

STERLITE TECHNOLOGIES LIMITED

(CIN : L31300MH2000PLC269261)

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rs. in Crores except per share data)

Particulars	Quarter ended			Nine months ended	
	Dec 16 (Unaudited)	Sep 16 (Unaudited)	Dec 15 (Unaudited)	Dec 16 (Unaudited)	Dec 15 (Unaudited)
Income from Operations					
a) Gross Revenue	720.07	539.83	587.86	1,854.79	1,635.64
b) Other Operating Income	12.27	10.82	7.70	31.61	25.29
Total Income from operations	732.34	550.65	595.56	1,886.40	1,660.93
Total Expenditure	632.71	486.70	524.55	1,644.67	1,425.15
a) Cost of materials consumed	246.57	197.00	234.58	657.00	715.84
b) Purchase of stock-in-trade	-	30.89	0.22	40.69	1.81
c) (Inc) / Dec in finished goods, stock-in-trade & WIP	32.55	(42.53)	7.74	14.49	(14.71)
d) Employee benefits expense	71.43	84.08	63.92	221.20	143.94
e) Depreciation & amortisation expense	40.88	37.77	36.31	114.74	87.51
f) Other expenses	241.28	179.49	181.78	596.55	490.76
Operating Profit before Other Income, Interest and Tax	99.62	63.95	71.01	241.73	235.78
Other Income	4.55	7.75	8.22	20.37	12.91
Profit before Interest and Tax	104.18	71.70	79.23	262.10	248.69
Net Interest Cost	30.08	36.69	32.63	98.63	89.07
Profit before Tax	74.10	35.01	46.60	163.47	159.62
Tax expenses (Refer Note - 5)	19.68	(21.06)	12.15	11.75	50.65
Net Profit for the period	54.42	56.07	34.45	151.72	108.97
Minority Interest Profit / (Loss)	3.89	3.54	2.03	11.33	3.25
Share of Profit/(Loss) of Joint Venture	(1.41)	(1.70)	(2.21)	(2.69)	(6.76)
Net Profit after Tax, Minority Interest & Share in Profit/ (Loss) of Joint Venture	49.12	50.83	30.22	137.70	98.97
Other comprehensive income (net of tax)	0.77	3.65	0.46	4.42	(1.59)
Total comprehensive income (after tax)	49.89	54.48	30.68	142.12	97.38
Paid-up Equity Capital (Face value Rs.2 per share)	79.64	79.44	78.97	79.64	78.97
Earning Per Share (Rs.)- Basic	1.23	1.28	0.77	3.47	2.51
Earning Per Share (Rs.)- Diluted	1.21	1.27	0.75	3.41	2.46



FOR STERLITE TECHNOLOGIES LIMITED


DR. ANAND AGARWAL
 CEO & WHOLE TIME DIRECTOR

STERLITE TECHNOLOGIES LIMITED

(CIN : L31300MH2000PLC269261)

STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rs. in Crores except per share data)

Particulars	Quarter ended			Nine months ended	
	Dec 16 (Unaudited)	Sep 16 (Unaudited)	Dec 15 (Unaudited)	Dec 16 (Unaudited)	Dec 15 (Unaudited)
Income from Operations					
a) Gross Revenue	677.62	498.22	569.17	1,727.54	1,552.49
b) Other Operating Income	11.99	10.46	7.58	30.78	25.02
Total Income from operations	689.61	508.68	576.75	1,758.32	1,577.51
Total Expenditure	604.90	464.23	508.24	1,567.38	1,341.96
a) Cost of materials consumed	238.79	195.13	224.63	637.38	684.18
b) Purchase of stock-in-trade	-	30.78	0.08	40.58	1.66
c) (Inc) / Dec in finished goods, stock-in-trade & WIP	33.00	(42.99)	8.05	15.12	(16.41)
d) Employee benefits expense	65.06	75.43	58.39	200.29	125.00
e) Depreciation & amortisation expense	34.75	34.04	31.37	99.76	73.69
f) Other expenses	233.30	171.84	185.72	574.25	473.84
Operating Profit before Other Income, Interest and Tax	84.71	44.45	68.51	190.94	235.55
Other Income	4.94	6.57	8.18	20.24	12.78
Profit before Interest and Tax	89.65	51.02	76.69	211.18	248.33
Net Interest Cost	29.22	33.60	28.02	87.36	72.55
Profit before Tax	60.43	17.42	48.67	123.82	175.78
Tax expenses	16.56	3.66	11.14	32.80	49.67
Net Profit for the period	43.87	13.76	37.53	91.02	126.11
Other comprehensive income (net of tax)	0.77	3.65	0.46	4.42	(1.59)
Total comprehensive income (after tax)	44.64	17.41	37.99	95.44	124.52
Paid-up Equity Capital (Face value Rs.2 per share)	79.64	79.44	78.97	79.64	78.97
Earning Per Share (Rs.)- Basic	1.10	0.35	0.95	2.30	3.20
Earning Per Share (Rs.)- Diluted	1.08	0.34	0.93	2.25	3.13



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Notes:

1. The above results have been reviewed by the Audit Committee. The Board of directors at its meeting held on January 18, 2017 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 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 date April 1, 2015. The results for the quarter and nine months ended December 31, 2015 have also been restated accordingly to incorporate the impact of the demerger

3. The Company has adopted Indian Accounting Standards (Ind-AS) with the transition date of April 1, 2015. Accordingly, the financial results 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 Standalone net profit for the quarter and nine months ended December 31, 2015 under Ind-AS and previous Indian GAAP is as follows:

Particulars	Qtr ended Dec 15	Nine months ended Dec 15
Net profit after tax as per previous GAAP (adjusted for impact of demerger referred in Note 2 above and merger referred in Note 4 below)	36.24	124.09
Measurement of derivative financial instruments at fair value	0.87	0.50
Reclassification of actuarial gains/losses on employee benefit obligations to OCI	1.20	2.14
Discounting of provisions	0.59	1.02
Depreciation on fair value adjustments to PP&E	0.35	0.93
Interest income on unwinding of discount on financial assets	0.12	0.34
Interest expense on unwinding of discount on financial liabilities	-0.24	-0.45
Others	-0.91	-1.40
Deferred tax on above adjustments	-0.70	-1.07
Net profit after tax as per Ind-AS	37.53	126.11
Other comprehensive income (OCI) (net of tax)	0.46	-1.59
Total comprehensive income	37.99	124.52

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 nine months ended December 31, 2016 incorporate the impact of the merger of ETPL and are to that extent not comparable with the results for the nine months ended December 31, 2015.

Under Ind-AS, the Company has accounted for the above 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. The Board of Directors has approved the merger of Passive Infrastructure business of Speedon Network Limited ('SNL') (a wholly owned subsidiary of the Company) with the Company, subject to requisite regulatory approvals. The draft Scheme in this regard has been filed with the stock exchanges. The Company had recognised deferred tax asset of Rs. 28.34 crore on the losses of SNL in the Consolidated Results for the previous quarter ended Sept 30, 2016.

6. 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. Revenue and Profit before tax is higher/(lower) as follows:

	Nine Months Ended Dec 16	Nine Months Ended Dec 15	Qtr Ended Dec 16	Qtr Ended Dec 15	Qtr Ended Sept 16
Revenue	6.23	-7.73	2.85	-7.73	-2.43
Profit Before Tax	0.79	-7.73	2.85	-7.73	-2.43

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

8. 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.

9. Results for the 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.

10. The Board of Directors has approved the Company's Dividend Policy which entails dividend of around 30% of net profits on the Consolidated Financials basis. The detailed policy is available on Company website www.sterlitetech.com.

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

Place: Pune
Date: Jan 18, 2017

Registered office: Sterlite Technologies Limited,
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