of Rs. 15.47 crores and total comprehensive loss of Rs. 19.30 crores, for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results. The interim financial information have been audited by other auditor and their report, vide which they have issued an unmodified opinion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

The above referred subsidiary is located outside India whose financial information has been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditor under generally accepted auditing standards applicable in their respective country. The Parent's management has converted the financial information of above subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the financial information of this subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Parent and reviewed by us.

Our conclusion on the Statement is not modified in respect of the above matter.



Price Waterhouse Chartered Accountants LLP

7. The consolidated unaudited financial results includes the interim financial information of 27 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. 249.51 crores, total net loss after tax of Rs. 0.70 crores and total comprehensive profit of Rs. 3.97 crores for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 0.99 crores and total comprehensive income of Rs. 0.99 crores for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results, in respect of three associates and one jointly controlled entity, based on their interim financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 108391



Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 22108391ANNUFJ4496
Place: Pune
Date: July 25, 2022