

STERLITE TECHNOLOGIES LIMITED
(CIN : L31300MH2000PLC269261)
CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(Rs. in Crores except earning per share)

Particulars	Quarter ended			Half Year ended		Year ended
	Sept 20 (Unaudited)	Jun 20 (Unaudited)	Sept 19 (Unaudited)	Sep 20 (Unaudited)	Sep 19 (Unaudited)	Mar 20 (Audited)
Revenue from operations	1,159.53	876.20	1,359.69	2,035.73	2,791.68	5,154.40
Other income	9.34	9.53	9.14	18.87	17.88	34.30
Total Income	1,168.87	885.73	1,368.83	2,054.60	2,809.56	5,188.70
Total Expenditure	1,088.51	878.76	1,205.94	1,967.27	2,429.17	4,596.39
Cost of materials consumed	584.84	396.51	622.67	981.35	1,288.98	2,367.74
Purchase of stock-in-trade	0.76	0.31	2.08	1.07	2.20	2.12
(Inc) / Dec in finished goods, stock-in-trade & WIP	(8.23)	21.51	27.73	13.28	68.32	97.63
Employee benefits expense	156.95	147.06	166.67	304.01	312.92	629.80
Finance Costs	49.77	50.05	59.72	99.82	106.00	221.04
Depreciation and amortisation expense	81.64	74.19	75.04	155.83	143.38	290.28
Other expenses	222.78	189.13	252.03	411.91	507.37	987.78
Profit before tax & share of net profits of investments accounted using equity method	80.36	6.97	162.89	87.33	380.39	592.31
Share of Profit / (Loss) of Joint Venture and Associate Company	-	-	-	-	-	-
Profit before exceptional item and tax	80.36	6.97	162.89	87.33	380.39	592.31
Exceptional Item (Refer note 5)	-	-	-	-	-	50.71
Profit before tax	80.36	6.97	162.89	87.33	380.39	541.60
Tax expense :	23.55	4.12	3.33	27.67	76.65	108.88
Current tax	21.81	8.16	19.11	29.97	91.48	120.00
Deferred tax	1.74	(4.04)	(15.78)	(2.30)	(14.83)	(11.12)
Net Profit after Tax & Share in Profit / (Loss) of Joint Venture and Associate Company	56.81	2.85	159.56	59.66	303.74	432.72
Loss from discontinued operations (Refer Note 7)	(1.61)	(0.59)	(1.79)	(2.20)	(3.10)	(8.28)
Net Profit for the period	55.20	2.26	157.77	57.46	300.64	424.44
Other Comprehensive income						
A. i) Items that will be reclassified to Profit or Loss	14.64	6.21	3.24	20.85	(42.90)	(58.47)
ii) Income tax relating to these items	1.46	0.23	6.43	1.69	15.88	20.20
B. i) Items that will not be reclassified to Profit or Loss	-	-	-	-	1.35	1.70
ii) Income tax relating to these items	-	-	-	-	-	(0.09)
Other comprehensive income	16.10	6.44	9.67	22.54	(25.67)	(36.66)
Total comprehensive income for the period	71.30	8.70	167.44	80.00	274.97	387.78
Net Profit attributable to						
a) Owners of the Company	58.47	5.96	159.56	64.43	300.94	433.90
b) Non controlling Interest	(3.27)	(3.70)	(1.79)	(6.97)	(0.30)	(9.46)
Other Comprehensive income attributable to						
a) Owners of the Company	14.14	5.83	11.01	19.97	(22.02)	(39.70)
b) Non controlling Interest	1.96	0.61	(1.34)	2.57	(3.65)	3.04
Total comprehensive income attributable to						
a) Owners of the Company	72.61	11.79	170.57	84.40	278.92	394.20
b) Non controlling Interest	(1.31)	(3.09)	(3.13)	(4.40)	(3.95)	(6.42)
Paid-up Equity Capital (Face value Rs.2 per share)	79.14	79.89	80.74	79.14	80.74	80.79
Other equity including debenture redemption reserve						1,838.99
Earning Per Share (Rs.)- Basic	1.46	0.15	3.96	1.61	7.47	10.76
Earning Per Share (Rs.)- Diluted	1.45	0.15	3.92	1.60	7.39	10.64



STERLITE TECHNOLOGIES LIMITED
(CIN : L31300MH2000PLC269261)
CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2020

(Rs. In Crores)

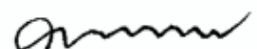
Particulars	As at	As at
	30 Sep 2020 (Unaudited)	31 Mar 2020 (Audited)
ASSETS		
I. Non-current assets		
(a) Property Plant & Equipment	2,781.94	2,840.28
(b) Capital work in progress	182.42	132.78
(c) Goodwill (Refer note 8 & 16)	117.77	121.79
(d) Other Intangible Assets	99.63	97.52
(e) Deferred Tax Assets	24.53	14.47
(f) Financial Assets		
(i) Investments	100.45	100.28
(ii) Trade Receivables	-	-
(iii) Loans	18.07	36.59
(iv) Other Non-current Financial Assets	6.74	14.95
(g) Other Non-current Assets	90.44	82.05
Total Non-current Assets	3,421.99	3,440.71
II. Current Assets		
(a) Inventories	433.05	451.81
(b) Financial Assets		
(i) Investments	150.04	233.04
(ii) Trade receivables	1,273.61	1,563.12
(iii) Cash and cash equivalents	175.43	149.60
(iv) Other bank balances	54.97	94.94
(v) Loans	13.21	-
(vi) Other current financial assets	22.65	52.80
(c) Contract Assets	875.99	744.26
(d) Other current assets	406.50	368.75
(e) Assets classified as held for sale	115.96	109.97
Total Current Assets	3,521.41	3,768.29
Total Assets	6,943.40	7,209.00
EQUITY AND LIABILITIES		
Equity		
Equity share capital	79.14	80.79
Other Equity	1,677.60	1,838.99
Equity attributable to shareholders	1,756.74	1,919.78
Non-Controlling Interest	96.78	103.18
Total Equity	1,853.52	2,022.96
Liabilities		
I. Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	753.90	969.99
(ii) Lease liabilities	86.60	95.23
(iii) Other financial liabilities	131.79	22.55
(b) Employee benefit obligations	47.70	47.24
(c) Provisions	0.52	0.89
(d) Deferred tax liabilities (net)	89.70	71.72
Total Non-current Liabilities	1,110.21	1,207.62
II. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,383.81	1,230.57
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	155.15	30.67
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,313.60	1,399.63
(iii) Lease liabilities	27.34	34.07
(iv) Other financial liabilities	767.06	950.89
(b) Contract liabilities	106.61	135.94
(c) Other current liabilities	90.09	76.07
(d) Employee benefit obligations	14.79	14.53
(e) Provisions	10.48	10.02
(f) Current Tax Liabilities (Net)	7.10	-
(g) Liabilities directly associated with assets classified as held for sale	103.65	96.03
Total Current Liabilities	3,979.67	3,978.42
Total Equity & Liabilities	6,943.40	7,209.00



STERLITE TECHNOLOGIES LIMITED
(CIN : L31300MH2000PLC269261)
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

(Rs. in crores, unless otherwise stated)

Particulars	For the half year ended September 30, 2020 (Unaudited)	For the half year ended September 30, 2019 (Unaudited)
A. Operating activities		
Profit/(Loss) before tax		
From continuing operations	87.33	380.39
From discontinued operation	(2.20)	(3.10)
	85.13	377.29
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and impairment of property, plant & equipment	130.94	122.25
Amortization & impairment of intangible assets	24.90	21.06
Depreciation of investment properties	-	0.07
Provision for doubtful debts and advances	(0.95)	4.96
Bad debts / advances written off	0.53	0.27
(Profit) / Loss on sale of property, plant and equipment, net including gain on termination of lease	(2.49)	(2.63)
Rental income	(0.03)	(0.25)
Employees stock option expenses	7.30	9.55
Finance costs (including interest pertaining to Ind AS 116)	99.82	106.00
Finance income	(5.87)	(5.26)
Unrealized exchange difference	(1.37)	(1.26)
	252.78	254.76
Operating profit before working capital changes	337.91	632.05
Working capital adjustments:		
Increase/(decrease) in trade payables	29.10	62.64
Increase/(decrease) in long-term provisions	(0.95)	(0.25)
Increase/(decrease) in short-term provisions	0.46	(0.93)
Increase/(decrease) in other current liabilities	7.92	13.86
Increase/(decrease) in contract liabilities	(17.76)	(56.54)
Increase/(decrease) in other current financial liabilities	(67.99)	(25.84)
Increase/(decrease) in other non-current financial liabilities	(5.02)	1.09
Increase/(decrease) in current employee benefit obligations	(0.00)	(3.14)
Increase/(decrease) in non-current employee benefit obligations	0.47	5.29
Decrease/(increase) in current trade receivable	304.54	(380.16)
Decrease/(increase) in non current trade receivable	-	0.19
Decrease/(increase) in inventories	27.85	92.29
Decrease/(increase) in loans given to related parties	19.24	27.07
Decrease/(increase) in short-term loans	(13.21)	-
Decrease/(increase) in other current financial assets	23.47	4.01
Decrease/(increase) in other non-current financial assets	8.21	1.23
Decrease/(increase) in other current assets	(34.00)	42.67
Decrease/(increase) in contract assets	(131.73)	353.34
Decrease/(increase) in other non-current assets	6.76	0.33
Change in working capital	157.36	137.15
Cash generated from operations	495.27	769.20
Income tax paid (net of refunds)	(34.10)	(97.44)
Net cash flow from operating activities	461.17	671.76



STERLITE TECHNOLOGIES LIMITED
(CIN : L31300MH2000PLC269261)
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

Particulars	For the half year ended September 30, 2020 (Unaudited)	For the half year ended September 30, 2019 (Unaudited)
B. Investing activities		
Purchase of property, plant and equipments	(268.78)	(331.59)
Purchase of intangible assets	(2.61)	(32.53)
Proceeds from sale of property, plant and equipments	0.73	36.92
Investment in subsidiaries, net of cash acquired	-	(82.28)
Purchase of current investments	(150.00)	(167.67)
Proceeds from current investments	233.00	100.00
Proceeds from sale of investment	-	1.35
Net movement in other bank balance	1.85	-
Investment in bank deposits (having original maturity of more than three months)	-	11.56
Redemption of bank deposits (having original maturity of more than three months)	39.29	0.49
Unpaid dividend	(1.24)	(0.65)
Rental income	0.03	0.25
Interest received (finance income)	5.88	5.39
Net cash flow used in investing activities	(141.85)	(458.76)
C. Financing activities		
Proceeds from long term borrowings	168.63	282.44
Repayment of long term borrowings	(245.97)	(36.25)
Proceeds/(repayment) from/of short term borrowings (net)	147.64	(198.72)
Proceeds from issue of shares against employee stock options	0.12	0.23
Interest paid (including interest pertaining to Ind AS 116)	(94.14)	(92.02)
Principal elements of leases payments	(10.15)	-
Dividend paid on equity shares	(138.28)	(141.08)
Buy-back of equity shares	(99.78)	-
Tax on Buy-back	(22.16)	-
Tax on equity dividend paid	-	(29.01)
Net cash flow used in financing activities	(294.11)	(214.41)
Net increase/(decrease) in cash and cash equivalents	25.21	(1.41)
Foreign exchange relating to cash and cash equivalents of Foreign operations	1.01	(2.65)
Cash and cash equivalents as at beginning of year	153.48	149.01
Cash and cash equivalents as at year end	179.70	144.95
Components of cash and cash equivalents:		
	September 30, 2020	September 30, 2019
Balances with banks	175.38	136.22
Cash in hand	0.05	0.03
Total cash and cash equivalents	175.43	136.25
Cash & cash equivalents from discontinued operation	4.27	8.70
Total cash and cash equivalents	179.70	144.95



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(Rs. in Crores except earning per share)

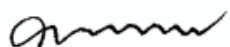
Particulars	Quarter ended			Half Year ended		Year ended
	Sept 20 (Unaudited)	Jun 20 (Unaudited)	Sept 19 (Unaudited)	Sep 20 (Unaudited)	Sep 19 (Unaudited)	Mar 20 (Audited)
Revenue from operations	899.38	745.16	1,263.66	1,644.54	2,608.48	4,760.50
Other income	9.67	7.63	7.71	17.30	17.41	32.94
Total Income	909.05	752.79	1,271.37	1,661.84	2,625.89	4,793.44
Total Expenditure	842.24	719.70	1,108.19	1,561.94	2,253.29	4,200.52
Cost of materials consumed	438.81	326.34	595.26	765.15	1,260.98	2,273.96
Purchase of stock-in-trade	0.76	0.31	2.08	1.07	2.20	2.12
(Inc) / Dec in finished goods, stock-in-trade & WIP	5.21	15.97	30.27	21.18	55.44	65.43
Employee benefits expense	107.71	116.21	138.99	223.92	260.90	519.82
Finance Costs	44.06	46.32	56.88	90.38	99.82	204.46
Depreciation and amortisation expense	58.18	57.90	61.02	116.08	116.77	232.42
Other expenses	187.51	156.65	223.69	344.16	457.18	902.31
Profit before exceptional item and tax	66.81	33.09	163.18	99.90	372.60	592.92
Exceptional Item (Refer note 5)	-	-	-	-	-	50.71
Profit before tax	66.81	33.09	163.18	99.90	372.60	542.21
Tax expense :	17.85	9.23	3.21	27.08	75.00	108.69
Current tax	11.63	7.07	19.50	18.70	87.51	111.53
Deferred tax	6.22	2.16	(16.29)	8.38	(12.51)	(2.84)
Net profit for the period	48.96	23.86	159.97	72.82	297.60	433.52
Other Comprehensive income						
A. i) Items that will be reclassified to Profit or Loss	(5.79)	(0.92)	(7.63)	(6.71)	(34.67)	(51.81)
ii) Income tax relating to these items	1.46	0.23	6.43	1.69	15.88	20.20
B. i) Items that will not be reclassified to Profit or Loss	-	-	-	-	1.35	1.70
ii) Income tax relating to these items	-	-	-	-	-	(0.09)
Other comprehensive income	(4.33)	(0.69)	(1.20)	(5.02)	(17.44)	(30.00)
Total comprehensive income for the period	44.63	23.17	158.77	67.80	280.16	403.52
Paid-up Equity Capital (Face value Rs.2 per share)	79.14	79.89	80.74	79.14	80.74	80.79
Earning Per Share (Rs.)- Basic	1.23	0.59	3.97	1.82	7.39	10.75
Earning Per Share (Rs.)- Diluted	1.21	0.59	3.93	1.80	7.31	10.63
Debenture Redemption Reserve				37.50		56.25
Other equity including debenture redemption reserve						1,728.78
Debt equity ratio (Refer note 8)				1.26	0.93	1.03
Debt service coverage ratio (Refer note 8)				0.66	3.47	1.55
Interest Service coverage ratio (Refer note 8)				2.11	4.73	3.86



STERLITE TECHNOLOGIES LIMITED
(CIN : L31300MH2000PLC269261)
STANDALONE BALANCE SHEET AS AT SEPTEMBER 30, 2020

(Rs. In Crores)

Particulars	As at	As at
	30 Sep 2020	31 Mar 2020
	(Unaudited)	(Audited)
ASSETS		
I. Non-current assets		
(a) Property Plant & Equipment	2,154.26	2,213.30
(b) Capital work in progress	149.70	127.52
(c) Goodwill (Refer Note 8)	-	14.66
(d) Other Intangible Assets	34.48	33.64
(e) Financial Assets		
(i) Investments	320.52	289.10
(ii) Trade Receivables	-	-
(iii) Loans	93.85	97.83
(iv) Other Non-current Financial Assets	6.72	14.93
(f) Other Non-current Assets	62.69	48.94
Total Non-current Assets	2,822.22	2,839.92
II. Current Assets		
(a) Inventories	269.74	285.38
(b) Financial Assets		
(i) Investments	150.00	233.00
(ii) Trade receivables	1,149.45	1,413.16
(iii) Cash and cash equivalents	108.89	76.53
(iv) Other bank balances	54.56	93.92
(v) Loans	12.44	-
(vi) Other current financial assets	28.97	58.81
(c) Contract Assets	858.69	735.15
(d) Other current assets	387.74	331.97
(e) Assets classified as held for sale	28.27	28.27
Total Current Assets	3,048.75	3,256.19
Total Assets	5,870.97	6,096.11
EQUITY AND LIABILITIES		
Equity		
Equity share capital	79.14	80.79
Other Equity	1,548.18	1,728.78
Total Equity	1,627.32	1,809.57
Liabilities		
I. Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	408.46	519.83
(ii) Lease liabilities	67.30	83.33
(iii) Other financial liabilities	85.73	7.32
(b) Employee benefit obligations	44.20	41.16
(c) Provisions	0.52	0.89
(d) Deferred tax liabilities (net)	70.57	63.89
Total Non-current Liabilities	676.78	716.42
II. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,308.89	1,105.17
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	153.48	30.66
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,234.29	1,335.81
(iii) Lease liabilities	18.23	16.43
(iv) Other financial liabilities	673.50	880.71
(b) Contract liabilities	103.64	133.40
(c) Other current liabilities	49.72	43.52
(d) Employee benefit obligations	14.64	14.40
(e) Provisions	10.48	10.02
Total Current Liabilities	3,566.87	3,570.12
Total Equity & Liabilities	5,870.97	6,096.11



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STANDALONE STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

(Rs. in crores, unless otherwise stated)

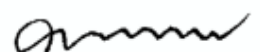
Particulars	For the half year ended September 30, 2020 (Unaudited)	For the half year ended September 30, 2019 (Unaudited)
A. Operating activities		
Profit before tax	99.90	372.60
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and impairment of property, plant & equipment	97.30	99.02
Amortization & impairment of intangible assets	18.78	17.68
Depreciation of investment properties	-	0.07
Provision for doubtful debts and advances	(1.48)	4.96
Bad debts / advances written off	0.53	0.27
(Profit) / Loss on sale of property, plant and equipment, net including gain on termination of lease	(2.47)	(2.55)
Rental income	(0.03)	(0.25)
Employees stock option expenses	7.30	9.55
Finance costs (including interest pertaining to Ind AS 116)	90.38	99.82
Finance income	(7.07)	(7.71)
Unrealized exchange difference	(1.37)	(1.26)
	201.87	219.59
Operating profit before working capital changes	301.77	592.19
Working capital adjustments:		
Increase/(decrease) in trade payables	16.43	85.51
Increase/(decrease) in long-term provisions	(0.37)	(0.25)
Increase/(decrease) in short-term provisions	0.46	0.54
Increase/(decrease) in other current liabilities	6.19	32.45
Increase/(decrease) in other current financial liabilities	(41.64)	(39.67)
Increase/(decrease) in contract liabilities	(29.76)	(56.54)
Increase/(decrease) in other non-current financial liabilities	(2.16)	1.09
Increase/(decrease) in non current employee benefit obligations	3.04	5.29
Increase/(decrease) in current employee benefit obligations	0.25	(2.60)
Decrease /(increase) in current trade receivable	270.90	(384.37)
Decrease /(increase) in non current trade receivable	-	0.19
Decrease /(increase) in inventories	15.64	35.68
Decrease/ (increase) in loans given to related parties	3.97	25.14
Decrease/(increase) in short-term loans	(12.44)	-
Decrease/(increase) in other current financial assets	22.94	5.48
Decrease/(increase) in contract assets	(123.54)	360.49
Decrease /(increase) in other non-current financial assets	8.21	1.23
Decrease /(increase) in other current assets	(55.77)	8.14
Decrease/(increase) in other non-current assets	0.99	0.43
Change in working capital	83.33	78.23
Cash generated from operations	385.10	670.42
Income tax paid (net of refunds)	(32.44)	(96.49)
Net cash flow from operating activities	352.66	573.93



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(Rs. in crores, unless otherwise stated)

Particulars	For the half year ended September 30, 2020 (Unaudited)	For the half year ended September 30, 2019 (Unaudited)
B. Investing activities		
Purchase of property, plant and equipment	(235.38)	(236.99)
Purchase of intangible assets	(4.96)	(16.96)
Proceeds from sale of property, plant and equipment	0.73	36.92
Investment in subsidiaries	(31.43)	(91.00)
Purchase of current investments	(150.00)	(167.50)
Proceeds of current investments	233.00	100.00
Net movement in other bank balance	1.91	-
Redemption of bank deposits (having original maturity of more than three months)	38.69	12.10
Unpaid Dividend	(1.24)	(0.65)
Rental income	0.03	0.25
Proceeds from sale of investment in subsidiaries	-	1.35
Interest received (finance income)	7.22	7.85
Net cash flow used in investing activities	(141.43)	(354.63)
C. Financing activities		
Proceeds from long term borrowings	168.63	220.15
Repayment of long term borrowings	(198.63)	(36.25)
Proceeds/(repayment) from/of short term borrowings (net)	203.72	(145.72)
Proceeds from issue of shares against employee stock options	0.12	0.23
Interest paid (including interest pertaining to Ind AS 116)	(84.71)	(85.85)
Principal elements of leases payments	(7.78)	-
Dividend paid on equity shares	(138.28)	(141.08)
Buy-back of equity shares	(99.78)	-
Tax on Buy-back	(22.16)	-
DDT on equity dividend paid	-	(29.01)
Net cash flow used in financing activities	(178.87)	(217.53)
Net increase/(decrease) in cash and cash equivalents	32.36	1.77
Cash and cash equivalents as at beginning of year	76.53	58.43
Cash and cash equivalents as at year end	108.89	60.20
Components of cash and cash equivalents:		
	September 30, 2020	September 30, 2019
Balances with banks:	108.87	60.19
Cash in hand	0.02	0.01
Total cash and cash equivalents	108.89	60.20



Notes:

1. The above results have been reviewed by the Audit Committee. The Board of Directors at its meeting held on October 22, 2020 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 Company has only one operating segment which is Connectivity and Network Solutions (earlier known as "Telecom Products and Solutions"). Accordingly, separate segment information is not required to be disclosed.

4. Management has made an assessment of the impact of COVID 19 in preparation for these financial results. Management has considered all relevant external and internal factors in the measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay debts. No adjustment to key estimates and judgements that impact the financial results have been identified. Since telecom networks have been identified as an essential service, the Group is operating at its normal operating capacity at all locations. However, the impact assessment of COVID19 will be a continuing process given the uncertainties associated with its nature and duration and no significant impact is envisaged on the operations.

5. During the year ended March 31, 2020, the Company made an application under Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 (SVLDRS), for settlement of the disputed excise matter of Rs. 188 crores demanded by CESTAT in 2005-06 which the Company was contesting at Supreme Court, and also some other litigations under Central Excise Act, 1944 and Chapter V of Finance Act, 1994 which were pending as of June 30, 2019. Based on the provisions of SVLDRS, Management determined the duty payable in respect of all matters offered for settlement under the scheme and accordingly recognised expense of Rs. 50.71 crores in the previous year.

6. During the year 2015-16, 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 under a scheme of amalgamation approved by Hon'ble Bombay High Court and Gujarat High Court (the "Scheme").

Goodwill (excess of purchase consideration over the aggregate book value of the net assets acquired) is being amortised over a period of five years, as per the Scheme. Ind-AS does not allow amortisation of goodwill, which amounted to Rs. 7.26 crores and Rs. 14.65 crores for the quarter and half year ended September 30, 2020, respectively. Consequently, the auditors have included an emphasis of matter paragraph in regards to this matter in their report.

7. Loss from discontinued operations pertains to Maharashtra Transmission Communication Infrastructure Limited, a subsidiary of the Company. Management had filed a fresh application with Department of Telecommunication for transfer of the entity after its earlier application had been rejected. The Department of Telecommunication has currently closed the application citing lack of clarity with respect to certain aspects in the application. Management is working towards resolving the concerns and is committed to the sale of MTCIL post resolving the concerns and obtaining requisite regulatory approvals.

8. Formulae for computation of ratios are based on standalone financial results and balance sheet which are as follows:

Debt Service Coverage Ratio = Earnings before interest and tax/ (interest expense + principal term loan repayment)

Interest Service Coverage Ratio = Earnings before Interest and Tax /Interest Expense

For Debt Service Coverage Ratio and Interest Service Coverage Ratio computation:

- Earnings before interest and tax includes Profit Before Tax after exceptional item + Interest expense
- Interest expenses include finance costs as per standalone Ind AS financial statements

For paid up debt capital and debt equity ratio computation:

- Debt includes long-term borrowings + short term borrowings + current maturities of long-term borrowings.
- Equity includes equity share capital and other equity as per standalone Ind AS financial statements

9. Credit rating for the existing Non- Convertible Redeemable Debentures (NCD) is ICRA AA Stable. Credit rating for the outstanding commercial papers ICRA A1+ and CRISIL A1+.

10. The Company has maintained minimum required assets cover ratio of 1.1 times as per debenture issue terms of non convertible debenture carrying interest @ 8.70% 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.

11. The Company has paid the interest on NCD on due dates. Details of previous and next due date of payment of interest and principal of NCD is as follow:-

S.No.	Security Description	ISIN	Previous due date for		Next due date for	
			Principal	Interest	Principal	Interest
1	8.70% NCDs	INE089C07091	N.A.	27-Mar-20	27-Apr-21	27-Mar-21



12. Details of previous and next due date of principal of CPs are as follow:-

S.No.	Security Description	ISIN	Previous due date		Next due date for	
			Principal	Interest	Principal	Interest
1	CP-5.55%	INE089C14AG1	N.A.	18-Jun-20	16-Oct-20	N.A.
2	CP-5.20%	INE089C14AI7	N.A.	27-Aug-20	29-Oct-20	N.A.
3	CP-5.45%	INE089C14AJ5	N.A.	22-Sep-20	21-Dec-20	N.A.
4	CP-5.33%	INE089C14AK3	N.A.	25-Sep-20	24-Dec-20	N.A.
5	CP-5.10%	INE089C14AL1	N.A.	28-Sep-20	28-Dec-20	N.A.
6	CP-5.10%	INE089C14AM9	N.A.	28-Sep-20	17-Dec-20	N.A.

13. Pursuant to the announcement made by the Finance Ministry of the Government of India on September 20, 2019, the parent company, basis their current assessment, is expected to opt for a lower corporate tax rate as per section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2019-20 onwards. The parent company has accordingly recognised Provision for Income Tax and Deferred Tax Liability for the quarter and half year ended September 30, 2020 basis the revised lower tax rate.

14. The Group, on 24th September 2019 (the "Acquisition date") has entered into definitive agreements to acquire 100% stake in Impact Data Solutions Group (IDS, UK) comprising its wholly owned subsidiary, Impact Data Solutions B.V. and a group company Vulcan Data Centre Solutions Limited. The Group has acquired 80% of the shares of IDS for a purchase consideration of GBP 10.2 million subject to subsequent adjustment based on actual enterprise value calculated in accordance with the agreement.

In the current quarter, the adjustment to the purchase consideration, based on actual enterprise value as at December 31, 2019, has been determined and settled. Also Management has completed the purchase price allocation. The provisional Goodwill recognised in the books of account has been accordingly adjusted to GBP 5.5 million. The numbers for the current reporting period are not comparable to the previous periods to this extent.

Group has an obligation to acquire the balance 20% over the next 2 to 5 years for a consideration based on an earn out model. Accordingly, the Group has recognised the liability with respect to the redemption amount.

15. During the current period, Management has aligned the reporting period of Metallurgica Bresciana S.p.A. ("MB Italy") with the reporting period of the parent entity and therefore the consolidated results for the quarter and six months ended September 30, 2020 include the results of MB Italy for the period from April 1, 2020 to September 30, 2020 and January 1, 2020 to September 30, 2020 respectively. Due to the reporting period alignment, the revenue and profit after tax for the quarter and six months ended September 30, 2020 is higher by Rs. 138.75 Cr and Rs. 9.68 Cr respectively. Therefore, numbers for the current reporting period are not comparable to the previous periods disclosed to that extent.

16. On March 24, 2020, the Board of Directors had approved the buyback of Equity Shares for a total amount not exceeding Rs. 145 Crore, being 9.95% and 9.32% of the aggregate of the total paid-up equity capital and free reserves (including securities premium) of the Company based on the audited standalone and consolidated financial statements, respectively, of the Company for the financial year ended March 31, 2019. The Company has closed the buy back on August 27, 2020. The Company has bought back 88,67,000 shares for Rs. 99.78 crores (excluding taxes).

17. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Company and its Indian subsidiaries are in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability / contributions and will complete their evaluation and give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

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

Place: Pune
Date: October 22, 2020

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



Dr Anand Agarwal
CEO & Whole-time Director
DIN : 00057364

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