



STERLITE TECHNOLOGIES LIMITED
(CIN : L31300MH2000PLC269261)
FINANCIAL RESULTS FOR THE QUARTER JUNE 30, 2016

(Rs. in Crores except per share data)

Particulars	STANDALONE RESULTS	
	Quarter ended	
	Jun 16 (Unaudited)	Jun 15 (See Note 9)
Income from Operations		
a) Net revenue (net of excise duty)	512.13	424.94
b) Other operating income	8.33	9.03
Total Income from operations (net)	520.46	433.97
Total Expenditure	458.68	354.39
a) Cost of materials consumed	203.46	234.69
b) Purchase of stock-in-trade	9.80	1.26
c) (Inc) / Dec in finished goods, stock-in-trade & WIP	25.11	(30.92)
d) Employee benefits expense	59.80	29.24
e) Depreciation and amortisation expense	30.97	19.90
f) Other expenses	129.54	100.22
Operating profit before other income, interest and tax	61.78	79.58
Other income	8.73	2.36
Profit before interest and tax	70.51	81.94
Net interest cost	24.54	22.25
Profit before tax	45.97	59.69
Tax expenses	12.58	19.09
Net profit for the period	33.39	40.60
Other comprehensive income (net of tax)	-	(0.31)
Total comprehensive income (after tax)	33.39	40.29
Paid-up Equity Capital (Face value Rs.2 per share)	79.09	78.81
Earning Per Share (Rs.)- Basic	0.84	1.03
Earning Per Share (Rs.)- Diluted	0.83	1.01

FOR STERLITE TECHNOLOGIES LIMITED

DR. ANAND AGARWAL
CEO & WHOLE TIME DIRECTOR

Notes:

1. The above results have been reviewed by the Audit Committee. The Board of directors at its meeting held on July 25, 2016 approved the above results.


2. The Board of directors of the Company on May 18, 2015 had approved the Scheme of Arrangement under Sections 391 – 394 of the Companies Act, 1956 ('the Scheme') between Sterlite Technologies Limited ('STL' or 'Demerged company'), Sterlite Power Transmission Limited ('SPTL' or 'Resulting company') and their respective shareholders and creditors for the demerger of power products and solutions business (including the investments of STL in power transmission infrastructure subsidiaries) into its subsidiary SPTL with the appointed date of April 1, 2015. The Scheme was approved by the Hon'ble Bombay High Court vide Order dated April 22, 2016 and it became effective from May 23, 2016 (being the date of filing with Registrar of Companies) The Scheme inter alia provides for issue of equity shares or redeemable preference shares of SPTL to the shareholders of STL.

The results incorporate the impact of the above mentioned demerger from the appointed dates April 1, 2015. The results for the quarter ended June 30, 2015 have also been restated accordingly to incorporate the impact of the demerger. As a result, the Net profit after tax for the quarter ended June 30, 2015 is higher by Rs. 19.92 crore i.e. Rs. 40.20 crore as against the earlier reported net profit after tax of Rs. 20.28 crore which included the power products and solutions business also.

3. The Company has adopted Indian Accounting Standards (Ind-AS) with the transition date of April 1, 2015. Accordingly, the financial results for the quarters ended June 30, 2015 and June 30, 2016 have been prepared in accordance with the recognition and measurement principles laid down in Ind-AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5, 2016. The reconciliation of net profit for the quarter ended June 30, 2015 under Ind-AS and previous Indian GAAP is as follows:

Particulars	Rs. in crores
Net profit after tax as per previous GAAP (adjusted for impact of demerger referred in Note 2 above)	40.20
Measurement of derivative financial instruments at fair value	(0.16)
Reclassification of actuarial gains/losses on employee benefit obligations to OCI	0.47
Discounting of provisions	0.25
Depreciation on fair value adjustments to PP&E	0.29
Interest income on unwinding of discount on financial assets	0.11
Interest expense on unwinding of discount on financial liabilities	(0.09)
Others	(0.27)
Deferred tax on above adjustments	(0.20)
Net profit after tax as per Ind-AS	40.60
Other comprehensive income (OCI):	
Actuarial gain/ (loss) on employee benefit obligations	(0.31)
Total comprehensive income	40.29

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4. During the previous year, the Company had acquired 100% of the paid up equity share capital of Elitecore Technologies Private Limited ('ETPL'), a global telecom software product company. ETPL has been merged with the Company with the appointed date of September 29, 2015. Accordingly, the results for the quarter ended June 30, 2016 incorporate the impact of the merger of ETPL and are to that extent not comparable with the results for the quarter ended June 30, 2015

Under Ind-AS, the Company has accounted for the merger as per the Scheme of amalgamation approved by Hon'ble Bombay High Court and Gujarat High Court. Accordingly, the assets and liabilities of ETPL as on the appointed date have been recorded at book values. The excess of purchase consideration paid by the Company over the aggregate value of the net assets acquired has been treated as goodwill which, as per the Scheme, is amortized over a period of 5 years from the date of amalgamation (i.e. the appointed date of merger).

5. From April 1, 2016, the Company has changed the accounting policy for revenue recognition on telecom software solutions (software license sale and related services) to percentage of completion method from the earlier method of recognizing products sale based on delivery and sale of services based on milestones achieved as per terms and conditions of the specific customer contracts. The above change has been applied retrospectively as required by Ind-AS 8. As a result, the revenue and profit before tax for the quarter ended June 30, 2016 are higher by Rs. 4.57 crores and lower by Rs. 0.87 crores respectively. There is no impact of the above change on the results for the quarter ended June 30, 2015.

6. The Company has only one operating segment which is Telecom Products and Solutions. Accordingly, separate segment information is not required to be disclosed.

7. During the year 2005-06, the CESTAT had upheld a demand of Rs. 188 Crores (including penalties and excluding interest) thereon in the pending Excise matter. The auditors have expressed their qualification on this matter. The Company is contesting this case and the matter is pending the decision of the Hon'ble Supreme Court.

8. Results for the quarter and year ended March 31, 2016 under Ind-AS have not been given as the Company has availed the exemption provided by SEBI Circular dated July 5, 2016.

9. The Ind-AS financial results and financial information for the three months ended June 30, 2015 have been compiled by the management after making necessary adjustments to give a true and fair view of the results in accordance with Ind-AS. This information has not been subject to limited review or audit.

10. Previous period figures have been regrouped / rearranged wherever considered necessary.

FOR STERLITE TECHNOLOGIES LIMITED

Place: Pune

Date: July 25, 2016


DR. ANAND AGARWAL
CEO & WHOLE TIME DIRECTOR

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Anand Agarwal
Chief Executive Officer

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