STL

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July 29, 2022

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C-1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai - 400 051.

BSE Limited
Phirozee Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Sub.: Submission of Annual Report of FY 2021-22 and Notice of 23rd Annual General Meeting ("AGM")

Ref.: Scrip ID - STLTECH/ Scrip Code - 532374

Dear Sir/Madam,

This is further to our letter dated July 22 2022, wherein the Company had informed that the AGM of the Company is scheduled to be held on Friday, August 26, 2022 at 9.00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

Pursuant to Regulation 34(1) read with Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we are enclosing herewith the following documents as being circulated to the shareholders through electronic mode today:

- Annual Report for FY 2021-22;
- Business Responsibility Report; and
- Notice of 23rd AGM of the Company;

Aforesaid documents are also being uploaded on the website of the Company at https://www.stl.tech/ and on the website of Kfin Technologies Limited, Registrar and Share Transfer Agent, at https://evoting.kfintech.com.

Kindly take the same on record.

Thanking you.

Yours faithfully,

For **Sterlite Technologies Limited**

A.V. Deshpande

Amit Deshpande
Company Secretary & Corporate General Counsel (ACS 17551)

Encl.: As above.

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ONE WORLD. ONE INTERNET.

Sterlite Technologies Limited
Annual Report 2021-22


ONE WORLD.
ONE INTERNET.

IN THIS REPORT

Forward-looking and Cautionary Statement

Certain words and statements in this report concerning Sterlite Technologies Limited (STL) and its prospects, and other statements relating to STL's expected financial position, business strategy, the future development of STL's operations and the general economy in India, are forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of STL, or industry results, to differ materially from those expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding STL's present and future business strategies and the environment in which STL will operate in the future. The important factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements include, among others, changes in government policies or regulations of India and, in particular, changes relating to the administration of STL's industry, and changes in general economic, business and credit conditions in India. Additional factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements, many of which are not in STL's control, include, but are not limited to, those risk factors discussed in STL's various filings with the BSE Limited and The National Stock Exchange of India Limited. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

These filings are available at:
www.nseindia.com and www.bseindia.com


STL
beyond tomorrow
Paving the way for sustainable networks by 2030
Care for the environment and communities is at the core of our business. We are driven by our purpose of transforming billions of lives through digital networks, and strive to make the world a sustainable place to live. We pledge to be emissions-free by 2030 on the back of our environment-positive actions including:
Net-Zero Emissions in Manufacturing Facilities
Zero Waste to Landfill
100% Sustainable Sourcing
Water Positivity
Eco-friendly Product Development
Sterlite Technologies Limited
stl.tech

Chairman's Message

BUILDING A WORLD OF EQUAL OPPORTUNITIES THROUGH DIGITAL EMPOWERMENT

"In a year that was full of challenges, STL delivered excellent results while connecting millions of people in difficult times. The era of digital networks going mainstream has started and STL is set to contribute through its wholesome solutions while living up to its purpose of transforming billions of lives through digital networks."

Dear Stakeholders,

It is with great pleasure that I bring to you the Annual Report of Sterlite Technologies Limited (STL) for FY22. The year under review saw STL rising to the occasion in the face of uncertainty and challenges. We take pride in the work we did to help people stay connected and make difficult times, a little easier.

The year 2021 enhanced the momentum of the digital wave fuelled by the pandemic in 2020. While the increased dependence on digital technologies accelerated adoption and usage, it also made us starkly aware of the connectivity chasm that exists. A 2021 United Nations report noted that 3.7 billion people still lack adequate internet access. In underdeveloped countries, over 80% of the population is still offline.

Clearly, the inequalities need to be eliminated and that can only be done by ensuring accessible and affordable internet connectivity for all. STL is set to play a crucial role in solving this problem by bringing together all the elements of the modern network architecture. We are working with governments, telcos and like minded enterprises to bridge the digital divide, offering high end digital access to sections of society that never had this privilege.

The opportunity to connect the unconnected in 2022

The year 2021 clearly showed that digital networks will become the foundation of the future and 2022 reaffirms that notion. It will be the year that sees significant large-scale network buildouts. The decade of network creation has started and will provide a massive opportunity to connect the 3.7 billion people that are still unconnected. In addition to driving inclusion across the world, these networks will do something that physical infrastructure took decades to achieve - level the playfield for all in terms of education, healthcare, employment and much more.

Despite economic worries, there is clear global demand in digital broadband networks. Governments and private players have made investments towards network modernisation on priority. STL is helping these stakeholders across the globe build the digital networks.

Digital networks will also underpin the rise of technology ecosystems such as Metaverse and Web3 while democratising more mature technologies like Artificial Intelligence, Internet of Things, 5G, Machine Learning, among others. As one of the leading integrators of digital networks, we are working on our long-term strategy, built on deep capabilities in optical networking, system integration, software and virtualised access.

I think synergies is the keyword here. Ensuring synergies among these capabilities will enable disruptive innovations that will, in turn, bridge the digital divide and shape a gloriously connected future. Our cutting-edge, end-to-end digital network solutions are 5G-ready, agile and scalable enough to deliver a multitude of services and applications across the network stack. We develop these solutions while keeping environmental sustainability at the heart of our operations.

Sustainability and purpose will always be our north stars

As individuals, businesses and economies, we all aspire to grow. But now this growth needs to take shape with the principles of sustainability at the core. It is important to ensure that climate change actions become mainstream. STL is striving to contribute more to ensure we leave a healthier planet for our next generation. Our Net Zero emissions, water positivity goals, Zero Waste to Landfill certifications, and sustainable sourcing reflect our commitment to environmental sustainability.

Behind all the tech-driven capabilities and processes lies our purpose of transforming billions of lives through digital networks. Our purpose comes to life every time a child is given the opportunity to receive an equitable education, a person from an underserved community receives the best medical care, a woman provides for her family or when people connect with their loved ones online. We believe we are fortunate enough to contribute at a time when the need to bridge the digital divide is at its peak and the world is preparing for newer technologies that will drive the future. I look forward to your continued support and encouragement in this journey of ours.

Warm Regards,

Anil Agarwal
Non-executive chairman

TAKING STRIDES TO TRANSFORM BILLIONS OF LIVES THROUGH DIGITAL NETWORKS

Pravin
Agarwal
Vice Chairman and Whole-time Director

Ankit
Agarwal
Managing Director

Dear Shareholders,

I am extremely pleased to share with you that FY22 was a pivotal year for us. In a challenging yet transformational year in terms of digital adoption, we contributed significantly towards building digital networks that enabled inclusion for millions and critical connectivity during the toughest phases of the pandemic. Empowering network creators across the globe, we worked in deep collaboration with them to solve their most crucial needs, including speedier optical supplies, greener optical products, faster broadband rollouts and open source ecosystem. Our focus on innovation, commitment to environmental sustainability and best-in-class talent enabled our ambition to achieve global scale in our business and transform billions of lives through digital networks. As a result, we were able to register the highest ever revenue of ₹5,754 crores and a robust order book of ₹11,639 crores in FY 2021-22.

2021: When the importance of digital connectivity was reaffirmed

The bygone year was a challenging one that witnessed pandemic outbreaks, geo-political complexities and some extreme climate events. While these events continued to impact economies and trade differently in different countries, one thing was very clear - the underlying importance of digital infrastructure. Almost all countries committed to building digital infrastructure to connect the unconnected.

Several large-scale broadband expansion initiatives came to life. Some of them were a US$65 billion plan for broadband scheme infrastructure by the US government, Euro 12 billion for gigabit capable fibre connectivity by Germany.

Parallelly, the year saw 5G, FTTx and other emerging technologies become mainstream and now they are all set to power applications that require massive bandwidth.

While so much was happening in our external environment, internally, organisations were challenging the mighty second wave of COVID-19. We will surely remember this year for how our teams delivered exceedingly well, but we will also remember how we were stronger together. This year, we built a culture of care across the organisation and formed an even deeper connect with our larger purpose of transforming billions of lives through digital networks. Here are some key highlights from FY22.

The bygone financial year saw close to half of our annual revenue coming from focus markets of North America and Europe – a clear indicator of our global success. We placed some bold bets in the global markets with the vision of becoming an end-to-end player that enables ubiquitous connectivity for millions and powers future-ready

> We significantly increased our optical fibre cable capacity to achieve the scale of massive rollouts and increase our proximity with our customers. Our acquisition of Optotec helped us strengthen and diversify our optical networking portfolio for our customers across Europe, India and the Middle East. As a result, we reached more than 20% market share in Europe and took the attach rate from 3% to 11% for Optical Interconnect business.

> We are always working tirelessly to create an environment that's diverse, inclusive, and encouraging of employees. Our people practices earned us the Great Place to Work certification for the third year in a row and we were also voted the Best Organization for Women by The Economic Times.

technologies through modernised and densified digital networks.

We took our network deployment experience of 35,000 kms in India to the UK setting up a Service Centre of Excellence and acquiring Clearcomm to build our delivery capability there. As a result of these moves, we closed the year with an open order book of ~₹1,000 crores in the region with several leading telcos and Altnets aligning with our vision. Our wireless business too witnessed some key global collaborations. We partnered with Facebook Connectivity to design and develop 4G and 5G radio products and successfully completed a proof-of-concept (PoC) with Chunghwa Telecom.

With top leadership at the helm

To unlock our next phase of technology leadership, STL onboarded industry stalwarts as CEOs for all four businesses of Optical Networking, Global Services, and Software and Wireless. These leaders have already initiated steps to accelerate STL's growth trajectory in the global markets and are setting up a solid foundation for non-linear growth in the future.

Penchant for innovation

Our untiring efforts towards innovation helped create innovative solutions to solve key challenges for our customers. The efforts towards R&D grew at tremendous scale in FY22 with our patent portfolio (filed + granted) going up to 733. We also earned our first 5G deployment patent granted in the U.S. To further our R&D capabilities, we established one-of-a-kind Centre of Excellence and innovation centre for 5G in India. This 5G innovation lab will provide the required resources to enable the testing and optimisation of 5G products in a real 5G radio environment.

733

Patents as part of our efforts towards R&D in FY22

Commitment to sustainability

This year, we committed to an ambitious roadmap to become a Net-Zero emissions company by 2030. Sustainability is at the core of our business operations, and we continued our relentless focus towards stepping it up in FY22. Impacting 1.37 million people, STL planted ~1,69,000 trees and made a commitment to become a carbon-neutral and water positive company by 2030. We also announced our plans of making 100% plants 'Zero Waste to Landfill' certified by 2030.

1.37 Million

People impacted through sustainability initiatives in FY22

~1,69,000

Trees planted in FY22

Best-in-class people practices

Our employees, who we fondly refer to as STLers, are our greatest strength. We are always working tirelessly to create an environment that's diverse, inclusive, and encouraging of employees. In FY22, STL enhanced its team strength across locations and made substantial efforts in creating an empathetic yet high-performing organisation that eliminates the gender gap. Our people practices earned us the Great Place to Work certification for the third year in a row and we were also voted the Best Organization for Women by The Economic Times.

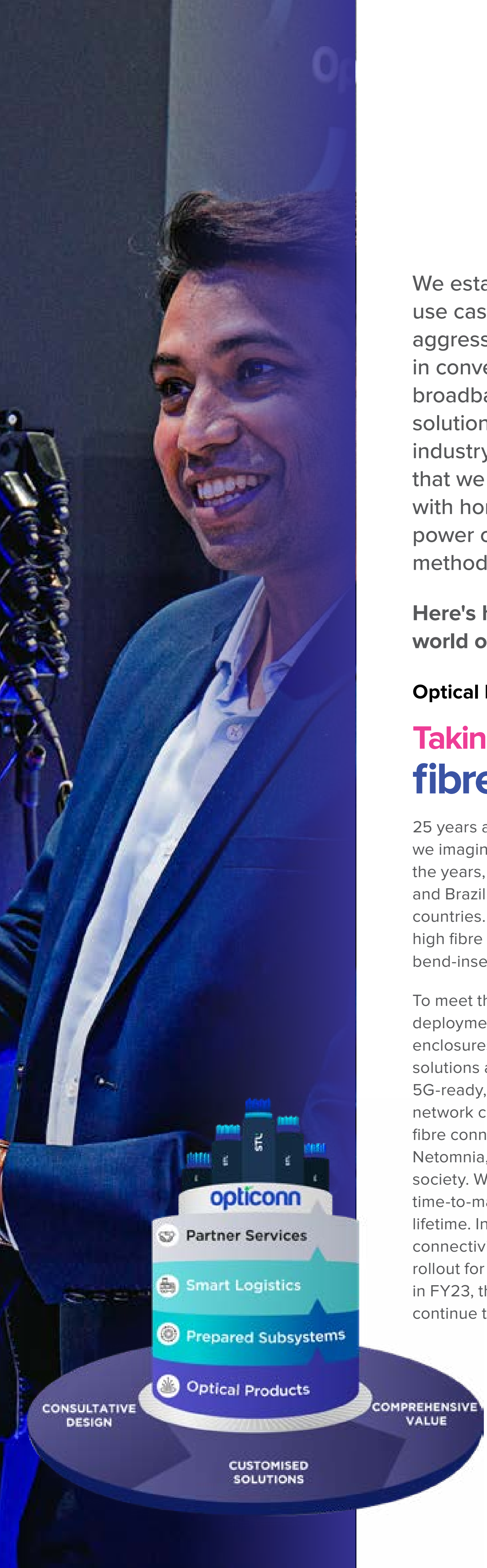
FY23 and beyond: Our efforts to connect the unconnected will only strengthen

In FY22, we displayed tremendous technology innovation, operational excellence, and customer centricity to counter the challenges of the pandemic and work together towards our purpose of transforming billions of lives through digital networks. The impending financial year will continue to serve as a springboard for us to take the wonders of digital networks to all corners of the world. This will be the cornerstone of our future growth and success. With a clear strategy in our minds and a purpose at the core, STL will keep bringing disruptive innovations to connect the unconnected and pave the way for a bright future technology landscape.

Warm Regards.

MAKING GREAT STRIDES WITH ALL-IN-5G SOLUTIONS

Everything we do revolves around our purpose of **‘Transforming billions of lives through digital networks’.** In FY22 we took great strides in enhancing our capabilities in optical networking, broadband rollouts, access solutions and software to connect the unconnected while championing sustainable business practices and serving communities.



We established a 5G innovation laboratory to test new use cases and showcase our solutions. We invested aggressively in R&D to strengthen our prowess in converged 5G networks based on optical fibre broadband and Open RAN. In addition to our technology solutions, we also built a skilled talent pool for the industry, through the STL Academy. We can proudly say that we became one of the first indigenous companies with homegrown All-in-5G solutions that combine the power of optical, wireless, software and deployment methodology.

Here's how our businesses are making ripples in the world of connectivity:

Optical Networking

Taking top-notch fibre connectivity everywhere

25 years ago, when we pivoted from copper to fibre-optic cables, little did we imagine that we will be connecting the entire world with fibre. Over the years, we have established production facilities in India, China, Italy and Brazil and are supplying 34 million fkm across five continents and 60+ countries. We are continuously innovating with cutting-edge solutions like high fibre count **Celesta** Intelligently Bonded Ribbon Cable and **Stellar™** bend-insensitive fibre.

To meet the demand for speed and scale in 5G and FTTH network deployment, we built an **optical interconnect** suite, that comprises joint enclosures, optical distribution frames and cable assemblies. All these solutions are a part of **Opticonn,** our purpose-engineered, end-to-end, 5G-ready, optical networking solution. And we are empowering global network creators with Opticonn. In the UK, we are enabling massive fibre connectivity for our customers, including Openreach, Cityfibre and Netomnia, contributing to their ambitious visions of building a gigabit society. With Opticonn, they realise core benefits like faster time-to-market, a lower TCO and greener networks with an extended lifetime. In the US, we are a trusted partner for the country's rural connectivity programme, RDOF, and are also supporting a massive fibre rollout for one of the largest service providers. We are confident that in FY23, through our integrated optical connectivity solution, we will continue to take fibre connectivity around the world.

~34 Mn fkm

of fibre-optic cables supplied across five continents and 60+ countries

Access Solutions

Open networking delivered

Data usage has skyrocketed in the past years and everyday users are driving this massive increase, prompting network creators to modernise and densify access and edge networks. The bygone financial year proved to be a phenomenal one for Access Solutions, our newest business unit focussing on **open and programmable networks.**

The cornerstone was the launch of **Accellus,** our flagship solution for 5G-ready, open and programmable networks. The year was foundational for the business as multiple products under Accellus Solution became market ready.

We announced the general availability of our indoor small cells - Garuda, programmable FTTX (pFTTx), and WiFi6 access point. We also launched a series of macro radios called Firebird and did the Minimum Viable Product (MVP) release for RAN Intelligent Controller (RIC). This year, we concluded meaningful Proofs of Concept (POCs) with some key customers, including pFTTx with Chunghwa Telecom's open broadband access network.

We collaborated with Meta Connectivity to design and develop 4G and 5G radios for the Evenstar programme that can accelerate the availability and commercial readiness of Open RAN solutions. In the coming year, we are set to play a key role in the industry transition from tightly integrated, proprietary products to vendor-neutral, programmable converged wireless and fibre network solutions.

The art of broadband rollouts - From India, with love

As the magic of digital connectivity spreads globally, countries need to roll out gigabit broadband quickly. When it comes to building a connected world, we are playing our part, by taking the power of digital networks to billions. We carry a legacy of 10+ years and 35,000 kms of large-scale broadband rollouts for telcos, Indian defence, and the BharatNet project. Leveraging our unique LEAD 360° deployment approach, we enabled digital inclusion for 7.5 million people in Maharashtra.

We also built an advanced digital network with converged connectivity and a data centre ecosystem for the Indian Navy. Having delivered multiple broadband success stories in India, we are now progressing rapidly to build fibre networks globally, beginning with the UK. In the last few quarters, bold bets like the Clearcomm acquisition and establishment of a Global Services Centre of Excellence in the UK strengthened our network deployment capabilities. We are now enabling the UK to fulfil its promise of gigabit broadband by providing world-class optical connectivity and solving tough deployment challenges. We recently launched a network augmentation programme to build a skilled talent pool from India creatively solving fibre deployment challenges and helping UK service providers achieve their gigabit ambitions.

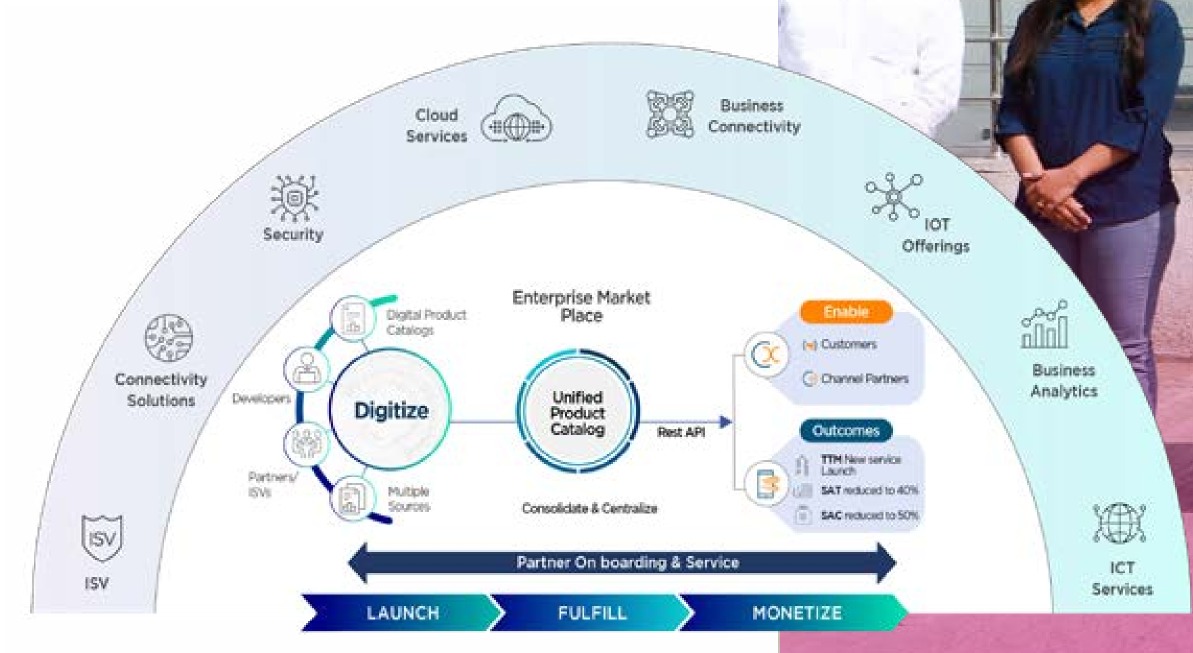
Network Software

Discovering new revenue streams with 5G and Wi-Fi 6

FY22 saw 5G and Wi-Fi 6 take centre stage and unlock the possibilities presented by their technology confluence. According to some reports, 83% of service providers either deployed Wi-Fi 6 or are planning to deploy it in FY23.

With these technologies going mainstream, service providers are now rushing to come up with ways to monetise services, unlock new revenue streams, and offer services on the go. But they face constraints like inflexible business models, complex integrations, and legacy systems. Additionally, the future-ready applications are highly scalable and agile and require service providers to go beyond just digitising customer journeys.

STL Software product portfolio is microservices-based, cloud-native, and web scale-enabled. It includes solutions like **dEnterprise, dWiFi and dSmartMobility,** which enable innovative monetisation for service providers in multiple ways. **dEnterprise** is a 5G enterprise platform that synergises the strength of multiple vendors, partners and customers, bringing them on a common platform to cater to a range of innovative use cases. **dSmartMobility** is an intelligent, Wi-Fi-offload solution that provides the best connectivity experience to end-users, helps telcos increase Wi-Fi adoption and reduce LTE network congestion. **dWiFi** is a pre-integrated and modular platform to manage and monetise Wi-Fi 6 while offering superior user experience. These solutions provide everything that is required by service providers to capitalise on XaaS economy and unlock revenue streams for the new and the next normal.




STERLITE TECHNOLOGIES LIMITED

SPREADING WINGS ACROSS GEOGRAPHIES

Raring to win in the US

The bygone financial year was instrumental for us in the US region as we gained a good market share in our first year of operations. We got multi-million dollar orders for optical fibre cables in the North American market and became a partner in RDOF to bring gigabit broadband services to 18 US states besides creating ripples in the Latin American market.

Fiberising Europe at the speed of light

With our optical products and network deployment expertise, FY22 saw us at Project Gigabit's centre. We witnessed strong double-digit growth, and gained significant market share (20%+) in Europe. Last year we launched our optical interconnect product portfolio in the market, acquired Clearcomm and set up a Services Centre of Excellence in the UK. Fibre is always at the heart of what we do. In FY22, we delivered on the optical fibre demand and lead times.

Helping telcos modernise in the MEA region

This year, we travelled across the Middle East and Africa Region with our top-of-the-line software solutions. We took these cloud-native OSS/BSS solutions to operators like Sabafon and Limpopo. We also clocked the first of our wins in Optical Interconnect, in our Speciality Cables Business unit. In Q2 FY23, trials for Access Solutions will commence with two of the largest telecom operators in the Middle East.

Taking India closer to a digital economy

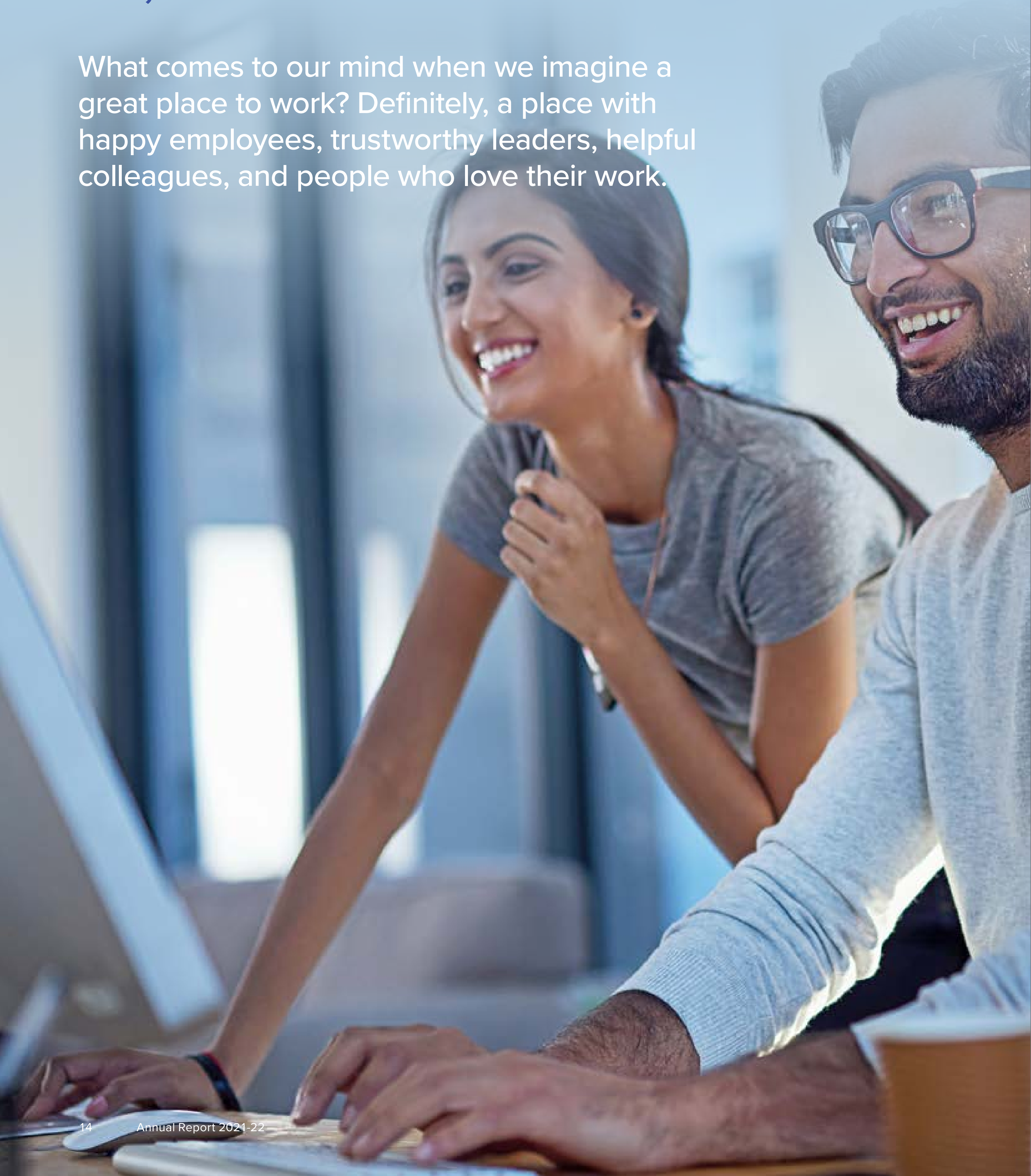
FY22 saw us making major inroads in the Indian market. While we signed network services deals with PGCIL, we also focussed on deepening our relationship with a leading telecom operator to provide software solutions beyond fibre networks. The year brought us great glory as we completed two major projects of national importance – Mahanet and Navy Communications Network.

Committing to Australia's digital future

We realised the need for more robust digital infrastructure and internet connectivity across the region and committed to exponential growth in Australia. In FY22, we entered multi-year supply contracts for fibre optic cables and optical interconnect products with two of the leading Tier-1 telcos and became a partner for a large-scale, inter-capital fibre network build project in Western Australia. We also clocked great wins for public utility projects in New South Wales and Victoria and successfully conducted PoC for our Access Solutions and optical networking products with the country's largest, fixed-line broadband provider.

A GREAT PLACE TO WORK! YES, WE ARE

What comes to our mind when we imagine a great place to work? Definitely, a place with happy employees, trustworthy leaders, helpful colleagues, and people who love their work.



Our fabulous STLers and world-class people practices have earned us the honour of being **Great Place to Work-Certified**™ for the third time in a row. We excelled on all the five parameters of a high-trust, high-performance culture – respect, credibility, fairness, pride and camaraderie. Even during the pandemic, we developed a culture of mutual care and empathy for our employees. We also took great strides as an organisation – truly living our purpose of transforming billions of lives through digital networks, held together firmly by our value system.

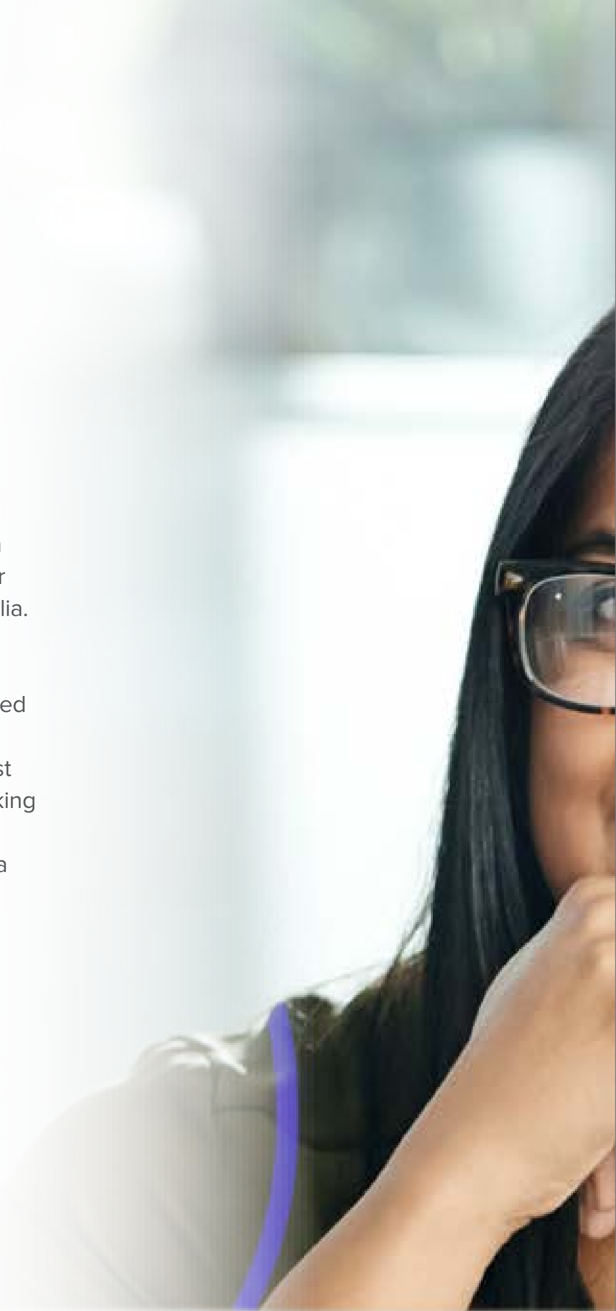
STL Care

Care at the core

They say healthy minds breed healthy bodies and vice versa. At STL, it is our endeavour to nourish STLers as human beings in mind, body and spirit.

This is achieved through an environment that's diverse, inclusive, and encourages employees to bring out their complete selves to work. Keeping the intent of Care at the Core, we started STLCare during the tough second wave of COVID-19. The programme included policy decisions and initiatives that enabled employees to excel professionally while leading a healthy lifestyle. Under STLCare, we launched an employee assistance programme to cater to the diverse wellness needs of employees and their families, including counselling, financial advisory, and parental coaching, among others. Through policies such as Flexi holidays and an on-demand pay scheme, STLers could maintain a work-life balance while enjoying financial flexibility.

Over **3,000 STLers** registered for the programme and benefited from various STLCare initiatives.



DEI

Diversity and inclusion
Living and loving it!

At STL, we are proud to be a mosaic of diverse folks brought together by a common purpose of transforming billions of lives through digital networks. We represent over **30 nationalities** with diverse leadership teams in the US, the UK, EMEA, and Australia. As we create digital networks for the world, we are proud to create an inclusive space for STLers, regardless of gender, race, religion, or sexual orientation. For us, diversity and inclusion drive great business performance as well. When we introduced **women-led operations** in our plants, our operational efficiency increased to 95%. Our **female trainers** in the Optical Interconnect facility trained 10X technicians in just 1.5 years. For us, diversity definitely does not stop at gender, we are constantly looking to integrate diverse talent into our teams. Our **Take2** talent acquisition programme is geared towards hiring amazing talents and looking to re-ignite their careers post a sabbatical! We believe that life is the best teacher, and this talent pool energises us!

STL stories on learning and development

The never-ending
learning journey @STL

Hunger to learn is a value that we deeply revere. For us, learning is not a one-time process, but an everlasting, thoroughly enjoyable journey. Whether someone is 25-days or 25 years old in the Company, all of us learn and grow together.

A part of our unique learning suite, programmes like **ACT Up** enable young STLers to pitch transformational ideas to leaders, while **Evolve and Accelerate** nurture high potential talent. Thanks to **TechWise,** our snackable *'Tech-for-non-tech'* programme; while walking on the floor, you are very likely to find non-technical folks discussing 5G and fibre like pros! Beyond these programmes, we are cultivating growth mindsets by encouraging STLers to challenge the status quo, try fast and fail fast!

Innovation

Innovation mode... On!

At STL, we love to solve tough and meaningful challenges. STLer teams working across businesses are constantly looking for ways to challenge the status quo and bring in path-breaking solutions for key problems. It is this spirit of innovation, collaboration, and intrapreneurship that drives each STLer. This very spirit is embodied in our innovation programmes, which, quite literally, keeps *Josh High* at all times! WINcubate, our flagship innovation championship focusses on building a culture of co-creation, and incubating new, disruptive ideas and the Agility & Innovation (A & I) coaches programme encourages constructive problem solving across the Company. The impact of these programmes has been nothing short of phenomenal. WINcubate 2021 saw the participation of **600+ STLers** with **250 reaching the prototyping stage** after a **100-day sprint.** Similarly, the Agility & Innovation programme helped STL prepare **25 innovation coaches** acting as 'agents of change' to solve existing business challenges.

We believe that actions speak louder than words. The participants of our innovation championships solve real-time problems for our business units. For instance, Team Disruptive, the winner of WINcubate 2021 provided an effective solution to the problem of higher fibre manufacturing costs. The team researched, designed, and developed low-loss fibre technology by modifying its core glass region with fact check and optimising temperature gradient. Their efforts not only led to a viable and scalable solution but also generated two patents that are in the filing stage.

Volunteering

Spreading sunshine during our 9 to 5s

Imagine a workday where you excitedly log into a meeting to meet school kids who are eager to learn from you. Imagine doing small but meaningful things like recording an audiobook for the visually impaired or rewriting fairy tales in an easy-to-understand language, during your regular workday. All this and much more is possible at STL.

We drive ESG as a top business priority. In FY22, 1,100+ STLers volunteered for different initiatives benefiting 6,200 lives; a record improvement of over 200% over FY21. We saw *Daan Utsav* (festival of giving) becoming a huge success, bringing hope to 2,000+ lives. The bygone financial year proved to be a year where STLers exemplified their commitment to creating a better world. Even during the pandemic, our online volunteering platform was brimming with energy. Through this volunteering programme, we continue to expand our circle of positivity every day and spread sunshine across communities.

STL, a global talent company

At STL, we have an eclectic combination of exciting work and growth trajectories. STLers are driven by their love for work and are always trying new things.

Did you know that in FY22, more than 850 STLers got career growth or movement?

Let's go around the world and meet these enthusiastic bunch of STLers who are hustling to take the wonders of digital networks to billions.

"Not only have I had the opportunity to learn at a very fast pace, within the organisation, but I have also been able to apply these learnings in strategic projects. This helped me become a better leader able to contribute to the strong growth of the organisation. I have come to realise that STLers are not only proficient problem solvers but are also working to build an environment where people can discuss and execute ideas very rapidly. STL's cross-functional interactions and global exposure are helping me cultivate strong leadership qualities with a diverse set of skills. This exposure and working environment extend a strong competitive advantage that we must continue to nurture and leverage."

Juan Colina
Strategy Head - Optical Networking Business

"My last 10 months as a Product Manager – Radio at STL has been an awe-inspiring journey, where I have been developing my skills constantly while learning on the job! STL provides many exciting opportunities to its employees. Personally for me, receiving a CEO Award, and representing STL at global events like O-RAN Plugfest, Airtel-India and Mobile World Congress (MWC – 2022) were highlights of a truly inclusive STLer culture. The support, guidance and mentorship provided by leadership and peers made everything so simple. I look forward to contributing much more towards the growth of the Radio and Wireless business and establishing STL as a key player in Open RAN space globally."

Ashu Babbar
Product Manager - Radio

"Working with STL opens a new path of knowledge and learning for me, which gives me a chance to grow even more. What I really like is the fact that whether we are from a neighbouring country or the other side of the world, bridges are built between cultures and people, which help us work together to achieve success."

Ryan Pineda
Sales & Application Engineering - APAC

"STL has been nothing less than a spectacular company. Very innovative and supportive of thinking outside the box to support great ideas. With our footprints in the US, we are sure to continue providing the highest level of global talent across domains. Our associates are a key factor to our continued success worldwide."

Tenna Scott
Human Resources, Americas

"A company that inspires me, a product that I feel passionate about, a team that is full of talent and collaboration, a position that stretches me beyond my comfort zone, management that empowers me to do the best, an entrepreneurial spirit that creates innovation, a multi-cultural workforce that drives creativity and productivity, a world that has so much to learn, these are all my favourites that STL fulfils. I am proud of being part of the ambition undertaken by STL to build the next generation of technologies for connecting the world."

Kevin Tang
Solution Architect - RIC and Orchestration

"I am happy and ever excited to be a STLer in the world of 5G and high-speed digital networks. STL is a purpose-driven organisation. Our purpose of transforming billions of lives through digital networks provides a sense of pride personally. It motivates me to constantly challenge my boundaries and deliver in an agile ecosystem, which I find extremely fulfilling professionally. I am excited by the Company's ambition of building advanced digital infrastructure globally. The innovative and entrepreneurial culture fosters a feeling of being at a great workplace in the current exciting times."

Vijayanand Choudhury
Global Head - Supply Chain Management

"My stint in STL has me following the sun everyday working with my colleagues in India, Dubai, the UK all the way to the bay area in the US. Working from home in the Netherlands, flying to India to enjoy its hospitality, interacting with talents and meeting customers from all over the globe building the software business and partaking in its global ambitions - I wouldn't miss it for the world! Proud to be an STLer!"

Pieter Pabst
Chief Technology Officer - Network Software

"It has been over six months since I joined the STL family after a 26-year stint at IBM. STL is a place where I could settle in very quickly culturally, especially owing to the warmth and support that I received while trying to gain my footing within the Company. Here, at STL we have an opportunity to work with a truly multi-cultural workforce with a company truly committed to diversity and inclusion in all forms. The entrepreneurial culture here at every level within the organisation is very energetic especially when we are poised for hypergrowth. With a focus on skill development, we as a company are positioning ourselves very strongly to be of value to our clients in a technology-driven digital environment. I am proud to be an STLer!"

Praveen Cherian
CEO - Global Business Services

"It's been great working with STL for close to five years now. From business strategy for large government projects in India to leading the Global Marketing Function for one of the business units to now heading expansion in Australia and New Zealand as the Country Manager, my journey here has been nothing short of extremely fulfilling and enriching at every step. The diverse and exciting exposure as well as learning and recognition one gets are unparalleled to what I see in the industry today. And it's always great to land an opportunity where you get to collaborate with team members from different functions, countries and nationalities. There is just so much to learn from one another!"

Achyut Ashesh
Country Manager - Australia

"Prior to joining STL, I was a follower of its LinkedIn page and was impressed by the achievement, creativity and energy displayed in every post. Being a STLer is truly enjoyable as I interact with multi-cultural teams across India, MEA and Europe daily and, work side by side with some of the brightest minds in the industry. This also enables the chance to practise cross-functional collaboration on a regular basis, which is beneficial to my role and my personal growth and development. STL is a place where the entrepreneurial spirit is not a leadership strategy, but a culture and character of the organisation felt across all hierarchical levels. STL will always have a special place in my heart for the warmth and support I receive from my colleagues and for the exceptional Indian hospitality and experience."

Nawal Elmazozi
Marketing Consultant - the Middle East and Africa

LEADERSHIP THAT EMPOWERS LIVES

Anil Agarwal

Non-executive Chairman

Mr. Agarwal is the Non-Executive Chairman of Vedanta Limited, one of the largest and most diversified natural resources groups globally. He has been the Executive Chairman of Vedanta Resources since March 2005. Anil Agarwal founded the Vedanta Group in 1976. In over three decades, the Group, under his leadership and with his strategic guidance, grew into a pioneering global conglomerate with a world-class portfolio of large, diversified, structurally low-cost assets. His entrepreneurial style of identifying and turning around companies led the Group's expansive and profitable growth. He is also known for his commitment to ensuring that the growth and profitability of the Group aid the eradication of poverty through development initiatives within the communities in which the Group operates.

Sandip Das

Independent Non-Executive Director

Mr. Das is one of Asia's most respected telecommunications professionals and an acclaimed Chief Executive. He was listed among the top 100 Globally Most Powerful Leaders in Telecom by Global Telecom magazine for four years. He is currently an Independent Board Director for Greenlam Industries, Senior Advisor to Analysys Mason, Advisor to a high-profile, UK-based advisory company and on the Advisory Board of reputation management firm Astrum. He also holds positions like Mentor to C suite executives, and is a Member of National Board Council (Russell Reynolds), besides consulting for investment companies. He was formerly the MD, CEO & Board Director of Reliance Jio, Group CEO and Executive Director of Maxis Communications Berhad, Malaysia and CEO & Board Director of Hutchison Essar Telecom, India (Orange, Hutch). He holds a BE degree in Mechanical Engineering from NIT Rourkela, an MBA from the Faculty of Management Studies (FMS), University of Delhi and is an Advanced Management Program alumni from Harvard Business School.

Kumud Srinivasan

Independent Non-Executive Director

Ms. Srinivasan is the Vice President and General Manager of Manufacturing & Operations Automation Systems at Intel Corporation. In this capacity, she is responsible for the automation and analytics of Intel's global logic and memory factories. She has spent 30+ years at Intel USA, leading multiple global functions, the most prominent being digital transformation and industrial automation. She is a seasoned leader skilled at mobilising resources across organisation levels. Her management experience includes leading large teams in the matrix, and geo-dispersed organisations in the US, China and India. Between 2012 and 2016, she served as the President of Intel India. She joined the STL Board in 2018, and her experience in key industry domains such as the Internet of Things, R&D, manufacturing and semiconductors is invaluable to STL and its global customers.

Mr. Agarwal is the Vice Chairman and Whole-time Director of STL, and the Non-Executive Chairman of Sterlite Power Transmission Limited. He has been closely involved with Sterlite Group's operations in India since its inception in 1979. He has been the driving force behind the expansion of Sterlite Group's telecom and power businesses into multiple markets and STL's continued growth momentum. He is an astute businessman and a leader with almost four decades of experience.

Pravin Agarwal

Vice Chairman and Whole-Time Director

Mr. Madhavan is a fellow member of the Institute of Chartered Accountants of India and has an MBA from the Indian Institute of Management, Ahmedabad. He has had a long and illustrious career in accounting and tax, and retired as a senior partner in PricewaterhouseCoopers, after holding leadership positions over a 15-year career. He started his career at Hindustan Unilever Ltd and spent several years there. He has held senior committee positions in leading Chambers of Commerce such as ASSOCHAM and FICCI. He currently holds directorial positions in some of the top listed companies in India such as HCL Technologies, ICICI Bank, UFO Moviez, and Transport Corporation of India. He is a leading exponent of corporate governance through his Board and committee work.

S. Madhavan

Independent Non-Executive Director

Mr. Arun founded and led multiple successful ventures in the Silicon Valley. He founded California Digital, a Linux-based HPC leader, Librato, a software company, and was most recently the CEO of July Systems, which is a location-based mobile management platform. He was instrumental in scaling these companies and finding synergistic exits by merging them with global technology giants like SolarWinds and Cisco Systems. An industry leader, Arun is currently the Chairman of TiE Global. He served as the President of the TiE Silicon Valley Chapter and remains dedicated to fostering entrepreneurship in the technology community.

B.J. Arun

Independent Non-Executive Director

A deep believer in innovation and a customer-first approach, Ankit is a thought leader in the evolving optical and radio digital network space. As the Managing Director of STL, he guides the strategic roadmap of the Company.

He played a crucial role in STL's global expansion, helping establish the Company's presence in over 100 countries. He executed strategic joint ventures, M&As and greenfield projects across Brazil, China and Italy. An Economic Times '40 under Forty' business leader, he is committed to D&I and environmental sustainability. Under his stewardship, STL became 'zero waste to landfill' certified and is now on its way to becoming a net zero emissions company by 2030. Prior to STL, Ankit led the Corporate Strategy of Vedanta Resources and played a key role in Vedanta's strategic transactions, including its US$8.6 billion acquisition of Cairn India, and US$2.6 billion bid for ASARCO. During his time at Deutsche Bank (London), he played a significant role in cross-border transactions such as Tata Steel's acquisition of Corus for US$12 billion and Eurasian Natural Resources' US$2.7 billion IPO. He holds a Bachelor's degree from the University of Southern California and an MBA degree from London Business School.

Ankit Agarwal

Managing Director

LEADERS THAT TRANSLATE VISION INTO REALITY

Ankit Agarwal

Managing Director

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Mihir is a seasoned professional with 20+ years of experience in Finance, M&A, Strategy, and General Management. As the Chief Financial Officer of STL, he has been instrumental in delivering consistent shareholder value through strong financial performance, deep industry alliances and high internal efficiencies.

Prior to joining STL, Mihir co-founded a contemporary digital media content company based in Mumbai and worked as Chief Strategy Officer & CFO at Zee Entertainment, where he helped the Company transform from a television broadcaster to a 360-degree entertainment conglomerate, and increase market cap 3X to US$9 billion. He held key leadership positions at Godrej Consumer Products, Novartis Pharma and Ernst & Young. He is a qualified Chartered Accountant and an MBA from the Indian School of Business.

Mihir Modi

Chief Financial Officer

K.S. Rao

Chief Corporate Officer

KS Rao joined STL in 1993 to set up India's first optical-fibre cable plant in Aurangabad, and having worked at most functions within the Company in the capacity of COO Telecom & CEO Network Services, he is a key part of the STL leadership. As Chief Corporate Officer (CCO), he leads the Strategic Supply Chain, Global Policy Advocacy, and Legal & Contract Management functions to enable our future growth phase at STL. He leads the Company's Digital India programme towards building robust telecom infrastructure for the country's economic development by designing, building and managing broadband networks for critical areas within Defence, BharatNet, Smart Cities and Public and Private Telcos. He was instrumental in STL's growth in fibre, cables, services and business operations across six locations, including China and Brazil. Under his leadership, STL emerged as a global player in the optical fibre and cables business.

He is also actively involved in various social initiatives in Marathwada. Under his leadership, STL undertook adoption of villages for holistic development of rural India, water conservation through check-dams, women empowerment and creation of green zones. Our natural-resource management initiative led to the construction of over 20 check-dams in 16 villages, helping effectively deal with drought in Marathwada.

Chris
Rice

CEO-Access Solutions Business

Chris brings 25+ years of experience in the telecom industry. He is a recognised leader and pioneer in software-defined networks and systems. He is known for driving engagement of the broader Telco ecosystem in open-source networking efforts. Prior to STL, he was the Senior Vice President of AT&T, where he led a multi-year technology strategy and vision for the network and the underlying system's evolution. He also led AT&T's pivot to software-defined networking (SDN), leading the team that built the fundamental automation and platform capabilities to drive this shift. Over a four-year period, he and his team converted over 75% of the network to a software-defined architecture. Chris holds an MBA from the University of Central Florida, a Bachelor's and Master's degree in Electrical Engineering from Virginia Tech and is a graduate of Rutgers' wireless information networks laboratory (WINLAB) programme.

A proven senior executive and a strong strategic thinker, Praveen has close to three decades of experience in handling high growth teams and business units across multiple industries. He comes with diverse experience ranging from leading large business units to sales, service delivery, marketing & strategy, and business operations with local and international exposure.

Prior to joining STL, he headed the Infrastructure Services business for IBM across India/South Asia region. He has performed various other roles, including CEO of Network Solutions, Director and Head - Cloud Services Business, and Practice Leader for the Asia Pacific region.

He started his career at Wipro Infotech and was instrumental in growing the services business of IBM and leading relationships with many of IBM's strategic clients. He is an Engineer in Electronics and Communications with an MBA in Sales and Marketing. He has completed Executive Leadership Programme from Cornell University and Sales Leadership Programme at INSEAD. He has served on the Board of two IT Services companies in India.

Praveen
Cherian

CEO - Global Services Business

Paul
Atkinson

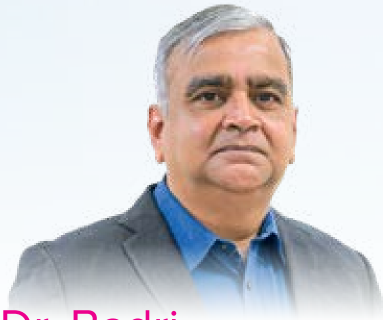
CEO - Optical Network Business

Paul is an industry expert with 30+ years of experience across multiple industries. Prior to joining STL, he was the Managing Director and Group CEO at IXOM. He has deep expertise in the optical space and was associated with the Prysmian Group for 20+ years as the CEO of affiliates and regions across the world. During this stint, he led multiple successful business integrations and was pivotal in delivering non-linear growth across business lines and geographies. He holds a degree from Melbourne Business School and Monash University.

Executive Leadership

Raman
Venkatraman
CEO - STL Digital

Raman is an industry stalwart who has ~30 years of experience spanning multiple leadership roles across geographies. He also holds vast domain knowledge and expertise of managing mega-scale service offerings across the globe. Before STL, he was associated with TCS as the Senior VP and Global Head of Hitech and Professional Services vertical and the Global Head of Alliances and Partnerships. He has built technology practices, which have since grown into large businesses for TCS globally. He holds a Master of Engineering [ME] degree in Electronics & Communication from the Indian Institute of Science (IISc).



Dr. Badri
Gomatam
Group Chief Technology Officer

With close to 30 years of experience in the wired and wireless communications industry, Badri guides the Company's technology vision. He joined STL in 2011 and has since led the Company's transition to an end-to-end solutions enterprise. His deep expertise in semiconductors, photonics, enterprise, access and long haul networks helped shape this evolution. Under his leadership, the Company today has over 733 patents to its credit. He holds an MS and Ph.D. from the University of Massachusetts, Amherst, and a Bachelor of Science from the Birla Institute of Technology, Mesra.

Anjali
Byce
Chief Human Resources Officer

As STL grows exponentially, Anjali and her team are helping build an agile and culturally strong organisation by running impactful programmes on talent, culture, values and diversity. She comes with extensive experience in building culture, driving change, creating high-performance teams, learning and development and industrial relations. She has also worked at SKF, Tata Motors, Bajaj Allianz Life Insurance, and Cummins and Thermax. She has a Master's in Human Resources from the Symbiosis Centre for Management and HRD, and in Applied Psychology from the University of Delhi.

Manish Sinha

Chief Marketing Officer

From being an innovation catalyst, a customer champion and a storyteller, Manish has a multi-faceted personality. Starting his career as a consultant with McKinsey, he has also led business planning at WNS and Capital One. He has been a 'start-up guy' at Quikr Homes and Common Floor. He is an engineering graduate from IIT Delhi and an MBA from IIM Calcutta. Since joining STL in 2017, he has been the driving force behind STL's rebranding efforts and has built a vibrant digital presence for the Company. Leading customer engagement for STL, he has developed robust marketing capabilities for the organisation to grow exponentially and be future ready. An enthusiastic culture champion, analyst and visionary, he has become the face of change for STL.

Manuj comes with 20+ years of experience in the IT and Technology space, having extensively worked in architecture, product development, process re-engineering, analytics, visualisation, automation, digitisation and data science domains. In his earlier roles, he was associated with companies like Paypal, AIG, USDA, Amedisys, and Sprint spanning the US, Canada and India. He is a Computer Engineer from Mumbai University and has a Master's certificate in Project Management from George Washington University.

Manuj Desai

Chief Information Officer

Akanksha Sharma

Global Head ESG - CSR and Sustainability

Passionately working for an 'inclusive and sustainable world', Akanksha leads the Company's ESG Practice creating 'exponential impact' through innovative solutions leveraging technology, innovative financial models and partnerships for social impact and climate action. She brings one and a half decades of eclectic global experience in leadership roles spanning four continents with organisations such as UNICEF, Vedanta and Jubilant FoodWorks. At STL, she leads the continuum of ESG practices—sustainability, climate action, CSR and sustainable finance and integrates them into the business strategy, value chain, investor relations and brand positioning.

Leveraging her insights cutting across sectors, she identifies opportunities, helps mitigate risks for sustained business bottom-line and facilitates improved ESG ratings. With extensive experience on an array of international development initiatives of multi-million fund size on — climate action (clean energy, net zero emissions, circular economy, sustainable sourcing), poverty alleviation, tech for good, public healthcare, ed-tech, gender equality, as well as rural and urban development, she is innovatively driving the narrative through multi-sectoral partnerships, policy discourse and effective execution. She is widely recognised for her work with accolades like 'Most Impactful ESG Leaders Globally', 'Asia's Top Sustainability Leaders', 'Young CSR Leader', 'Influential Sustainability Leaders', among others. She has done her Master's in Sustainable Development from the University of Sussex; MBA from IBS, India and an advanced programme on ESG from Harvard Business School.

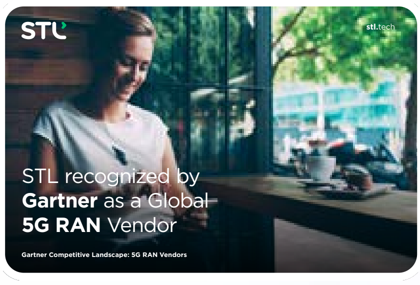
RECOGNITIONS THAT MAKE US PROUD

ET Best Place To Work for Women

We were recognised as the 'Best Organization for Women in 2022' by The Economic Times, which highlights our trailblazing diversity and inclusion efforts. With this, we are inspired to set new standards by empowering female colleagues and building diverse teams. We encourage diversity of thought, new ways of working, equal opportunity and creative problem-solving. We see diverse teams exhibiting better operational performance and increased innovation.

Golden Feathers Award for Quality Excellence and QHSE Best Practices

We bagged the Quality Excellence Award for Best QHSE Practices (Telecom Projects/ Services Sector) at the Golden Feathers Awards. This award acknowledges our accomplishments in ensuring high-quality standards for service delivery in telecom projects. Our Global Services Business led the way in implementing the highest standards of quality, health and safety in its large-scale nation-building telecom projects.



5G RAN, Digital Marketplace and BSS Vendor by Gartner

As per Gartner reports, we were recognised as a 5G RAN vendor and a key enabler in the 'enhanced partner ecosystem support' in the digital marketplace. Gartner has published the **2021 Market Guide for 5G Small Cell Equipment** in which we were recognised as a key open vRAN vendor. The report covers 13 vendors with high visibility and traction in the 5G small cell market. In another report **'Expand CSPs Monetisation with 5G, AI, Edge Compute',** Gartner highlighted us as a key 'BSS vendor offering 5G charging function (CHF) to develop and promote new pricing levels for monetisation', underlining our expertise in delivering end-to-end digital enterprise marketplace solutions.

Global CSR Excellence Award

This coveted award is organised by the Energy and Environment Foundation, which recognises companies that are taking the responsibility to define a future based on the ethics and values of corporate citizenship. We were acknowledged for our commitment to CSR practices in healthcare, education, environment and women empowerment. While working with communities for over a decade, we incorporated learnings to develop more inclusive, tech-driven and sustainable programmes.

'Top 10 RAN Vendors' by STL Partners

We were featured in the *'Top 10 vendors in 2021 to watch out for'* list by STL Partners. We recently invested and partnered with ASOCS to deliver full-stack solutions to enterprise and telco customers. We aim to integrate our services and system integration expertise with ASOCS' extensive vRAN 5G portfolio to facilitate a new generation of best-in-class virtualisation solutions for radio.

Live a STLer's life today

STLers love a challenge! We love the work we do and we place diversity, equity and inclusion at the heart of our work culture. As you step into the STL workplace, you will unequivocally sense the energetic and thought-provoking environment that makes us a Great Place to Work (GPTW). Experience the joy of enabling world-class connectivity by becoming a STLer today.

AIMING TO ACHIEVE GLOBAL LEADERSHIP

In this year, we have achieved our highest ever revenue of (+5,700) crores, a growth of 19% y-o-y and we are very poised to grow further in FY23. We have delivered cutting-edge solutions in FY22. With a great market opportunity and the potential that lies for us, our target and our vision is to be amongst top three global players in the near term and achieve this global leadership.

Revenue
(₹ in crores)

FY22	**5,754**
FY21	4,825
FY20	5,154
FY19	5,087
FY18	3,205

CAGR ↑16%
GROWTH y-o-y ↑19%

EBITDA
(₹ in crores)

FY22	**594**
FY21	854
FY20	1,104
FY19	1,164
FY18	789

CAGR ↓-7%
GROWTH y-o-y ↓-30%

EBIT
(₹ in crores)

FY22	**269**
FY21	568
FY20	813
FY19	969
FY18	606

CAGR ↓-18%
GROWTH y-o-y ↓-53%

RoCE
(₹ in crores)

FY22	**6**
FY21	13
FY20	22
FY19	34
FY18	30

	Unit	FY18	FY19	FY20	FY21	FY22
Consolidated Numbers						
Revenue	₹ crores	3,205	5,087	5,154	4,825	**5,754**
Growth	%	24	59	1	-6	**19**
EBITDA	₹ crores	789	1,164	1,104	854	**594**
EBIT	₹ crores	606	969	813	568	**269**
PBDT	₹ crores	685	1,058	883	651	**353**
PAT (After minority interest)	₹ crores	334	563	472	275	**62**
Capital Employed	₹ crores	1,993	2,845	3,770	4,244	**4,665**
Diluted EPS	₹	8.3	13.8	10.6	6.9	**1.5**
Net Revenue	$ million	427	678	687	643	**767**
EBITDA	$ million	105	155	147	114	**79**
EBIT	$ million	81	129	108	76	**36**
PBDT	$ million	91	141	118	87	**47**
PAT (After minority interest)	$ million	45	75	63	37	**8**
Ratios						
Return on Capital Employed	%	30.4	34.1	21.6	13.4	**5.8**
EBITDA Margin	%	24.6	22.9	21.4	17.7	**10.3**
EBIT Margin	%	18.9	19.0	15.8	11.8	**4.7**
PBDT Margin	%	21.4	20.8	17.1	13.5	**6.1**
PAT Margin	%	10.4	11.1	9.2	5.7	**1.1**
Effective Tax Rate	%	26.5	32.2	20.5	30.5	**33.9**

Conversion rate 1 USD = ₹75
The numbers reported above in this section are before considering exception item.

RISING INVESTMENTS IN DIGITAL NETWORKS

At a macro level, the overall digital infrastructure is well-poised for rapid and sustained growth. We can foresee that the network creators and governments will continue to invest heavily in building digital networks.

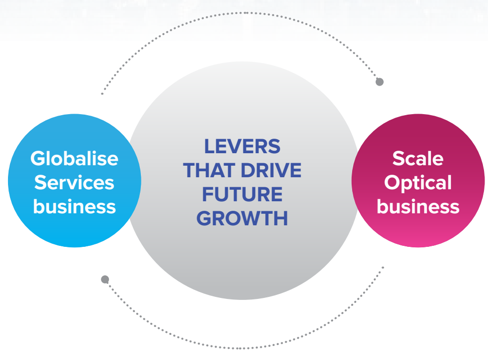
To meet the evolving consumer expectations, very high CapEx is required. Telecom operators from around the world have announced significant plans to invest in their network. According to a report from CRU, the US will see over US$275 billion investments by telcos, cable MSOs, internet content providers, along with government stimulus in 2022 alone. AT&T alone is set to raise its CapEx from US$16.5 billion in 2021 to US$20 billion in 2022. Bharti Airtel in India plans to invest US$15 billion in CapEx through four subsidiaries. BT's Openreach will invest £15 billion over the next five to six years as part of their massive fibre rollout programme. Italy's Open fibre is also planning a US$11 billion investment as part of a new 10-year strategy. On the government side, various incentives and programmes were announced. In India, the Finance Minister's recent budget speech reiterated the government's vision to connect the remaining 3,60,000 villages. Contracts for laying fibre are expected to start getting awarded in 2022 and 2023, with a view of completion by 2025. On the private sector side, telcos and ISPs are expected to deploy more than 2,00,000 cable kms in FY23. Bharti Airtel has ambitious plans to target 40 million homes by 2025. All these developments bode well for the cable and optical interconnect demand. The UK Government has set a target of delivering 'gigabit capable broadband' to 85% of the UK population by 2025 aided by the £5 billion 'Project Gigabit' support fund. In France, the government has allocated € 570 million to roll out fibre to the country's rural areas, with the aim of achieving full coverage by 2025.

We see that these CAPEX investments are powering the deployment of 5G, FTTH, data centres and open RAN. According to CRU, 5G SA deployments are expected to reach global critical mass in the next two to five years enabled by massive 5G investments totalling US$500 billion between 2022 to 2025. The number of subscribers is projected to grow from 0.65 billion in 2021 to 3.5 billion by 2026. Lastly, Open RAN is moving from the pilot phase to the initial deployment phase globally in 2022 and large-scale deployments seem likely by next year. According to CRU, the global optical cable demand is expected to grow at a CAGR of 7% from 2021 to 2024, with India, North America and Europe expected to grow at a CAGR of 16%, 12% and 6%, respectively, over the same period.

We anticipated the technology confluences that are shaping the future of digital networks well in advance and have been building capabilities to win in this decade of network creation. We have been in the industry for the last 25 years in providing end-to-end solutions in the optical connectivity space. In our Optical Networking business, we gained market share in Europe, North America and Latin America. We increased our optical interconnect attach rate from 3% in FY21 to 11% in FY22. Our approach of providing an end-to-end optical solution of optical fibre cable plus interconnect has yielded results. In our global services business, we announced our first orders in Q1 FY22 and follow orders in Q2 FY22, mainly for FTTx mantra to connect homes with broadband. We made significant headway in our global services business with orders from various telecom players in the UK to roll out their fibre network. For instance, we announced partnership with Netomnia, a wholesale fibre network operator in the UK to support their plans to deploy ultrafast full-fibre broadband in multiple cities by 2023. We believe this will provide our international customers with a more comprehensive products and services portfolio and expand our global footprint in this business segment.

To further strengthen execution in the UK, we acquired Clearcomm in the Q1 FY22, which is a provider of end-to-end optical network integration services in the UK. In our wireless business, we achieved significant milestones in product development. We announced general availability for Garuda, our 5G small cell, pFTTx and Wifi6. We are targeting general availability for our 5G radio unit and RIC. Therefore, we are looking at achieving full portfolio in FY23.

In FY22, we relentlessly focussed on our levers to drive our future growth:



Financials at a glance
(₹ in crores)

Particulars	FY22	FY21	y-o-y
Revenue	**5,754**	4,825	19%
EBITDA (Before Exception)	**594**	854	-30%
PAT (after minority interest)	**62**	275	-78%
EBITDA margin (%)	**10%**	18%	
EPS (Diluted) (₹)	**1.55**	6.85	-77%
Net Profit Margin (%)	**1%**	6%	
ROCE (%)	**6%**	13%	

Revenues

We recorded the highest-ever revenue of ₹5,754 crores during FY22, which is 19% higher compared to last year. This year, we generated 58% revenue from outside India. Export revenue for the year stood at ₹3,323 crores, higher by 63% as compared to last year. This performance is a result of our balanced and consistent focus on our customer segments and geographical expansion. Looking ahead, we are working towards increasing our share in the telco and cloud segments and are expanding in Europe, the Middle East and America.

Profitability

Earnings before interest, tax, depreciation and amortisation (EBITDA) stands at ₹594 crores in FY22 translating into an EBITDA margin of 10%. EBITDA margin dropped in FY22 on account of one-time provisions and investments made in the wireless business, which is under the pre-revenue stage.

The Company's interest cost increased from ₹203 crores in FY21 to ₹241 crores in FY22 on account of an increase in borrowings and interest rates.

The depreciation for the year was ₹326 crores compared to ₹285 crores in the previous year due to capitalisation of fibre and cable facility, and acquisition of Optotec and Clearcomm.

Tax expenses for the year were ₹15 crores, implying a tax rate of 34% compared to ₹111 crores in FY21 with a tax rate of 31%. The difference in the tax rate for the current year vis-a-vis the benchmark tax rate is broadly on account of the creation of a tax shield at a lower statutory income tax rate for overseas subsidiaries, which is partially offset by lower tax outflow on account of capital gain.

The net profit after tax after minority interest before exception item for the year thus is ₹62 crores, compared to ₹275 crores for last year showing a decrease of 78% y-o-y.

Dividend

In continuation of the progressive dividend policy, the Board of Directors recommended a final dividend of 25%, ₹0.50 per equity share subject to the approval of shareholders.

The gross block increased from ₹5,043 crores as on March 31, 2021, to ₹5,540 crores as on March 31, 2022, due to capitalisation of optical fibre and optical fibre cable facility, acquisition of Clearcomm group and investments in wireless solutions business, partially offset on account of receipt of government grant (MSIPS).

The capital work-in-progress stood at ₹142 crores at the end of FY22 as against ₹227 crores at the end of FY21. We are in the process of setting up a new facility for the expansion of fibre cable capacity and are making strategic investments in the Wireless Solutions business.

Balance sheet

Particulars	FY22	FY21
Net debt (₹ crores)	**2,782**	2,410
Net debt-equity ratio	**1.36**	1.16
Debtors turnover ratio	**3.37**	3.32
Inventory turnover ratio	**6.25**	7.70
Interest coverage ratio	**2.46**	4.20
Current ratio	**1.03**	1.00
Return on net worth	**3%**	13%

Borrowing, cash and bank balance

Our gross debt increased from ₹2,839 crores as of March 31, 2021, to ₹3,311 crores as of March 31, 2022. The total cash and bank balance, coupled with current investments at the end of FY22, was ₹530 crores against ₹429 crores at the end of FY21.

Our net debt increased from ₹2,410 crores as of March 31, 2021, to ₹2,782 crores as of March 31, 2022, mainly due to capacity expansion and the Clearcomm group acquisition. Our net debt-equity ratio stood at 1.36 at the end of FY22 as compared to 1.16 at the end of FY21.

Working capital
(₹ in crores)

Particulars	March 22	March 21
Inventories	**920**	626
Trade receivables	**1,706**	1,451
Current investment	**0**	181
Cash and bank balances	**530**	248
Others, including loans and advances	**1,825**	1,961
(A) Total current assets	**4,981**	4,468
(B) Total current liabilities	**3,044**	2,861
Working capital (A-B)	**1,937**	1,607

Our current ratio stood at 1.03 times as on March 31, 2022 against 1.01 on March 31, 2021. The increase in the current ratio is primarily on account of increased global operations.

Return on Capital Employed (ROCE) and capital structure

The ROCE in the current financial year declined to 6% as against 13% a year ago. Capital employed stood at ₹4,660 crores as of March 31, 2022, compared to ₹4,244 crores as on March 31, 2021.

Our total equity as of March 31, 2022, stood at ₹2,042 crores as against ₹2,085 crores on March 31, 2021.

DIGITAL TRANSFORMATION GATHERS IRREVERSIBLE MOMENTUM

As the world recovers from the effects of a two-year pandemic, FY23 holds a lot of hope and promise for the global community. The experience of adapting to the relentless challenges posed by COVID-19 has created an everlasting and irreversible shift in the way consumers and businesses think and function. There is wider appreciation of digitalisation, which resulted in greater interest in the adoption of online services.

The insatiable appetite for data has further compounded due to remote and hybrid working models. According to a report by CRU, total global mobile data traffic reached 65 EB per month at the end of 2021 and is projected to grow by a factor of ~5 to reach over 240 EB per month in 2026. Of that, video traffic currently accounts for 66% of all mobile data traffic and is expected to increase to 77% in 2026. In addition, there is greater interest in subscribing to fixed wireline networks.

Looking ahead to 2022, according to estimates in CRU report, yearly total internet traffic will increase by ~50% from 2020 levels, reaching 4.8 zettabytes. This is equivalent to 1,50,000 GB per second. Now more than ever, consumers will demand faster speed, lower latency and greater bandwidth. These are all key drivers for more agile, resilient and high-capacity network integration.

Network creators are investing big

To meet the evolving consumer expectations, high CapEx is key. Telecom operators from around the world announced significant plans to invest in their network. According to a report from CRU, the US will see over US$275 billion investments by telcos, cable MSOs, internet content providers, along with government stimulus in 2022 alone. AT&T alone is set to raise its CapEx from US$16.5 billion in 2021 to US$20 billion in 2022. Bharti Airtel in India plans to invest US$15 billion in CapEx through four subsidiaries. BT's Openreach will invest £15 billion over the next five to six years as part of their massive fibre rollout programme. Italy's Open fibre is also planning a US$11 billion investment as part of a new 10-year strategy.

Additionally, several governments announced their intention to fund fibre/broadband connectivity to bridge the digital divide. The Indian Finance Minister, in her recent budget speech, reiterated the government's vision to connect 3,60,000 villages through broadband. The UK Government has set a target of delivering 'gigabit capable broadband' to 85% of the UK population by 2025 supported by the £5 billion 'Project Gigabit' support fund. In France, the government allocated €570 million to roll out fibre to the country's rural areas, with the aim of achieving full coverage by 2025. The US similarly is seeing multiple state and federal subsidies for pushing broadband connectivity in rural and underserved areas. Some of the acts/subsidies that have provisions for broadband deployment include Rural Digital Opportunity Fund (RDOF), Broadband Equity, Access, and Deployment (BEAD) programme.

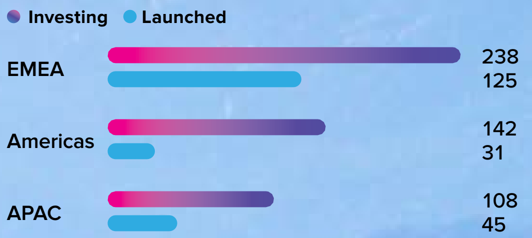
5G, FTTH and Data Centre connectivity are key market drivers

5G launches and device commercialisation are gathering pace

5G has gained rapid traction and as on end of February 2022, 487 operators in 145 countries/territories were actively investing in 5G, including trials, acquisition of licences, planning, network deployment and launches. Of those, 209 operators launched commercial 3GPP-compatible 5G services across 83 countries. The EMEA region recorded 125 launches, followed by the APAC region and the Americas.

Figure 1: 5G services launch and device commercialisation gathers pace

Operators launched or investing in 5G commercial services (as of February 2022)
(Nos.)



Source: CRU Report

5G devices announced and commercially available
(Nos.)

Source: CRU Report

Some of the promising 5G developments across major markets are as follows:

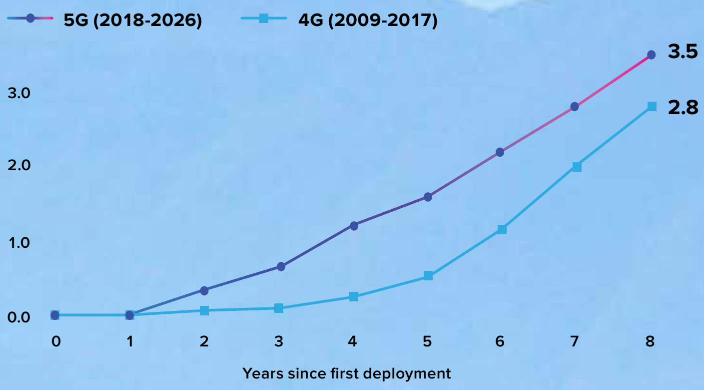
1. **China** ended 2021 with 1.43 million 5G base stations across the country. The 5G network now covers all prefecture-level cities, over 98% of county-level urban areas and 80% of township-level urban areas across the country as of February 2022.
2. **T-Mobile (US)** expanded the availability of its 5G-based home internet service across new locations, totalling 62 cities and towns in Indiana, Kentucky, and Ohio as of end-February.
3. **Rogers Communications (Canada)** announced the launch of its standalone (SA) 5G core network in October 2021, the first Canadian operator to launch a nationwide SA 5G network.
4. **Vodafone (Germany)** launched its 5G standalone network in April 2021, but the Company has claimed that the entire 5G network will rely on SA architecture by 2023.
5. **France** had 32,107 authorised 5G sites by the end of January 2022, although almost all of the 5G sites are based on existing cellular sites.

6. In May 2021, the **Department of Telecommunications (DoT, India) awarded Reliance Jio Infocomm, Bharti Airtel, and Vodafone Idea** 5G trial spectrum for six months in the 700 MHz, 3.5GHz and 26 GHz bands. They also received a six-month extension to conduct further 5G trials until May 2022.

The long-awaited 5G spectrum auction is expected this year. According to a report by CRU, uptake of 5G is notably faster than 4G with the former reaching 1 billion subscriptions two years earlier than the time taken by the latter driven primarily by China. As per the report, global 5G subscriptions are estimated to reach 4.4 billion by the end of 2027, accounting for 49% of all mobile subscriptions. Key markets like China, Americas and Europe are set to lead this trend with 5G subscription of 78%, 61% and 61%, respectively by 2027.

Figure 2: 5G subscriptions are estimated to reach 1 billion two years earlier than 4G

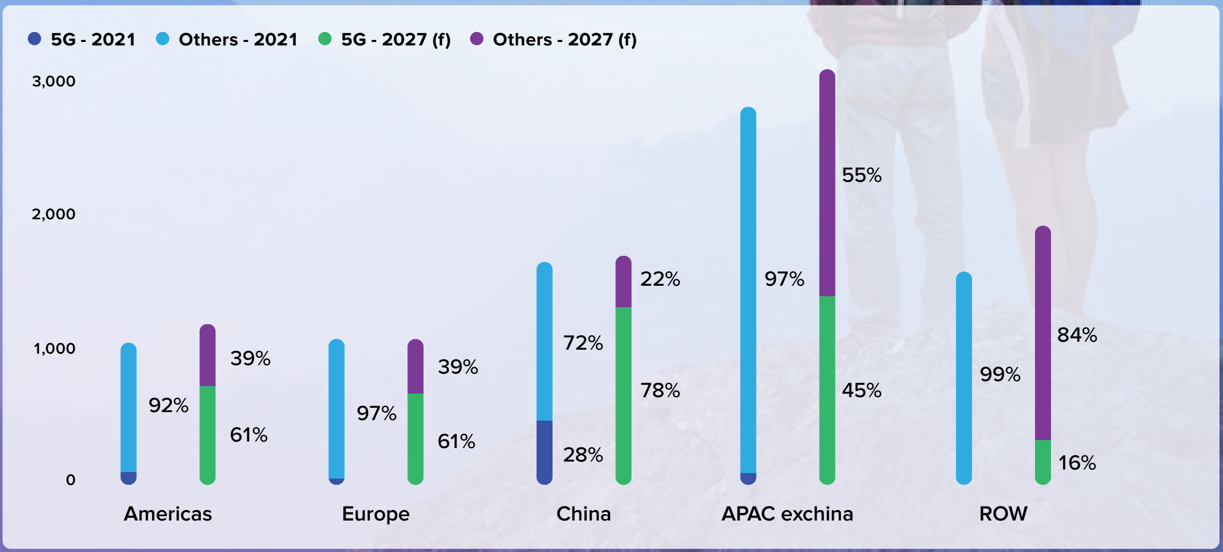
5G vs. 4G subscription uptake in the first years of deployment
(Billion users)



Source: CRU Report

Figure 3: 5G subscriptions to dominate the total mobile subscription base across key markets by 2027

Mobile subscriptions by region and technology in 2021 and 2027 (f)
(million and %)



Source: CRU report

In addition to the aforementioned developments in the 5G space, 5G compatible devices also grew over the last year. As per CRU report 1,000 commercial 5G devices as of end-March 2022, which is over twice the number from a year ago. The trend is encouraging as the industry begins to gradually shift its focus on new 5G applications and ecosystem development. Looking ahead, CRU expects that the 5G standalone (SA) deployments will reach global critical mass in the next two to five years enabled by massive 5G investments, totalling US$500 billion between 2022-2025. It is encouraging to see more operators launching 5G SA networks. This would need greater cell densification, which in turn will drive cable demand from this application segment for a number of telecom markets over the coming years.

FTTx plans from telcos and governments offer significant opportunities in the US, Europe and India

With the shift towards work from home, hybrid work culture, the demand for FTTH went up significantly. Consumers have realised the value of reliable, high capacity, low latency, symmetric connectivity at home. Going forward, markets like the US, Europe and India will continue to offer great opportunities in this space.

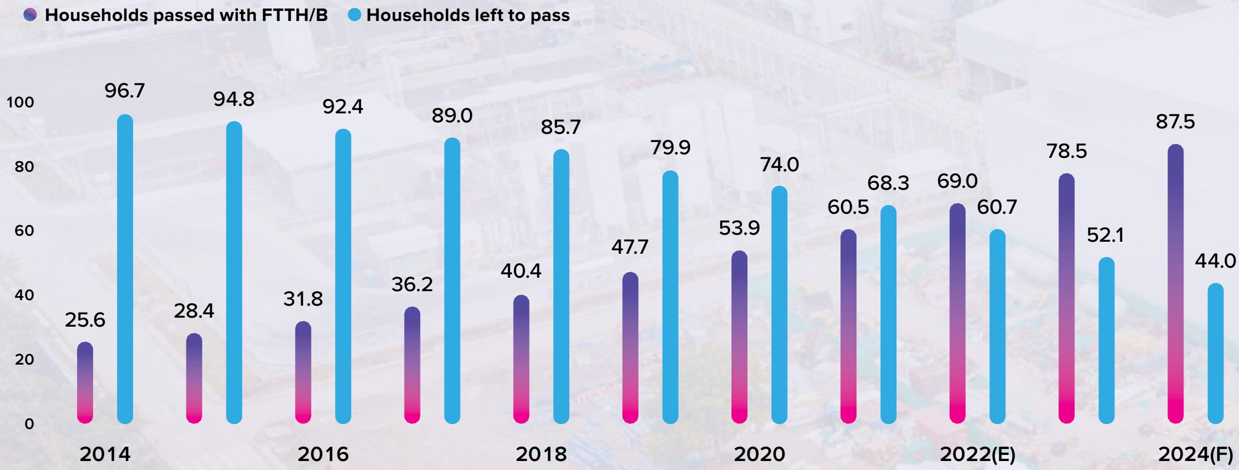
USA

As reported by CRU, the number of homes passed in the US in 2021 grew by a robust 12%, around a 6.6 million y-o-y increase.

In terms of coverage, this puts the US at ~47% of total households (coverage equals the share of homes passed with FTTH/B, of the total US households). As can be seen from the chart below, 2022 will act as an inflection point when it comes to the country's FTTH buildout.

Figure 4: US to pass on average 9 million households with FTTH/B over the coming three years

US households passed with FTTH/B vs. households left to pass, M households
(M households)



Source: CRU Report (E) – Estimate. (F) – Forecast.

The pace of homes passed with FTTH is expected to remain elevated for the next few years as the US embarks on its ambitious rural broadband connectivity schemes like RDOF (Rural Development Opportunity Fund) and BEAD (Broadband Equity, Access, and Deployment programme). The AT&T announced plans to connect 30 million premises by 2025. Verizon is also expected to add significant home passes. Numerous Tier-2 carriers upgraded their deployment programmes. Frontier recently announced it will be accelerating its fibre network construction plans, with a new objective of reaching 10 million homes by the end of 2025. This is an additional 6 million home passes within a four-year time frame. CRU estimates suggest that over US$125 billion is earmarked for FTTH deployments in North America over the next five years.

Europe

Within Europe, there is significant FTTx potential in countries like the UK, Germany and Italy on account of their existing network architecture. Together, these countries account for well over 50 million homes yet to be passed with an FTTH/B solution. CRU's current estimates suggest Europe as a region will pass 28.5 million homes in 2022 with FTTH/B, supporting good FTTx related cable demand. Several telcos in the region announced ambitious FTTH rollout plans. Some of these are:

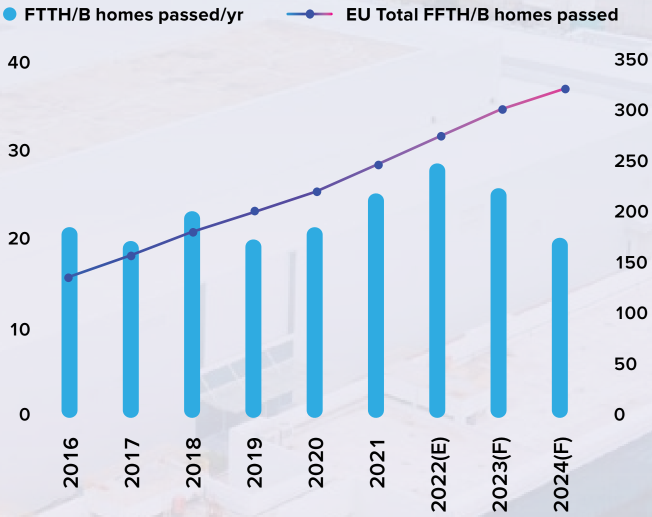
1. **Openreach** plans to pass **25 million** households by 2026
2. Netomnia plans to pass 1 million homes by 2023
3. Hyperoptic is targeting 3 million homes by 2024
4. Community fibre is planning 1 million home passings by 2023

5. Cityfibre is on track to reach 8 million homes across the UK by 2025
6. Italy's Open fibre is targeting a massive 24 million homes by 2031
7. Deutsche Telekom (DT) is entering into an agreement with financial investor KKR to accelerate fibre rollout by creation of a JV called Open Dutch fibre, through an initial investment of €700 million.

In addition to the private telcos, governments are also actively involved in enabling network creation. The Government of the UK set a target of delivering 'gigabit capable broadband' to 85% of the UK by 2025 aided by the £5 billion 'Project Gigabit' support fund. The French government allocated €570 million to roll out fibre to the country's rural areas to achieve full coverage by 2025. All these initiatives are expected to drive higher FTTx related cable demand for the next few years.

Figure 5: Homes passed in Europe to peak in 2022 but remain elevated in 2023

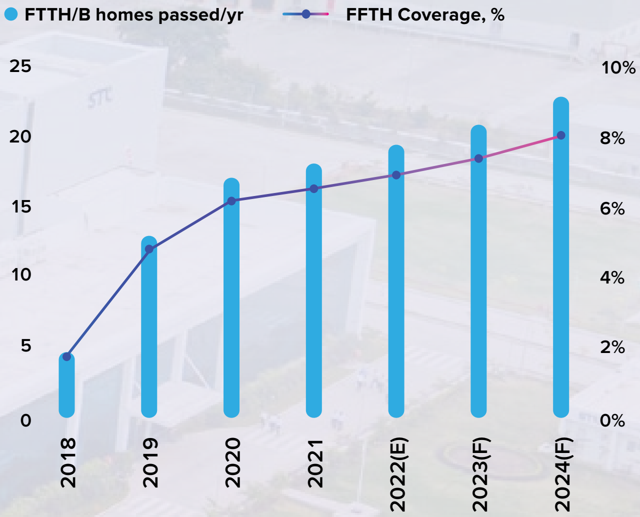
Europe: FTTH/B Homes Passed/Yr vs. Total Cumulative FTTH/B Homes Passed
(M homes)



Data: CRU. (E) – Estimate. (F) – Forecast

Figure 6: FTTH/B coverage in India remains below 10%; strong opportunity for growth

India: Homes passed with FTTH/B vs. FTTH/B Coverage Ratio
(million, %)



Data: CRU. (E) – Estimate. (F) – Forecast

India

India has seen moderate demand over the past few years as the industry faced significant headwinds such as financial difficulties and elevated debt levels, persistent rights of way issues and delays with the BharatNet. FTTH/B coverage is currently at less than 10%, offering significant potential for growth.

The Finance Minister's recent budget speech reiterated the government's vision to connect the remaining 3,60,000 villages. On the private sector side, telcos and ISPs are expected to deploy over 2,00,000 cable kms in FY23. Bharti Airtel has ambitious plans to target 40 million homes by 2025. These developments bode well for the cable and optical interconnect demand.

Data centre connectivity to further enhance cable demand

With the ever-increasing adoption of cloud services by the enterprises, cloud companies are continuously investing in data centre capacities and networks that are closer to their customers. Demand for low latency services along with stringent data localisation regulations provided the much-needed impetus for these investments. Some of the recent developments in this space are:

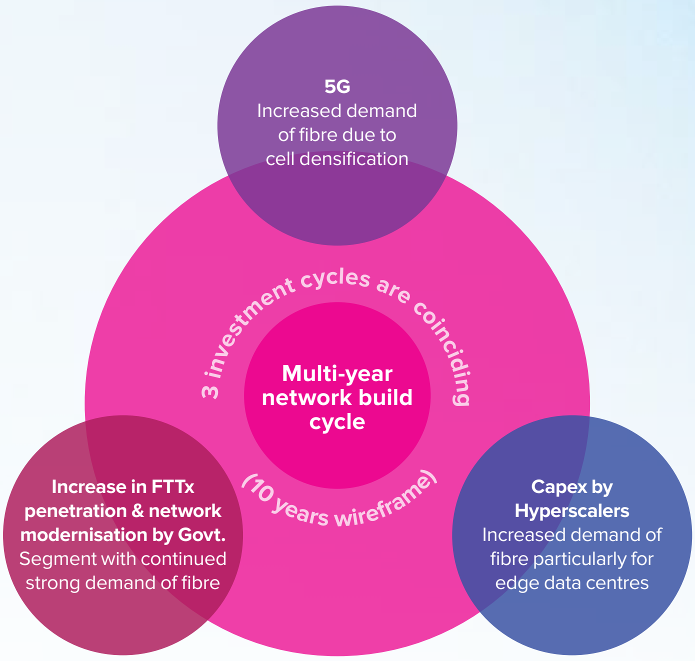
- Amazon Web Services to spend £1.8 billion in the UK over the next two years on building and operating data centres
- Microsoft plans to establish its latest data centres in Hyderabad, Telangana
- Google announces US$9.5 billion investment in US Data Centres and offices
- Oracle opens its first cloud regions in France and Africa in 2021 and plans to add 7 more cloud regions by 2022

Holistically, CRU forecasts that hyperscale data centre operators will double their CapEx levels over the next five years. This investment increase from the hyperscalers is expected to push total global data centre CapEx to US$350 billion by 2026. Investments in data centre capacities facilitate further investments in networks within and between DC campuses. These cables can reach fibre counts in excess of 6,912 fibres. Despite their relatively short spans, they contribute significantly to the total fibre demand. Data centres also open several opportunities in the optical interconnect space.

We are in the mid of a multi-year network build cycle

We have already discussed how digital networks have grown exponentially and are integral to our daily lives. We have also looked at how our customer segments (telecom operators/network creators, cloud firms, citizen networks) are spending billions of dollars to build out these networks to meet this demand. These large expenditures are being leveraged to drive investments in 5G, FTTx and data centres. The areas are currently seeing rapid deployment and commercialisation. This puts STL on a strong growth pitch as we are amid a multi-year network build cycle.

Figure 7: We are at the helm of a multi-year network build cycle



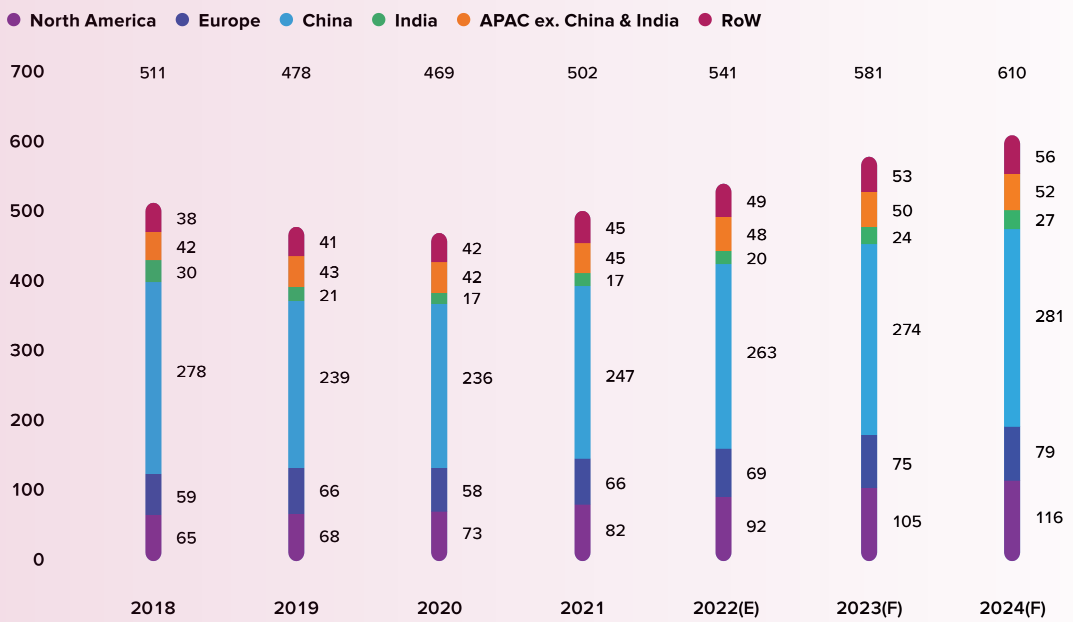
This multi-year network build cycle will have a positive impact on cable demand as well. CRU expects healthy and sustainable growth in global optical cable demand over the forecast period (7% CAGR between 2021-2024). Stand out performances from a regional perspective include:

- North America, where we expect to see demand expand at a CAGR of 12% between 2021-2024
- India, which is set for a 16% expansion
- Ongoing FTTH projects in less-developed countries in tandem with more ambitious FTTH rollouts in advanced nations

These combined with standalone 5G-related network construction, will provide upside potential for optical cable demand, going forward. We expect massive fibre deployments across the globe over the impending four to five years.

Figure 8: Global demand for optical fibre cable

Total optical cable demand by region (M F-km)



CAGR ↑ 7%

Source: CRU Report

Recent market developments that we are closely reviewing

Prices of optical fibre and cable are on the rise over the past year on account of raw material price hikes, inflation and logistical issues.

Raw materials that saw sharp price increases include polymers, metals, specialty coatings (resins) and gas (LNG and Helium). Container prices also shot up exponentially during FY22. We are working on several cost initiatives as well as collaborating with customers on pricing to overcome this challenge.

There is an increasing trend of trade protectionism and domestic material preference.

The European commission has imposed anti-dumping and anti-subsidy duties against import of Chinese optical cable into the EU. The UK and India also opened such investigations. There is a growing preference for sourcing locally manufactured materials. The US is a case in point.

We respect these local regulations and have taken steps to manufacture our cables within the EU and US. Another theme, which has picked up is that of domestic material preference. The best example is the US that relates specifically to access to public funding made available for advancing the country's broadband networks.

Of the US$65 billion made available for developing broadband infrastructure as part of the Infrastructure Investment and Jobs Act (IIJA), 55% of the deployment must be through domestically sourced material.

STL is well positioned to benefit from the network build-out cycle on the back of organic and inorganic growth strategies adopted over the last 5 years. During the period, we invested in acquiring new capabilities, expanding our global footprint, and organically scaling our capacities.

In the optical networking business, we acquired two companies in Italy namely **Metallurgica Bresciana** to expand our OFC manufacturing footprint in Europe and **Optotec** to widen our optical interconnect portfolio globally. In addition, we invested in expanding our installed OF capacity to about **50 million fkm and OFC capacity to 34 million fkm.**

In the global services business, we acquired IDS to offer network services for data centres across Europe and Clearcomm to enable fibre roll-out in the UK.

In the Software and Access solutions business, we invested in **Elitecore** within network software and **ASOCS** in the field of CU and DU in RAN systems.

These strategic investments enhanced our ability to target a higher wallet share of the investments made by our existing customers as well as add new ones. Going forward, we have identified major strategic levers to propel our growth. These levers would be backed by prudent capital management and strong global leadership for each of the business units.

Figure 9: STL growth levers

Scale
Optical business

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

Globalise
Services Business

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

Backed by Prudent Capital Management

Scale OFC market share globally in all focus markets

According to market research firm CRU, we emerged as a global market leader in the optical cable business in 2021. As of FY22, our global optical fibre cable market share, excluding China (in volume terms) stands at around 9%.

In our key overseas markets like Europe and North America, it is ~21% and 6%, respectively. According to CRU, global optical cable demand is expected to grow at a CAGR of 7% between 2021 and 2024, with India, North America and Europe expected to grow at a CAGR of 16%, 12% and 6%, respectively, over the same period. Accordingly, we intend to capitalise on this opportunity and continue to focus on expanding our market share in the global optical fibre cable market, particularly in our focus markets of India, North America and Europe. In this connection, we intend to continue our fibre capacity augmentation programmes, through both greenfield and brownfield investments. We are currently in the process of expanding our optical fibre cable manufacturing capabilities in South Carolina, United States and production is expected to commence in FY23. Additionally, we are implementing measures to enhance the efficiency and utilisation rates of our existing manufacturing facilities in Waluj, India and Italy.

We also intend to increase our market share by continuing to foster deep engagement with key customer accounts besides cross-selling additional products in our comprehensive end-to-end products portfolio. As part of fostering deep customer engagement, we will continue to partner with existing customers on R&D efforts to develop new products and revenue streams.

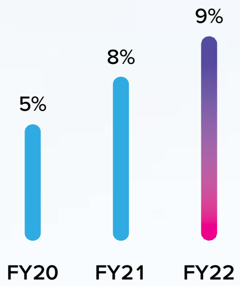
Increase optical interconnect attach rate

We have successfully increased our optical interconnect attach rate (measured by the revenue generated from our optical interconnect business divided by our revenue generated from our optical fibre cable business) from ~3% in FY21 to ~11% in FY22, driven by the acquisition of Optotec. Our optical interconnect products complement our optical fibre cables and are offered as an end-to-end solution under the brand name 'Opticonn'.

We believe this presents a compelling and attractive value proposition to our customers during network deployment as it only requires a single-window serviceability, simplified vendor interaction and ensures a greater fit between the optical fibre cable and optical interconnect products. This, in turn, reduces network

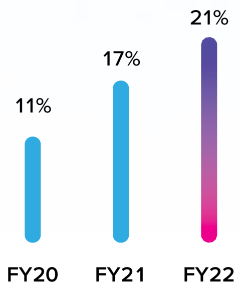
Figure 10: OFC market share

Global ex-China OFC Market share



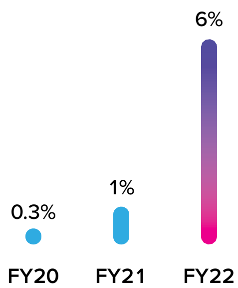
Global ex-China	FY20	FY21	FY22
Market demand (mfkm)	236	239	265
STL Sales (mfkm)	13	18	25
STL Market share (%)	5%	8%	9%

Europe OFC Market share



Europe	FY20	FY21	FY22
Market demand (mfkm)	59	57	64
STL Sales (mfkm)	7	10	14
STL Market share (%)	11%	17%	21%

North America OFC Market share



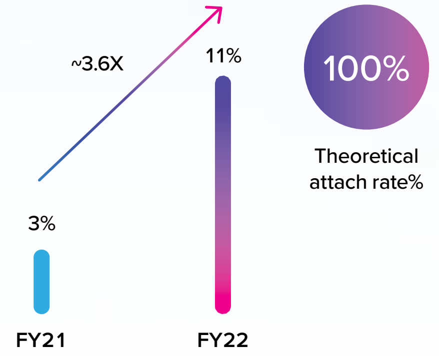
North America	FY20	FY21	FY22
Market demand (mfkm)	70	75	86
STL Sales (mfkm)	0.2	1	5
STL Market share (%)	0.3%	1%	6%

Source: Market Demand - CRU & Sales - Company Data deployment time, need for highly specialised workforce and is more efficient on a total cost of ownership basis.

Our Opticonn solution gained good traction with our customers and we have received multiple orders over the past year, including those from our long-standing customer, Openreach. These orders reaffirm our end-to-end solution strategy and give us more confidence in our capacity to solve problems in a holistic manner.

As we move forward, we intend to further leverage our existing customer relationships with key telecommunications companies and focus on building our optical interconnect portfolio for hyperscalers and data centres to gain new customers. In this pursuit, in addition to our in-house R&D development initiatives, we may augment our capabilities through inorganic initiatives, to expand our product offerings and access to new customers across the globe.

Figure 11: Grow Optical interconnect attach rate



Optical Interconnect Product Portfolio

Focus on growing attach rate to increase customer wallet

Globalise system integration: Focus on India and UK markets

We intend on leveraging our expertise and experience in the global services business through a two-pronged approach:

- Growing the scale of our business in our core India market
- Focusing on expanding the business globally

Focus on strategic customer segments in India

Over the years, we have gained significant experience and expertise in executing large-scale network projects across India, including adverse terrains, dense forest areas and arid conditions for our public and private sector customers. We aim to take advantage of the favourable industry dynamics in the country and are focussing on getting orders from the public and private sectors. The Indian government reiterated its vision to connect the remaining 3,60,000 villages under the BharatNet scheme. The government is expected to start awarding contracts for laying fibre in FY23, with a target of completion in 2025. We intend to play a significant role in accomplishing this vision.

In the private sector, according to CRU, all major Indian telecommunications companies are also expected to deploy over 2,00,000 kms of cable in FY23, including in preparation for 5G rollouts.

We intend to leverage our deep presence and experience in India to tap onto the digital network build-outs in the private sector. Through a solution-based approach, we aim to closely collaborate with our customers to understand their network topology to provide bespoke solutions. This solution combines our optical fibre cables and optical interconnect products with our pFTTx and deployment services to increase our share in the total capital expenditure of our telecommunications customers.

We will continue to engage with large enterprises such as major power grid companies and colocation and cloud companies to establish a strong key account relationship and support their network and security needs. We will explore strategic alliances with network Original Equipment Manufacturers (OEMs) to take advantage of our R&D developments in 5G to undertake new projects involving 5G deployment.

Globalise network services by expanding in the UK

We made significant headway in our global services business with orders from various telecom players in the UK to roll out their fibre network. For instance, we announced partnership with Netomnia, a wholesale fibre network operator in the UK to support their plans to deploy ultrafast full-fibre broadband in multiple cities by 2023.

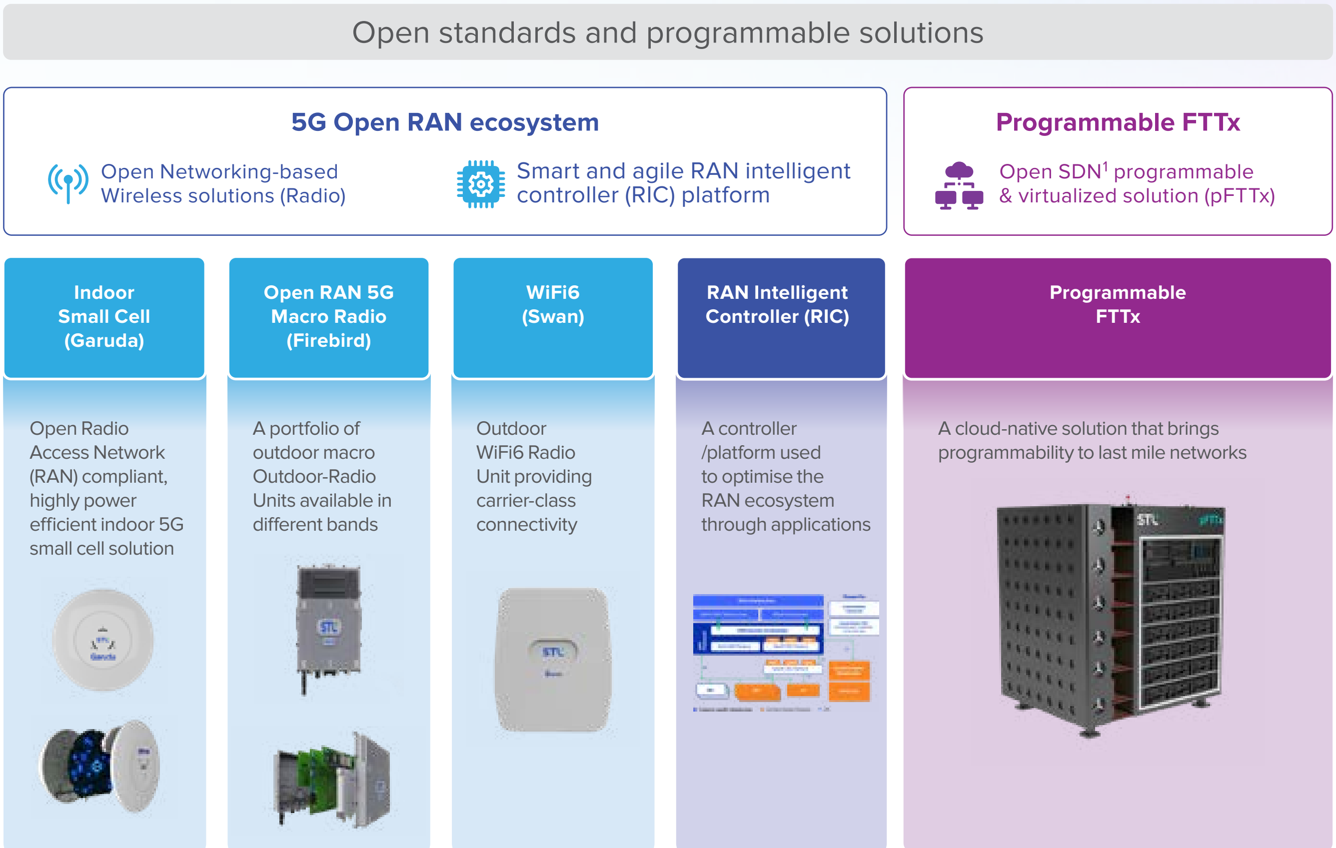
We believe this will provide our international customers with more comprehensive products and services portfolio and expand our global footprint in this business segment. To complement our organic growth, we acquired Clearcomm Group Ltd in 2021 to enhance our network deployment capabilities and provide us with increased on-the-ground presence and access to new customer relationships.

We intend to focus on securing more projects and accelerating their execution for faster cash generation.

To achieve this, we will seek strategic partnerships with Tier-1 telecommunications companies and network creators to increase our market share in the UK. We will also continue to employ our strategy of collaborating with our customers and industry participants.

We are exploring joint go-to-market initiatives with technology vendors to develop technologically advanced integrated solutions for our customers. We will work towards establishing our competitive advantage through the STL Academy to build our talent pool in anticipation of our network deployment plans in India and the UK.

Figure 12: Open standards and programmable solutions



[1]Software Defined Network

All growth levers to be backed by prudent capital management

The above-mentioned growth levers would be backed by prudent capital management. For the past few years, we focussed our investments and capital expenditure on establishing and expanding each of our four business units.

Figure 13: Prudent capital management

Growth backed by prudent Capital Management

We've made significant investments over the last few years across our business

	Optical Networking	System Integration
Capability	Optical Interconnect (Optotec)	Data Center Interconnect Services (IDS)
Global Footprint	Europe (Metallurgica Besciana) US Plant[1]	UK (Clearcomm)

We will continue to make calibrated financial decisions to

- Capitalise on favourable industry trends by allocating out CapEx primarily towards growing our optical networking business in the US
- Optimise debt to maintain favorable D/E ratio and reduce finance costs

[1]Ongoing investment

In addition to such strategic investments to improve our manufacturing capacity, provide access to global Tier-1 customers and strengthen our capabilities, we sought to streamline our business and improve our balance sheet by identifying and disposing of non-core and/or non-performing assets so that we can better focus on our key growth engines.

For example, in FY22, we divested our 64.98% stake in Maharashtra Transmission Communication Infrastructure Limited (MTCIL) and our stake in Metis Eduventures Private Limited (Adda), a technology company, catering to the educational needs of Tier-2 and Tier-3 cities. Such divestments of non-core assets will enable us to direct our attention and resources towards our core businesses in our focus markets and realise cash flows from the sale of such assets to maintain an optimal balance sheet that can support our future business plans.

We generated revenues of ₹5,754 crores in FY22, which is 19% more than FY21 and our highest ever revenue. We believe we have been able to achieve this primarily through our efforts to grow our business significantly in our focus markets in the United States and Europe, which accounted for 47% of our revenue from operations as of FY22. We intend to continue to grow our revenue from operations and direct our efforts towards these focus markets.

Additionally, we intend to capitalise on the industry trends and allocate our capital to grow our optical networking business in USA, Europe and India.

We intend to improve the profitability of our business through several margin expansion drivers. For instance, in view of the rising raw materials and logistics costs, we intend to implement additional cost-saving initiatives at our manufacturing facilities. These measures include:

- Reducing raw materials costs by sourcing alternative substitute materials and vendors
- Optimising our manufacturing processes to reduce the consumption of raw materials

Additionally, we may consider increasing the prices of our optical fibre cables to pass on any increases in raw materials and logistics costs and improve our profit margins.

We are in the middle of an exciting network build cycle, which is being driven by new technologies and converged architectures. With our strategic capabilities across optical, services, software and wireless, a world-class leadership team and ever strong connection with our larger purpose of transforming billions of lives, we are all set to take the lead in connecting the world.


STL
beyond tomorrow

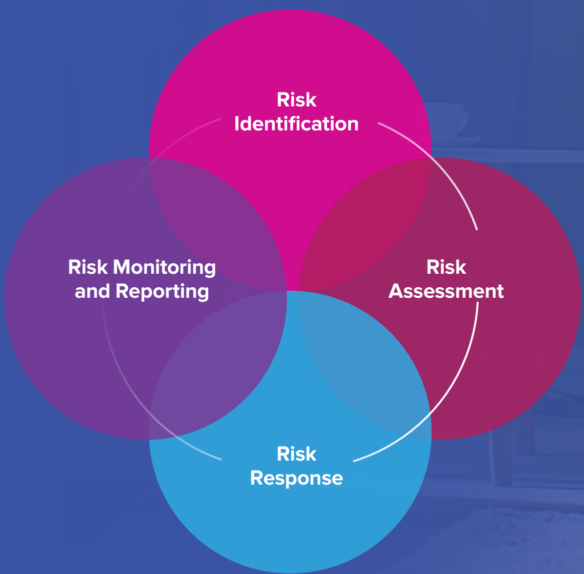
CREATING VALUE FOR DEVELOPING TECHNOLOGY-LED END-TO-END SOLUTIONS

At STL, Enterprise Risk Management (ERM) is a critical function that helps the Company protect and enhance value for its customers, investors, employees, partners and other stakeholders.

STL works proactively to identify and monitor the most significant risks through an ERM process. The purpose of this process is to minimise surprises, improve decision-making to help STL achieve its strategic, financial, compliance and operational objectives and actively work to reduce the impact and likelihood of identified risks.

ERM governance framework

Risk management activities



Governance framework

Risk-management organisation structure

STL has a multi-layered risk-management framework aimed at effectively mitigating the various risks to which its businesses are exposed.

The key roles and responsibilities as defined in the ERM policy are:

Board of Directors
Ensuring that the risk-management framework is contributing to achieving business objectives, safeguarding assets and enhancing shareholder value

Risk Management Committee
Overseeing risks and their management and reporting to the Board on the status of risk-management initiatives and their effectiveness

Chief Risk Officer
Developing and ensuring implementation of the ERM policy

Risk Champions
Ensuring that risks are considered in all decision-making processes and to adhere to mitigation plans developed for each risk thereby

ERM risk management activities

Risk management includes activities relating to risk identification, risk assessment, risk response, as well as risk monitoring and reporting.

Risk identification

This involves identifying those events, occurring internally or externally, that could affect strategy and achievement of objectives. The risks identified are further categorised into:

Geo-political and macroeconomic Risk

Strategic Risks
- Industry
- Consumer and competition
- Product portfolio and innovation

Operational Risks
- Talent management
- Service delivery
- Supply chain
- Cyber security

Financial and reporting Risks
- Financial reporting
- Liquidity
- Commodity
- Interest rate
- Foreign currency
- Counter party

Compliance Risks
- Code of Business Conduct, Bribery and Corruption
- Environment, Tax (GST, Income Tax)

Geo-political and macroeconomic Risks

STL operates in a global environment, and can be affected by the general economic environment, political uncertainties, local business risks as well as laws, rules and regulations in individual countries, thereby affecting the demand for its offerings.

The ongoing conflict between Russia and Ukraine and the resulting impact on commodity prices, high level of inflation and tightening of monetary policies across key customer markets, coupled with the prolonged pandemic, global supply chain constraints and global economic and geo-political developments may have direct and indirect impacts on STL's operations. The Company is closely monitoring the development of world events and is taking proactive actions to minimise potential negative impact.

Strategic Risks

Strategic risks are those risks which are inherent to the industry in which the Company operates. Strategic risks are analysed and mitigated through strategic actions on markets and customer offerings, investment in R&D and product innovation, among others.

STL periodically assesses strategic risks to the successful execution of its strategy and its impact on financial performance, effectiveness of organisation structure and processes, and retention and development of high-performing talent and leadership.

Industry risk

The Company may not be able to implement its strategy successfully and deliver growth due to the changes in the industry in which it operates. STL's business depends on CapEx spends by the telecommunication sector which includes investment in backhaul, rollout of a new generation of mobile network and investment in fibre infrastructure and deployment. The Company continues to invest in its product portfolio and capabilities to increase its total addressable market. Further, STL is expanding its technology-led, end-to-end solutions and key account management capabilities to focus on key customers across four of its principal customer segments.

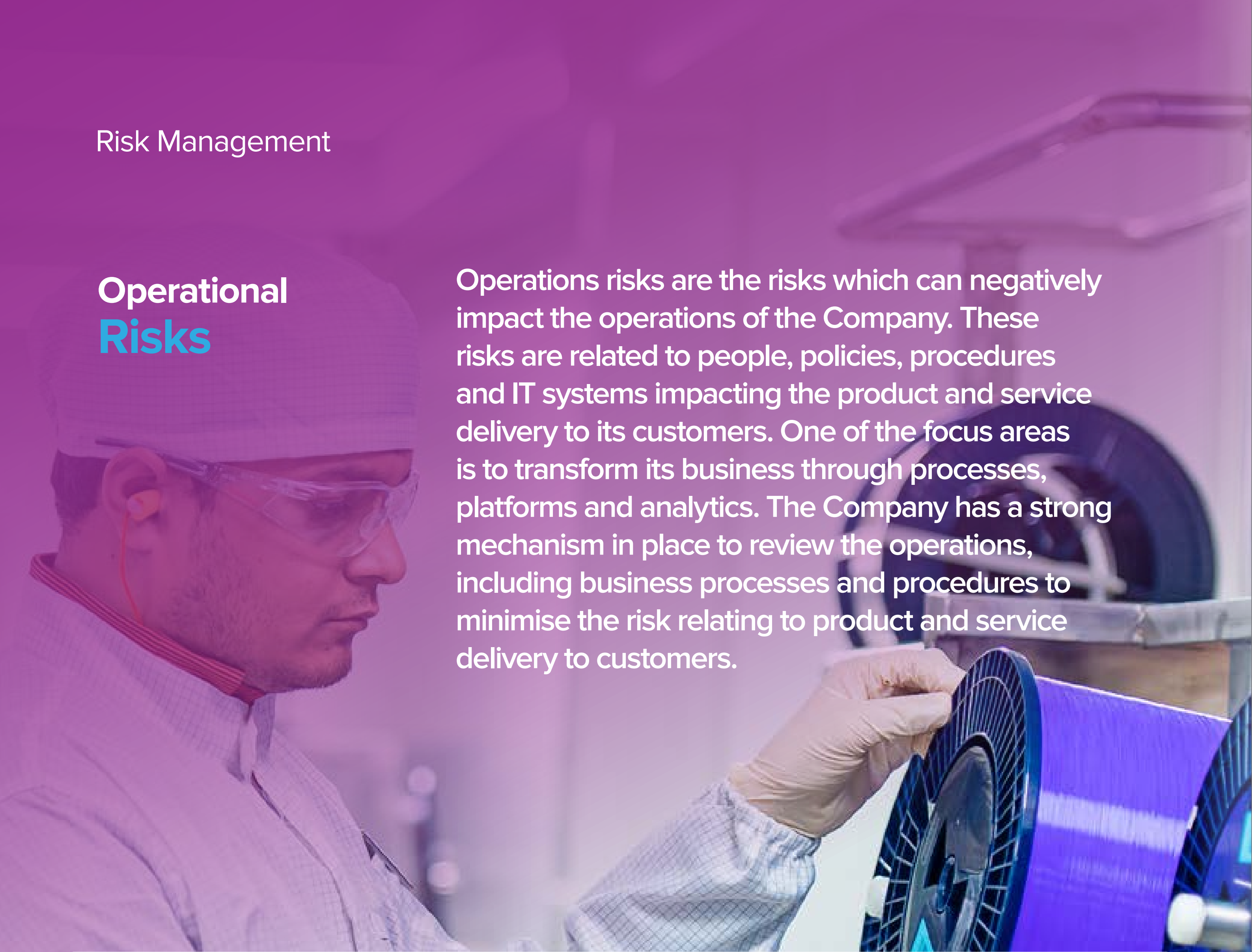
Customer and competition risks

The market is competitive with few barriers to capacity expansion by existing and new players. Globally, most of the contracts are finalised through the competitive bidding process; therefore, product pricing becomes an important factor. STL is expanding its capacity and continuing to focus on increasing its market share through access to new markets, new product development and enhancing its client footprint.

The Company closely monitors technological advances and competitive market changes to adapt its strategies and to be able to benefit from these opportunities and safeguard against potential threats.

Product portfolio and innovation risks

There is a risk that STL might be unable to develop new products and solutions which can proactively meet customer's unmet needs. In the fast-changing world, the launch of new and technically improved variants of products or solutions by STL's competitors could put the Company's prospects at risk. To minimise the impact of these risks and pursue new opportunities, the Company continues to invest deep in new technologies and capabilities through ecosystem partnerships and investments. In addition, it is continuously investing in its existing product portfolio and large innovation projects. Key innovation projects are closely monitored, with a well-established gate and project management approach. Further, STL also aims to execute value-creating M&A, to further develop its technology-led end-to-end solutions.



Operational Risks

Operations risks are the risks which can negatively impact the operations of the Company. These risks are related to people, policies, procedures and IT systems impacting the product and service delivery to its customers. One of the focus areas is to transform its business through processes, platforms and analytics. The Company has a strong mechanism in place to review the operations, including business processes and procedures to minimise the risk relating to product and service delivery to customers.

Talent management risk

STL's ability to successfully implement its strategy and deliver value and growth is highly dependent on its organisation structure and its ability to attract, develop, engage and retain best professional talent with a focus on diversity. The 'War for Talent' for technical skill sets along with high levels of attrition (The Great Resignation) across industry, continues to intensify competition to hire skilled talent. Further, the inflation-related increase in hiring and retaining key talents, may potentially result in higher personnel cost.

STL has taken significant steps in building future readiness. The Company on-boarded the best-in-class talent globally, including a vibrant group of graduate engineers and management trainees. It focussed on building future capabilities and talent pipeline through a robust succession planning programme, extensive job rotation and development programmes to identify and develop young leaders. STL invested in developing capabilities to reskill and upskill its employees for future roles and ring-fenced critical talent. During the year, STL implemented several initiatives to help its employees, their families and communities impacted by COVID-19. The Company rolled out programmes focussed on employee wellbeing and mental health. During FY22, STL was certified as a 'Great Place to Work' for the third year in a row.

Service delivery risk

The Company is undertaking various large-scale, end-to-end projects. The Company has implemented strong project management frameworks which are supported by digital tools and applications. Despite this, there is a risk associated with the completion of its projects within contractually agreed timelines, which can result in penalties, and in remote scenarios, contract termination. Such outcomes may result in lower revenues, margins and adverse brand image.

Cyber security risk

Cyber security risk is one of the key risks as cyber threats continue to develop and become more sophisticated. Cyber security incidents include data theft, ransomware (monetary/reputational losses), business interruption by malware, phishing, data privacy breaches and availability of IT systems. Rapid adoption of digital technologies and interactions across stakeholders have put in place a greater need for secure and reliable IT systems and infrastructure. STL has implemented an in-depth defence approach to manage and control these risks, which includes a multi-year programme that focusses on cyber security resilience and capability. The programme is addressing cyber security by looking at risk identification, assessment, response and recovery taking account of people, tools and technology as well as processes. The Company continues to assess the risk and is investing in evolving security architecture to further strengthen its capabilities in managing cyber security risks.

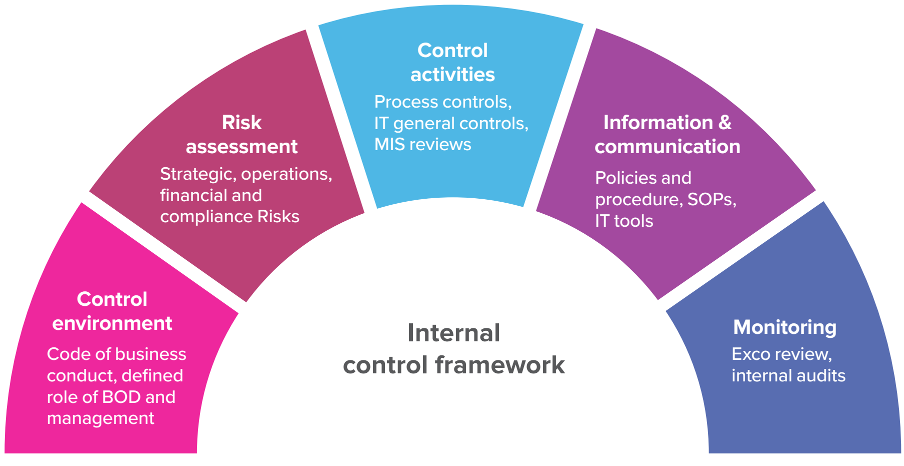
Financial and reporting Risks

Financial risks involve the exposure to various financial risks such as currency fluctuation, interest rate, credit and liquidity, tax and ability to manage financial cost and optimise returns on investment. Further, there is also a risk of errors in the financial reporting of the Company, that accounting principles are not correctly applied, etc. resulting in misrepresentation of the Company's financial position.

Financial reporting risk

Ineffective internal control over financial reporting may not provide the true and fair view of the financial position and business performance. The Company maintains a robust Internal Financial Control (IFC) in order to ensure that reporting is complete, transparent and free from material weaknesses.

The system for internal control is based on – an integrated framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), which outlines the components, principles and factors necessary for an organisation to effectively manage its risks through the implementation of internal control framework.



In addition, the Company has also implemented 'The Three Lines of Defence model', which defines duties and responsibilities in addressing risks.

First line of defence

- Management Controls
- Internal Control Measures

Second line of defence

- Financial Control
- Security
- Risk Management
- Quality
- Inspection
- Compliance

Third line of defence

- Internal Audit

Regular internal audits, by independent external auditors, ensure that controls are operating effectively. The Audit Committee of the Board of Directors periodically reviews the adequacy and effectiveness of internal control systems and suggests improvement for further strengthening of internal controls.

Liquidity risks

The Company requires funds both for short-term operational needs as well as for long-term investment projects, mainly in growth projects. The aim is to minimise the risk by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity both in the short term and long term. The Company works with a healthy mix of long-term and short-term debts to manage the liquidity risk.

Commodity risks

The Company is exposed to the risk of price fluctuation in raw materials and energy resources. The Company has strong policies and systems in place to minimise the price risk of its raw material to a large extent. The Company is vertically integrated globally, and any movement in a single raw material does not impact its cost structure significantly.

Interest risks

The Company is exposed to the risk of interest rate fluctuations in both domestic and foreign-currency borrowings. It uses a judicious mix of Rupee and foreign currency borrowing within the stipulated parameters to mitigate the interest-rate risk. This also helps to have a lower, blended interest rate. The interest rate for Rupee borrowing is largely linked to Mumbai Interbank Offered Rate (MIBOR) and for foreign currency borrowings, the rate is linked to the prevailing fact check Interbank Offered Rate (LIBOR).

Foreign currency risks

The Company's policy is to hedge all long-term foreign-exchange risks as well as short-term exposures within the defined parameters. The long-term foreign-exchange liability is fully hedged, and hedges are on a held-to-maturity basis. Within foreign currency, there are two major risk categories: Risk associated with the operations of the Company, such as purchase or sale in foreign currency, as well as those associated with the borrowing of the Company denominated in the foreign currency. The Company has a defined and proven policy to manage both kinds of risks, and this is reviewed frequently in light of major developments in the economic and global scenarios.

Counterparty risks

The Company is exposed to counterparty risks on its receivables and investments. It has clearly defined policies to mitigate these risks. Limits are defined for exposure to individual customers and the exposure is strictly monitored on an ongoing basis. Moreover, given the diverse nature of the Company's businesses, trade receivables are spread over several customers with no significant concentration of the credit risk. Cash and liquid investments are held primarily in debt mutual funds and banks with high credit ratings, approved by CRISIL. Emphasis is given to the security of investments.

Compliance Risks

Compliance risks are those resulting from violations or non-compliance with applicable laws and regulations, code of business conduct and ethics as well as breach of contractual compliance having material impact on the Company's financial, organisational and reputational standings. Compliance with laws and regulations is one of the essential elements of STL's code of business conduct.

The Company has a strong compliance management framework which also includes mandatory e-learnings on code of conduct, prevention of sexual harassment at workplace (POSH), among others. Risks related to various compliances are identified, assigned to owners and monitored on a periodic basis. Further, a strong whistle-blower mechanism facilitates reportage on instances of non-compliance (the whistleblower policy is available on STL's website). In addition, external independent and internal auditors review the compliance management framework, including its operating effectiveness, and submit their findings to the Audit Committee.

Risk assessment

This includes assessing risks on the likelihood of occurrence and the potential impact. Risks are assessed at inherent (gross risk without considering controls) and residual basis (for example: net risk). Residual risks are considered to prioritise monitoring and response.

Risk response

This involves identification and evaluation of possible responses to risks, which include evaluating options in relation to risk appetite (accept, mitigate or transfer the risks), cost vs. benefit of potential risk responses and degrees to which a response will reduce the impact and/or likelihood. Once mitigation plans are finalised, owners are identified and assigned tasks to implement the plans.

Risk monitoring and reporting

The Risk Committee reviews the adequacy and effectiveness of the risk response plans and reports it to the Board. The Committee also monitors and reports the factors affecting identified risks, such as changes in business processes, operating and regulatory environments and future trends. These reviews are aimed at continual improvements in the organisation's risk management culture.

FOSTERING SUSTAINABLE GROWTH FOR AN INCLUSIVE FUTURE

As a global technology business, we aspire to build green, resilient, and sustainable digital networks.

To do so, we have strengthened our focus on sustainability by committing to environment stewardship driven at the forefront by a goal to achieve Net Zero Emissions by 2030.

Key accolades for ESG initiatives

BRICS SDG Awards
(SDG11 – Runner up)

International CSR Excellence Awards
(Overall CSR - Asia Champion)

Green World Awards
(Waste Management - Silver)

Building a sustainable business

As a global technology business, we aspire to build green, resilient, and sustainable digital networks. To do so, we have strengthened our focus on sustainability by committing to environment stewardship driven at the forefront by a goal to achieve Net Zero Emissions by 2030. While this is an ambitious goal, we believe our efforts in facilitating collective action with partners across our value chain, as well as within our own operations and communities, will help us accomplish this feat.

Our approach to sustainability is built in a manner that creates maximum positive impact and resilience. We have Environmental, Social, and Governance (ESG) practices that cover every function of the business. With a sharp focus on energy management, waste management, water stewardship, employee diversity, social impact, and robust governance policies, we continue to grow responsibly. We do this by ensuring ethical, eco-friendly operations and creating shared benefits for all stakeholders, including the communities where we operate. We are committed to ensuring that every engagement is governed by high moral and ethical standards.

Aligned with national priorities and global ideals

As signatories to the UN Global Compact (UNGC) and UN Women Empowerment Principles (UN WEP), we align every single endeavour with the UNGC and UN WEP guiding principles. We also work towards achieving 15 of the 17 UN Sustainable Development Goals (SDGs). Through our partnerships with governments, NGOs, and other stakeholders, we create holistic and sustainable transformation within our operations and in communities. Our ESG efforts were recognised by several renowned forums globally.

Annual Global CSR Awards & Summit
(Platinum – Education)

UN Women Empowerment Awards
(Overall CSR - Asia Champion)

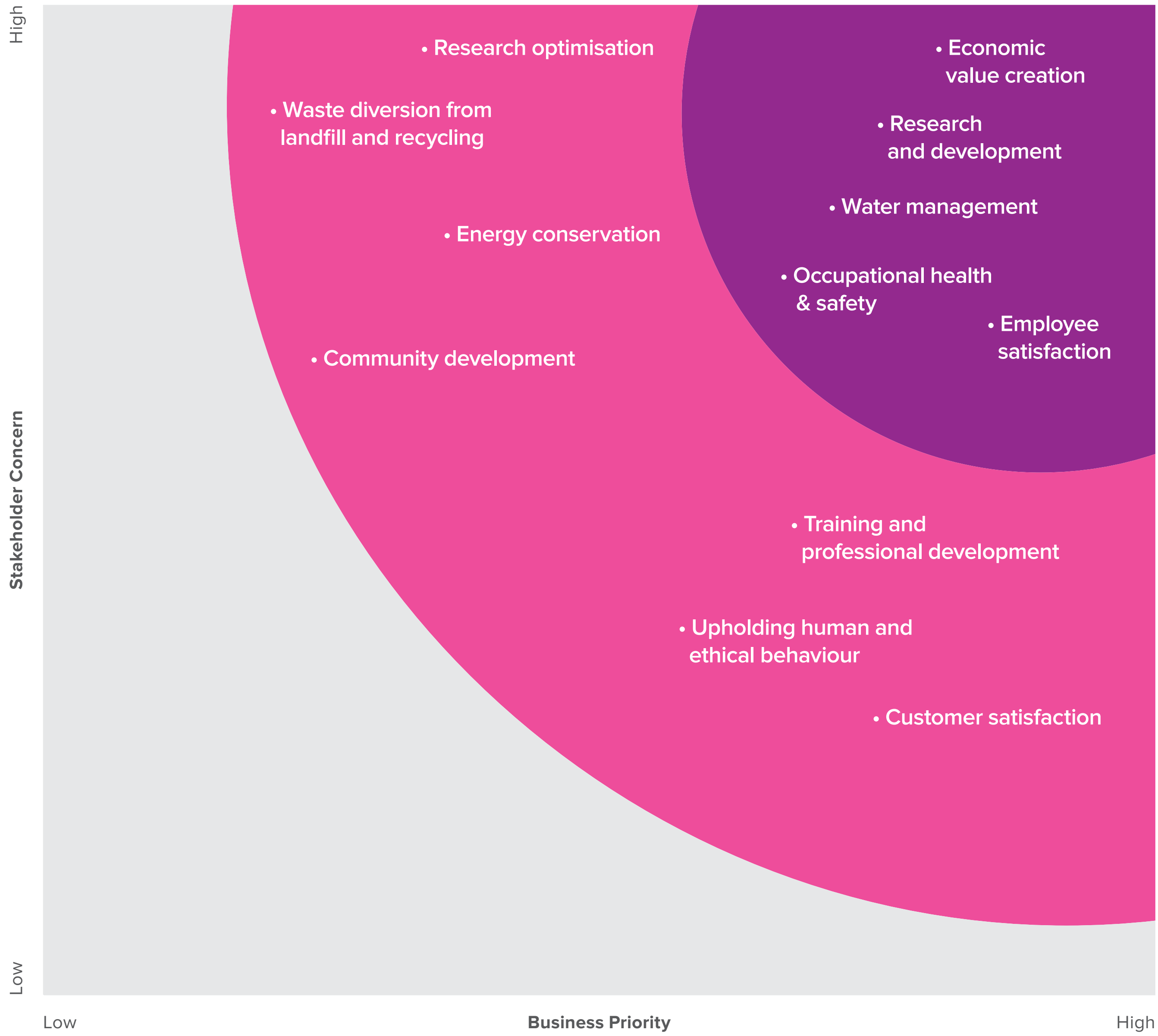
24 more awards
Won for efforts in line with ESG focus areas

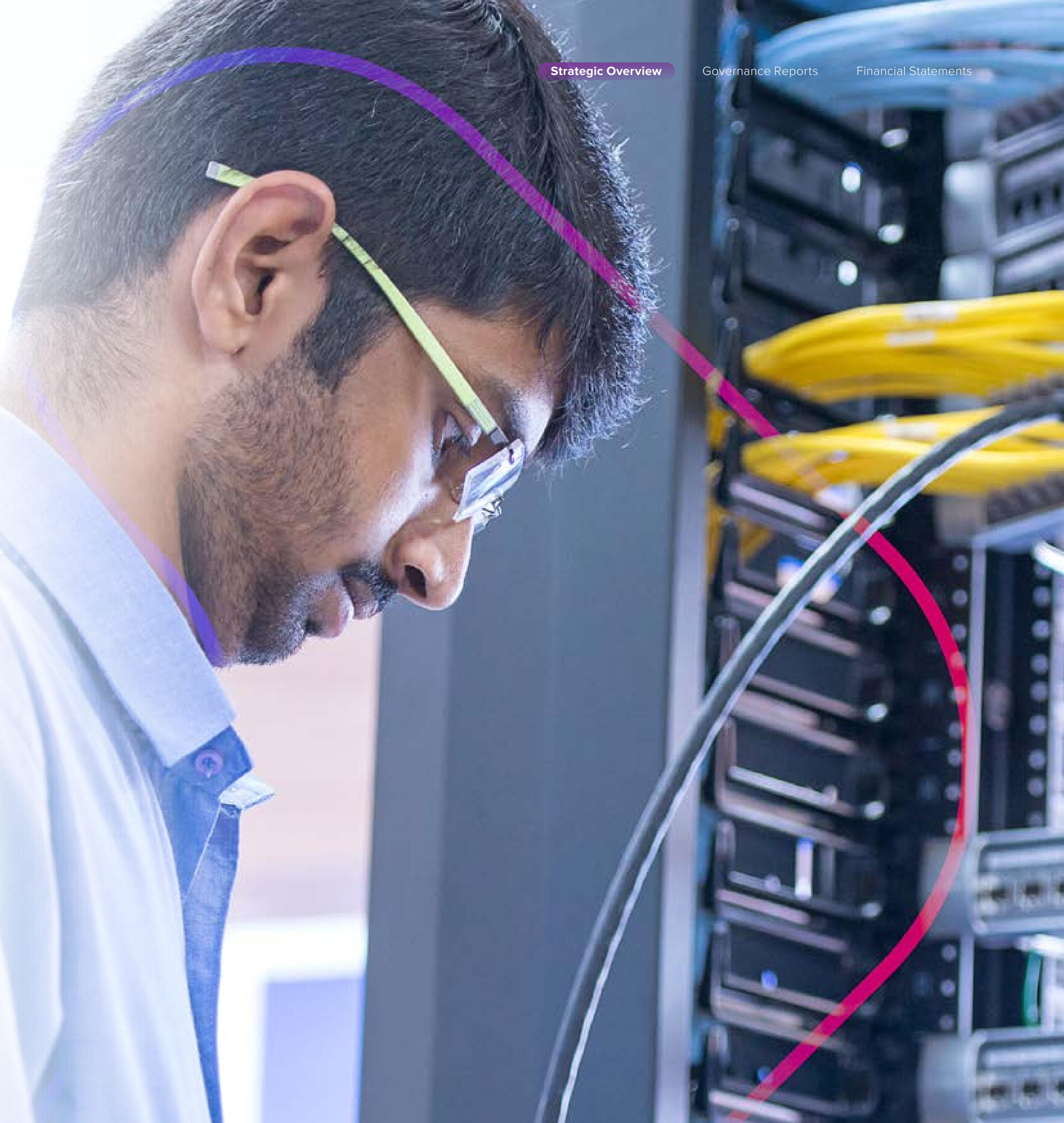
ESG Approach

Materiality assessment

The world around us is changing at a dynamic pace. There are shifts occurring throughout economies, which are bringing new challenges and opportunities. To sustain and progress, it is important to identify the key areas that could potentially affect the business in such rapidly changing times.

After extensive discussions with stakeholders, we categorise material issues based on our ESG priorities. Identifying and working upon these challenges are critical for achieving long-term success for the regions and communities we operate in, as well as for our workforce, stakeholders, and, of course, our Company. Each of these topics were finalised based on the responses from various stakeholder engagement forums. Each material topic is also aligned with the GRI standards and its indicators.





Stakeholder engagement

This process facilitates access to insights and knowledge that can aid the transformation process. It helps us establish and maintain an authentic and sincere connection with stakeholders while understanding their expectations. Through well-established mechanisms, we receive continuous and unbiased feedback from stakeholders, which allows us to refine our processes and culture. This mechanism is entrenched across our value chain and includes upstream and downstream partners and marginalised communities. Stakeholders, thus, include organisations and individuals impacted by or capable of influencing our operations. They are customers, suppliers, waste buyers and other partners.

Environmental performance

Goals for 2030

Net-Zero
GHG emissions

100%
Plants ZWL certified

Sustainable
Sourcing

Water positivity

100%
Product families with LCAs

Strategy

At STL, we focus on developing system-wide approaches that will reduce our eco-footprint as well as render excellent economic returns in the long run. This includes:

- Ensuring optimal utilisation of energy and other resources, including waste within our operating boundaries
- Undertaking responsible waste management, reducing emissions from manufacturing, storage and transportation
- Designing eco-friendly products that ensure consumers and end-users have access to green goods and services that contribute to a more connected and greener world
- Ensuring sustainable sourcing by working with partners across our value chain to facilitate a greener and more sustainable future by aligning with our Company's goals on net-zero emissions, water positivity, and zero waste to landfills

Understanding our key risks

One of the critical components of how we function is efficiency in energy management and water utilisation. Any outage in energy supply has serious impacts of varying degrees on operations.

The cost of electricity is dependent on the source of energy and the efficiency of generation. This in turn is dependent on various external environmental factors, creating a risk for an entity. With climate change becoming more frequent, we believe that we need to invest and manage overall energy efficiencies better and increase reliance on alternative, environmentally-friendly sources of energy. This will help bring down overall energy cost, avail incentives for energy enhancement, and reduce GHG emissions while increasing cost savings and ensuring higher profitability.

Action on climate change

We are committed to building a sustainable future and are looking to make this possible by achieving net zero emissions by 2030. This starts with improving sustainability performance in our operations followed by our value chain. To achieve this target, we have been working in our plants to increase the efficiency of our HVAC systems by following best practices for monitoring, effective maintenance, and making investments into more proficient systems.

7,500+ tons of CO_2

Emissions avoided through energy efficiency measures

Strides towards water positivity

By 2030, we aim to become water positive across all our manufacturing locations globally. To achieve this target, we implemented water-recycling models. All our manufacturing plants in Aurangabad are Zero Liquid Discharge certified, and we are working to replicate these best practices across all operational plants.

1,45,000+ m^3

of water recycled in manufacturing processes

Actions to create a circular economy

Due to the volume of waste created across the country, waste management is a nationwide problem for India. Five of our six manufacturing units in India are Zero Waste to Landfill certified. While our Shendra, Waluj cable plant, Rakholi and Dadra plants are level 1 certified for diverting over 99% waste from landfills, our Waluj plant has a level 2 certification for diverting over 97% of waste. We have even prioritised reusing waste over recycling, ensuring more circular use of byproducts generated during the manufacturing process.

42,000+ MT

of waste diverted from landfills

> At STL, we focus on developing system-wide approaches that will reduce our eco footprint as well as render excellent economic returns in the long run

Developing a green portfolio

We ensure our products are high in quality and guarantee environmental viability. We conduct lifecycle evaluations for our product families to identify areas where energy optimisation or material substitution is necessary to lower the product's eco-footprint. We completed Life Cycle Assessments (LCA) for ten product families to date, with the goal of covering 100% by 2030.

Transitioning to sustainable sourcing

In FY22, we released our sustainable sourcing policy that focusses on not just green, but responsible procurement. It lays emphasises on adherence to human rights, fair labour practices, gender equality, and other such social elements in addition to environment-related aspects. A conflict-free sourcing policy was also published. Our efforts increased local procurement of supplies in cable manufacturing from 55% in FY21 to 61% in FY22. We assist our local partners to improve the quality of raw materials as well as supply processes.

50%

of sourcing is done locally (for the optical networking business)

Social performance

Goals for 2025

5 Million
Lives to be transformed

5 Million
Plantations

5 Million m^3
of water to be replenished

Strategy

Our social strategy comprises our efforts as a Company towards ensuring the welfare of every STLer (our employees) and the communities we operate in. Robust policies guarantee that our people are healthy, safe, engaged, and motivated. This promotes inclusive, equal, and fair growth. Protection and promotion of human rights are of prime importance to us and remain at the heart of our operations. However, we believe that true progress can only be achieved if the communities we operate in grow along with us. We believe it is, therefore, our duty to not just give back to the community, but create shared value and development that is transformational, especially in education, healthcare, women empowerment and environment conservation.

Understanding our key risks

Employees and communities are the major contributors to value creation and they enable a Company to secure a social licence to operate. We believe that a more diverse workforce is essential for growth. A business that is unable to bring in diverse talent will be unable to reinforce the effectiveness of the products and services offered. Similarly, ensuring women in communities, especially in rural areas, are empowered to step out of patriarchal shadows is essential for any society to progress. These communities, where a large section of our talent base or beneficiaries reside, can develop if they are healthy and given access to quality education. We, therefore, recognise that we need to understand and assess the needs of varied community groups, employees, as well as those who come from historically underserved segments and regions.

Promoting gender equality
in rural Maharashtra

We strongly believe that an empowered woman can bring intergenerational progress. Through our Jeewan Jyoti programme, we have helped 800+ women in becoming financially independent by providing them with vocational skilling, leadership training, management and micro-financing linkages as well as access to self-help groups. Over the years, the programme has been providing women across 100+ villages in Velhe, Bhor and Haveli districts with a holistic system, which supports transportation facilities and a crèche that has enabled them to lead the change they want to see.

5,000+
Lives benefitted

₹1.2+ Crores
Disbursed through micro-financing linkages

Tech-led
education

Education can contribute to the development of a more progressive and inclusive society. During the pandemic, our digital empowerment initiative in Pune ensured that internet platforms were fully utilised to access essential learning opportunities, and even equip individuals with livelihood opportunities through digital technologies. Across Aurangabad, Nandurbar, and Silvassa, our digital equaliser and improved learning programme ensured that children from rural areas and marginalised communities do not fall out of the education system.

This agile programme decreased the usage gap by helping families with digital devices learn how to use them. Community classes in a safe environment were held for students that did not have digital devices. In regions like Nandurbar, learning resource centres and door-to-door awareness sessions have enabled the inclusion of toddlers and children into the education system. Teachers were also trained on how to leverage digital learning techniques to make learning sessions more interesting and fun. STEM learning and digital content in vernacular mediums further helped ensure equitable learning opportunities for children from these communities.

1,10,000+
Lives benefitted

200+
Villages covered across three districts

2,100+
Teachers trained

1,200+
Individuals digitally empowered

Ensuring last-mile access to quality healthcare

The pandemic put massive stress on the world's healthcare system, affecting millions of individuals, especially those from vulnerable communities. Throughout the pandemic, we continued to offer quality healthcare facilities and oxygen supply to rural areas and hospitals, respectively. In addition to this, we also realigned on-going programmes to offer COVID-19-related treatments, teleconsultations, doorstep testing, vaccinations as well as anytime, anywhere access to a doctor through 24/7 teleconsultation services. This hybrid healthcare model helped promote teleconsultations in remote rural areas. We also organised specialised camps on cardio-metabolic disorders, eye care, nutrition, women's health, rapid testing, and much more.

2,30,000+
Lives impacted through hybrid healthcare interventions

1,200+
Villages covered across five districts

9,00,000+
Lives benefitted through COVID-19 interventions

30,000+
Teleconsultations done

Climate action

To drive sustainable change, functioning in an eco-friendly manner needs to be reinforced by action outside our operational boundaries. We are hence working to build water-resilient communities and undertake massive plantations. Through convergence with the Government of Maharashtra, we have designed a holistic water programme that not only ensures surface and groundwater replenishment and rainwater harvesting but also educates the masses on the judicious use of water. To ensure sustainability, women-led self-help groups are formed and trained to maintain the structures built and redeveloped. Through funding from the government, sustainable agricultural practices like micro-irrigation are being promoted to avoid flood irrigation and provide residents with access to clean drinking water.

1.4+ Million m^3
of water replenished

1,01,000+
Lives benefitted

5,200+
Households provided with access to clean drinking water

85
Water storage structures built and redeveloped

1,69,000
Plantations done

79
Hectares of land brought under micro-irrigation

A culture
with a conscience

Through our global volunteering platform, STL employees were able to live their purpose during the lockdowns and beyond. They helped children learn better, provided mentorship and support to young adults coming from economically disadvantaged families, created learning assets, and spread joy by aiding physically challenged children. We celebrated the joy of giving throughout October-December through an 'Igniting 2021 Hopes' campaign focussed on women, children, and the elderly. STLers enthusiastically participated and benefitted over 2,100 lives through this campaign.

1,100+
Volunteers

1,600+
Volunteering hours clocked

6,200+
Lives benefitted

Human rights and
fair labour practices

All employees have the right to equal treatment and are governed by adequate safety, health, and working standards. In this direction, we are guided by the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and we adhere to social security measures as per applicable laws (ESIC and EPF). Our human rights policy strives to ensure that every individual within STL and its value chain has liberty, equality, equal opportunity, security, and there is no discrimination based on age, gender, or any other factor.

Zero
Human rights and labour related complaints

SA8000 certification
Received for our Rakholi and Dadra manufacturing units

Action on health and safety

Ensuring a safe and healthy workplace is of utmost importance for us. There are various systems and processes in place that ensure our work environment is safe where employees can work without any fear of injury or adverse effects on their health.

Learning and development

Learning and development are required to keep up with an ever-changing business. Skills and knowledge are the driving forces behind every organisation's success and development. At STL, via leadership, employee and talent management initiatives, 44,500 learning hours were clocked in FY22.

82%

of the STL workforce was covered

STL's governance outlook

Strategy

Our ethics and transparency are reflected in not just our reporting methods, but also in the implementation and redressal mechanisms put in place at our Company. We are committed to fostering trust among our stakeholders. We have accomplished this through transparency, regulatory compliance, a strong Code of Conduct and Ethics Policy, which guide our Company's procedures, operations, and culture.

Committee of the Board

- Nomination and Remuneration Committee
- Audit Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Sustainability and Corporate Social Responsibility Committee
- Authorisation and Allotment Committee

Major policies in place

The STL Code of Business Conduct and Ethics
Categorises responsibilities across STL and policies on compliance with the law, general standards of safety, conflict of interest, accounting and payment practices

Whistle-blower Policy
Governs the receipt, treatment of complaints, protecting confidentiality and anonymity of the whistle-blower

The Prevention of Sexual Harassment policy
Or POSH policy is strictly followed by STL to ensure all employees feel safe in their workplace, while all such reported incidents are kept confidential and investigated promptly and fairly

ISO 45001 certification
Received by all STL Indian manufacturing facilities

ISO 14001 certification
Received by all STL manufacturing facilities for Environment Management Systems

Governance structure

Our corporate governance strategy is based on attaining and sustaining the highest levels of ethics, transparency, and accountability in every business transaction with every stakeholder.

To ensure that all our policies are in check and for our business to run smoothly, we have dedicated committees with Board level representation helping the management team to serve and protect the long-term interests of all stakeholders.

2 meetings
of the Sustainability and CSR Committee held

2
Independent Directors in addition to our Vice Chairman and MD are the members of the Sustainability and CSR Committee

100%
of employees covered under POSH training

100%
of complaints resolved through the above governance systems

Ethics and anti-corruption

Our policies lay the groundwork for our operations spread throughout every location. Strict adherence to these policies enables us to move ahead as a group with a cohesive mindset. Every subsidiary and partner who contributes to our external value is governed by a variety of policies such as human rights policies, STL Code of Conduct, and Whistle-blower policy.

Our STL Code of Business Conduct and Ethics identifies responsibilities at all levels of the organisation. Each employee is responsible for ensuring that their conduct, as well as the conduct of anybody reporting to them fully conforms to the regulations guiding our business activity.

A stringent whistle-blower grievance mechanism helps safeguard whistle-blowers (internal and external) who express concerns about any incidents of corruption, bribery, extortion and other illegal activities.

We believe that a healthy working environment is of utmost importance. Employees and workers should be able to operate without fear of discrimination, gender bias, or harassment regardless of race, caste, religion, colour, ancestry, marital status, gender, age, country, ethnic origin, or disability. Sexual harassment at work or elsewhere, involving our workforce, is considered a serious offence. A gender-neutral POSH policy protects our employees from sexual harassment at work, as well as prevents and resolves sexual harassment complaints and associated issues.

Excellence for a sustainable and inclusive future

For us at STL, sustainability is about ensuring that we create shared value for every stakeholder while operating responsibly and building resilient and inclusive communities. Our partnerships with governments, non-government and global organisations, and for-profits have helped us achieve transformational impact in FY22.

We will continue to drive excellence and innovation not just through our operations, but also through our social impact programmes and governance practices at par with global standards. The ambitious environmental and social goals we have set for ourselves will ensure our trajectory on ESG is exponentially progressive.

DQS-Independent Assurance Statement

To the Management and Stakeholders of Sterlite Technologies Limited,

DQS has been engaged by Sterlite Technologies Limited (STL) to provide independent assurance over (non-financial) ESG Section in Annual Report in accordance to AA1000AS for

1) Environmental - Water, Waste, Energy / Carbon Emissions, Sustainable Sourcing
2) Social - CSR, Volunteering, Human Rights, Learning and Development
3) Governance - Policies, Governance Structure and Ethics.

The engagement took place from 05.07.2022 to 14.07.2022 through virtual assessment for Limited assurance for the financial year 2021-22.

Objectives

The objective of this assurance engagement was to independently express conclusions on underlying reporting processes and validate qualitative and quantitative claims, so as to limit misinterpretation by stakeholders and increase the overall credibility of the reported information and data.

Scope of assurance

The assurance encompassed the entire report and focused on all figures, statements and claims related to sustainability during the reporting period April 2021 to March 2022. More specifically, this included:

• Statements, information and performance data contained within the sustainability report

• STL's management approach of material issues; and

• STL's reported data and information as per the requirements of the Global Reporting Initiative Standards.

The assurance engagement was performed in accordance with a Type 2 assurance of the AA1000 Assurance Standard (AA1000AS v3), which consists of:

• Evaluating the company's sustainability framework and processes using the inclusivity, materiality, responsiveness, and impact criteria of the AA1000 Accountability Principles (AA1000APS 2018),

• Evaluating the quality of the reported sustainability performance information

Operational Boundary: Verification of Corporate office at Pune of Sterlite Technologies Limited (STL) along with specific production sites for the following parameters:

1) Environmental - Water, Waste, Energy / Carbon Emissions & Sustainable Sourcing
2) Social - CSR, Volunteering, Human Rights, Learning and Development
3) Governance - Policies, Governance Structure and Ethics.

Level of assurance and limitations

A limited level of assurance under AA1000AS was provided for this engagement. Information and performance data subject to assurance is limited to the content of the ESG part of Annual report. The assurance did not cover financial data, technical descriptions of buildings, equipment and production processes or other information not related to sustainability or already supported by existing documents, such as third-party audits or certifications and previous STL annual reports.

Our assurance engagements are based on the assumption that the data and information provided by the Company as part of our review have been provided in good faith and are free from misstatements. We were not involved in the audit of financial information within the Report.

Independence and competences of the assurance provider

DQS Group is an independent professional services firm that provides assurance on sustainability disclosures under the Global Reporting Initiative (GRI), CDP and other specialised management and reporting mechanisms. Independent verifiers have not been involved in the development of the report nor have they been associated with STL's sustainability program, data collection or strategic processes.

DQS Group ensures that the assurance team possesses the required competencies, maintained neutrality and performed ethically throughout the engagement. Further information, including a statement of impartiality, can be found at: www.dqs-cfs.com. The management of STL was responsible for the preparation of the sustainability part of the Annual Report and all statements and figures contained within it.

Assurance methodology

The assurance procedures and principles used for this engagement were drawn from the International Standards and methodology for data verification developed by DQS as below:

1. Based on GRI - Core reporting framework, STL has identified selected corporate KPIs and data sets, which are classified according to the relevant data owners and the type of evidence required for the verification process

2. Carry out interviews with key functional managers and data owners at STL

3. Data quality verification included the following:

I. Enquiring about the quantitative and qualitative aspects of the KPI disclosures, including performance information, policies, procedures and underlying management systems

II. Requesting evidence of the data sources and explanation of relevant collection and calculation methods to substantiate the figures and claims

4. Challenging the KPI claims, where possible, confirming the presented evidence, including calculation methods, criteria, and assumptions, with multiple data owners and other documentation from internal and external sources

5. Assess the collected information and provide recommendations for immediate correction wherever required or for future improvement of the non-financial indicators verification within the scope

Key observations and recommendations

Strengths:

1. Initiatives and structured plan for achieving carbon neutrality by 2030 are found appreciable

2. Great Initiatives for water positivity by 2030

3. LCA for ten product families accomplished by plant

4. Strong commitment by managemnet for CSR initiatives

Evaluation of the adherence to AA1000 Accountability Principles

Inclusivity:

How the organisation engages with stakeholders and enables their participation in identifying issues and finding solutions.

The stakeholder identification and engagement process is well documented and implemented through the STL Sustainability programme, and the Report brings out key stakeholder concerns as material aspects of significant stakeholders. In our view, the level at which the Report adheres to this principle is very good. Therefore, it is recommended that STL should continue with the planned process of direct dialogue with the stakeholders at determined intervals.

Materiality

How the organisation recognises issues that are relevant and significant to itself and its stakeholders.

The Report addresses the range of environmental, social and economic issues that STL and its stakeholders have identified as being of material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns. A process of stakeholder engagement through sustainability board meetings identified the material issues. The Report fairly brings out aspects and topics and its respective boundaries for the diverse operations of STL. In our view, the level at which the Report adheres to this principle is very good. It is recommended that STL continues with this process.

Responsiveness:

How the organisation responds to stakeholder issues and feedback through decisions, actions, performance and communication.

STL is responding to those issues that it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The organisation and its stakeholders can use the reported information as a reasonable basis for their opinions and decision-making. The company has taken various initiatives towards delivering environmentally friendly services along with occupational health and safety, appropriate measures for emergency handling, control and risk management in its operations. The responses to material aspects are fairly articulated in the report, i.e. disclosures on STL´s policies and management systems including governance. In our view, the level at which the Report adheres to this principle is very good.

Impact :

How the organisation monitors, measures and ensures accountability for how its actions affect their broader ecosystems.

STL has implemented systems to monitor and measure its economic, environmental and social impacts. Identified impacts are incorporated into both stakeholder engagement as well as the periodic materiality assessment process. The corporate report discloses impacts in a balanced and effective way, indicating both realised and unrealised goals. In our view, the level at which the Report adheres to this principle is very good.

Conclusion

On the basis of a limited assurance engagement according to the above-listed criteria, nothing has come to our attention that causes us to believe that the sustainability related strategies of STL and its sustainability-related key performance indicators defined in the 2022 Annual Report are materially misstated.

The STL Annual Report of 2022 is in line with the GRI Standards Core Option. The material aspects and their boundaries within and outside of the organisation are properly defined.

STL has made significant strides to introduce innovative solutions towards mitigating impacts and influence supply chain partners in the process. Continued alignment of risk assessments, stakeholder engagement processes, materiality and strategy will further strengthen the global sustainability practice of STL.

On behalf of the DQS India assurance team July 11th, 2022
Signature:

George John
Lead Assessor- Sustainability
DQS India

Directors' Report

To the Members,

The Directors are pleased to present the Annual Report for the Financial Year 2021-22 together with the audited financial statements of the Company for the financial year ended March 31, 2022.

Financial summary/highlights

The financial results of the Company are elaborated in the report on Management Discussion and Analysis. Given below are the financial highlights.

(₹ in crores)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	5,021.06	4,142.01	5,754.26	4,825.18
Earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA)	486.79	770.50	594.14	853.62
Less: finance cost	219.11	189.71	241.35	203.00
Less: depreciation and amortisation expense	209.37	215.10	325.51	285.26
Net profit/(loss) before exceptional item and taxation	58.31	365.69	27.28	365.36
Exceptional item	52.75	-	16.23	-
Net profit/(loss) before taxation	111.06	365.69	43.51	365.36
Total tax expenses	29.26	104.28	14.74	111.27
Net profit/(loss) for the year after tax	81.80	261.41	28.77	254.09
Share of profit/(loss) of joint venture	NA	NA	4.65	14.86
Net profit for the year after tax & share in profit/(loss) of joint venture	81.80	261.41	33.42	268.95
Profit/(loss) from discontinued operations	NA	NA	13.92	(3.59)
Profit for the year	81.80	261.41	47.34	265.36
Share of profit/(loss) of minority interest	NA	NA	(14.61)	(10.11)
Net profit attributable to owners of the company	81.80	261.41	61.95	275.47
Balance carried forward from previous year	1,581.06	1,477.63	1,694.83	1,577.34
Amount available for appropriation	1,662.86	1,739.04	1,756.78	1,852.81
APPROPRIATIONS				
Equity dividend and tax thereon	(79.36)	(160.44)	(79.36)	(160.44)
Others	3.32	2.46	3.32	2.46
Balance carried forward to the next year	1,586.82	1,581.06	1,680.74	1,694.83

Performance

Standalone

FY22 closed with Revenues of ₹ 5,021.06 crores, EBITDA of ₹ 486.79 crores, PAT of ₹ 81.80 crores and EBITDA margins of 10%.

Consolidated

FY22 closed with Revenues of ₹ 5,754.26 crores, EBITDA of ₹ 594.14 crores, Net Profit attributable to owners of the Company was at ₹ 61.95 crores and EBITDA margins of 10%.

Operations

Highlights of the Company's operations and state of affairs for the Financial Year 2021-22 are included in the Management Discussion and Analysis Report, which forms part of this Annual Report.

COVID-19

As the world continues to grapple with the COVID-19 pandemic and remote working becomes the new norm, the shift to digital is now permanent. Globally, internet traffic has increased significantly, and the demand for data connectivity continues to grow exponentially. Digital service providers and cloud companies globally have accelerated their plans to bring these digital networks to the market, while they continue to invest in modernising the current networks. STL, with 25 years in optical connectivity, large-scale digital network integration and virtualised wireless capabilities, is uniquely placed to establish its position as a leading integrator of digital networks.

The wellbeing of employees continues to be of utmost priority for the Company. Several initiatives to support employees and their families during the pandemic have been taken, viz. telemedicine consultation, healthcare service at home, COVID-19 testing, vaccination support, emotional/mental support. The Company is also assisting its employees with hospital availability, isolation, oxygen concentrator/cylinder, injections, plasma, ambulance, etc.

Though the safety and wellbeing of our employees was at the top of our mind, we equally contributed to society and humanity as a whole.

STL contributed $75,000 to the Italy local government fund via Italy plant; sent masks to Italy. STL provided PPE support to China; got sanitizers, disinfectants, wards & ventilator assemblies ready in just 5 days. STL's plants were not only converted into large quarantine facilities but were producing PPE gear.

Dividend and dividend distribution policy

The Board of Directors ('the Board') is pleased to recommend a final dividend of ₹ 0.50/- per Equity Share (i.e. 25%) of ₹ 2/- each for the FY22. For the FY21, the dividend paid was ₹ 2 per share (i.e. 100%) of ₹ 2 each.

The distribution of dividend will result in payout of around ₹ 19.88 crores (excluding tax) on dividend. The dividend payout is subject to approval of shareholders at the ensuing Annual General Meeting ('AGM'). The Company proposes not to carry any amount to reserves for the FY22.

In terms of the provisions of the Income Tax Act, 1961, the dividend, if declared, will be taxable in the hands of the shareholders subject to tax deduction at source at the applicable rates. For further details on taxability, please refer to annexure to the Notice of AGM.

The Dividend Distribution Policy of the Company, in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations'), is available on the website of the Company at https://www.stl.tech/Code-of-Conduct-and-Policies.html. The dividend recommended is in accordance with the principles and criteria as set out in the Dividend Distribution Policy.

Share capital

The paid-up equity share capital as on March 31, 2022 was ₹ 79.56 crores. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights or sweat equity shares.

Acquisition of Clearcomm Group UK

During the year under review, the Company entered into definitive documents to acquire 100% stake in Clearcomm Group Limited based in the United Kingdom, and a network integration company. As part of the transaction, Company acquired 80% of the shareholding of the Clearcomm in the first tranche in July 2022 through its wholly owned subsidiary, STL UK Holdco Limited, UK and the balance 20% shareholding will be acquired in the second tranche in 2023.

Change of registered office

The shifting of registered office of the Company from E1, MIDC Industrial Area ,Waluj, Aurangabad – 431 136, under the jurisdiction of Registrar of Companies Mumbai, (ROC Mumbai) to 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1, Pune – 411 001, under the jurisdiction of Registrar of Companies, Pune (ROC Pune) was approved by the shareholders at the Annual General Meeting held on August 31, 2020.

During the year, ROC, Pune, on July 6, 2021 issued certificate of Registration confirming, inter alia, transfer of the Registered Office as aforesaid.

Divestment

The Company sold its 22.46% stake in Metis Eduventures Private Limited, Associate of the Company, in November 2021 for a value of around ₹ 45 crores. The Company also divested 64.98% stake in Maharashtra Transmission Communication Infrastructure Limited, subsidiary of the Company in March 2022 for a value of ₹ 43 crores.

Corporate governance

A Report on Corporate Governance, in terms of Regulation 34 of the Listing Regulations, along with a Certificate from Practising Company Secretary, certifying compliance of conditions of Corporate Governance enumerated in the Listing Regulations, is presented in a separate section forming part of this Annual Report.

Management discussion and analysis report

Management Discussion and Analysis Report for the year under review, giving detailed analysis of Company's operations, as stipulated under Regulation 34 of the Listing Regulations, is presented in a separate section forming part of this Annual Report.

Business Responsibility Report (BRR)

In compliance with the Listing Regulations, the Company has included a separate section on Business Responsibility as a part of this Annual Report.

Material changes and commitments, if any, affecting the financial position of the Company

There were no adverse material changes or commitments occurred between the end of financial year and date of this report, which may affect the financial position of the Company or may require any disclosure.

Board meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During FY22, six meetings of the Board of Directors were held on April 29, 2021; July 22, 2021; October 7, 2021; October 21, 2021; January 19, 2022 and February 25, 2022. The maximum time-gap between any two consecutive meetings did not exceed one hundred and twenty days. Owing to the COVID-19 pandemic, most of the Board meetings were held through video conferencing facilities.

Composition of audit committee

The Audit Committee of the Board comprises of Mr. S Madhavan as a Chairperson and Ms. Kumud Srinivasan, Mr. Sandip Das and Mr. Pravin Agarwal as a members. All recommendations given by Audit Committee during FY22 were accepted by the Board.

Further details on the Audit Committee and other Committees of the Board are given in the Corporate Governance Report, which forms a part of this Annual Report.

Directors and key manangerial personnel

Pursuant to the recommendation of the Nomination & Remuneration Committee (NRC), the Board, in its Meeting held on January 20, 2021, appointed Mr. S Madhavan and Mr. BJ Arun as an Additional Directors (Non-Executive, Independent) effective January 20, 2021 and the same was also approved by the members at their Annual General Meeting held on August 26, 2021.

Upon recommendation of the NRC, Mr. Ankit Agarwal was appointed as an Additional Director (Executive) of the Company effective January 20, 2021 and same was approved by the members at their Annual General Meeting held on August 26, 2021. Further, pursuant to the recommendation of the NRC, the Board, in its Meeting held on October 07, 2021 appointed Mr. Ankit Agarwal as a Managing Director for a period of five years effective October 08, 2021 upto October 07, 2026 subject to the approval of members at the ensuing AGM. Necessary Resolution for appointment of Mr. Ankit Agarwal as a Managing Director has been included in the Notice convening the AGM.

Dr. Anand Agarwal, stepped down as a CEO and Whole-time Director of the Company, effective December 02, 2021 and same was approved at the Board meeting held on October 07, 2021. Directors placed on record their appreciation for the valuable contribution made by Dr. Anand Agarwal during his tenure.

Mr. Sandip Das was appointed as an Independent Director by the Members at their Annual General Meeting held on June 26, 2018 for a period of five years effective October 16, 2017 upto October 15, 2022. On the recommendation of the NRC, the Board in its meeting held on April 28, 2022 approved the re-appointment of Mr. Sandip Das, as an Independent Directors of the Company for a second term of two years with effect from October 16, 2022 to October 15, 2024 based on the skills, experience, knowledge and report of his performance evaluation and his independence from management. The re-appointment is subject to the approval of the shareholders at the ensuing AGM by way of a Special Resolution.

Pursuant to Section 149 read with Section 152 of the Companies Act, 2013 ('the Act'), Mr. Pravin Agarwal, Whole-time Director will retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board recommends his appointment.

Details of the aforesaid proposals for appointment are provided in the Annexure to the Notice of the AGM.

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(7) of the Act and Regulation 16 and 25 of the Listing Regulations. The Independent Directors of the Company have also registered themselves in the databank with the Indian Institute of Corporate Affairs and confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

In terms of provisions of Section 203 of the Act, and the Rules made thereunder, following are the Key Managerial Personnel (KMP) of the Company:

1. Mr Ankit Agarwal – Managing Director
2. Mr Mihir Modi – Chief Financial Officer
3. Mr Amit Deshpande – Company Secretary

Dr Anand Agarwal resigned as Chief Executive Officer (CEO) and Key Managerial Personnel of the Company effective December 02, 2021. Mr Ankit Agarwal was appointed as Managing Director and Key Managerial Personnel of the Company effective October 8, 2021, subject to the approval of Shareholders at the ensuing AGM.

Performance evaluation of the board, its committees and individual directors

The Board of Directors of the Company is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the NRC has established processes for performance evaluation of Independent Directors, the Board and Committees of the Board. Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of its Committees as well as the Directors individually. Details of the evaluation mechanism are provided in the Corporate Governance Report.

The Board has, on the recommendation of the NRC, framed a policy for selection and appointment of Directors, Senior Management and their remuneration ('NRC Policy'). The NRC Policy of the Company includes criteria for determining qualifications, positive attributes and independence of a director and policy relating to the remuneration of Directors, Key Managerial Personnel and other employees and is framed with the object of attracting, retaining and motivating talent which is required to run the Company successfully. The Policy can also be accessed on Company's website at the link: https://www.stl.tech/Code-of-Conduct-and-Policies.html

Directors' responsibility statement

Pursuant to provisions of Section 134(3)(c) and Section 134(5) of the Act, Directors, to the best of their knowledge and belief, state that:

a) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year April 1, 2021 to March 31, 2022;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a 'going concern' basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Compliance with Secretarial standards

Directors confirm that the Secretarial Standard - 1 on Meetings of Board of Directors and Secretarial Standard – 2 on General Meetings, issued by The Institute of Company Secretaries of India, have been duly complied with.

Contracts or arrangements with related parties

All contracts and arrangements with related parties, entered by the Company during FY22, were in the ordinary course of business and on an arm's length basis, except for those which were specifically approved by the Board (for transactions not in ordinary course).

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC - 2 of Companies (Accounts) Rules, 2014 are as below.

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions at arm's length basis.

Sl. No.	Particulars	Details		
a)	Name (s) of the related party & nature of relationship	Sterlite Power Transmission Limited (Subsidiary of Ultimate Holding)	Sterlite Technologies Inc USA (Wholly Owned Subsidiary) (STI)	Sterlite Tech Cables Solutions Limited (STCSL) (Wholly Owned Subsidiary)
b)	Nature of contracts/ arrangements/ transaction	Sale of Shares (One Time)	Sale of Fixed Assets	Sale of Machinery / Fixed Assets
c)	Duration of the contracts/ arrangements/ transaction	On or before March 31, 2022	On or before March 31, 2022	On or before March 31, 2022
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of 64.98% stake of Sterlite Technologies Limited held in Maharashtra Transmission Communication Infrastructure Limited to Sterlite Power Transmission Limited. Total Consideration ₹ 43 crores agreed to be received in multiple tranches. The sale is done in accordance with the valuation report obtained from an independent valuer.	Sale of fixed assets/ machinery of value of ₹ 17.2 crores for capex facilities of STI. The sale is done on arm's length basis.	Sale of fixed assets/ machinery of value of ₹ 15.1 crores for capex facilities of STCSL. The sale is done on arm's length basis.
e)	Justification for entering into such contracts or arrangements or transactions	Strategic decision	Transfer of assets as per approved business capex plan	
f)	Date of approval by the Board	February 25, 2022	April 29, 2021	April 29, 2021
g)	Amount paid as advances, if any	Nil	Nil	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable	Not Applicable	Not Applicable

2. Details of material contracts or arrangements or transactions at Arm's length basis. - Nil

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date(s) of approval by the Board, if any	
f)	Amount paid as advances, if any	

Details regarding the policy, approval and review of Related Party Transactions are provided in the Corporate Governance Report.

Subsidiaries and Joint Ventures

In accordance with Section 129(3) of the Act, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is provided as part of the consolidated financial statement. Hence, a separate report on the performance and financial position of each of the subsidiaries and joint venture companies is not repeated here for the sake of brevity. This also includes highlights of performance of Sterlite Global Ventures (Mauritius) Limited, Jiangsu Sterlite Tongguang Fibre Co. Ltd., Metallurgica Bresciana S.p.A. and Sterlite Technologies Inc., USA, material subsidiaries of the Company.

During the year under review, the following have become subsidiaries (direct/indirect) of the Company:

STL Optical Tech Limited (India)
Sterlite Digital Inc (USA)
Sterlite Tech GmbH (Germany)
STL Tech Solutions Limited (UK)
STL Network Services Inc. (USA)
STL Solutions Germany GmbH (Germany)

During FY22, Metis Eduventures Private Limited and Maharashtra Transmission Communication Infrastructure Limited has ceased to be an associate and subsidiary of the Company respectively.

The Company has complied with Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, for the downstream investments made during the year.

Policy on material subsidiaries, as approved by the Board of Directors, can be accessed on the Company's website at https://www.stl.tech/Code-of-Conduct-and-Policies.html

The Audited Financial Statements of the Subsidiary Companies have not been included in the Annual Report. The financial statements of the Subsidiary Companies and the related information will be made available, upon request, to the members seeking such information at any point of time. These financial statements will also be available on the Website of the Company at https://www.stl.tech/downloads.html

Financial statements

The Ministry of Corporate Affairs and SEBI has provided several relaxations, in view of difficulties faced by the Companies, on account of threat posed by Covid-19. Pursuant to the General Circular dated May 5, 2022 read with General Circulars No.20/2020 dated May 5, 2020; No. 02/2021 dated January 13, 2021; No. 19/2021 dated December 08, 2021; No. 21/2021 dated December 14, 2021 issued by the Ministry of Corporate Affairs, and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by SEBI, the Company shall not be dispatching physical copies of the Annual Report and shall be sent only by email to the members. However, copies of the Annual Report will be provided to the members upon request.

The consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, duly audited by Statutory Auditors, also forms part of this Annual Report.

Statutory auditors

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) ('PWC') was appointed as the Statutory Auditors for a period of five years from the conclusion of the Annual General Meeting of the Company held on July 4, 2017 till the conclusion of ensuing AGM.

Accordingly, the first term of five years of PWC will expire at the conclusion of ensuing AGM. The Board, on the recommendation of Audit Committee has approved appointment of PWC for the second term of five consecutive years from the conclusion of 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting of the financial year 2027, subject to approval of members at the ensuing AGM and on such terms and conditions as may be mutually agreed.

Statutory auditor's report

There are no qualifications, reservations or adverse remarks by the Statutory Auditors, in their report for the financial year ended March 31, 2022.

Secretarial auditor

Pursuant to Section 204 of the Act, Mr. Jayavant B Bhave, Practising Company Secretary, was appointed to conduct the Secretarial Audit of the Company, for the financial year ended March 31, 2022. The Report of the Secretarial Auditor is annexed as **Annexure I** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost auditor

The Company is required to make and maintain cost records for Copper Cables as specified by the Central Government under sub-section (1) of section 148 of the Act. Accordingly, the Company has been making and maintaining the records as required.

Pursuant to Section 148 of the Act, read with The Companies (Cost Records and Audit) Rules, 2014, the cost audit records maintained by the Company are required to be audited. Mr Kiran Naik, Cost Accountant, was appointed as the Cost Auditor to audit the cost accounts of the Company for said products for FY22 at a remuneration of ₹ 90,000 plus at actuals out of pocket expenses. Mr. Kiran Naik has confirmed that his appointment is within the prescribed limits. As required by the provisions of the Act, a resolution seeking Members' approval for the remuneration payable to Mr Kiran Naik, Cost Auditor for FY23 is included in the Notice convening the ensuing AGM.

Cost Audit Report for FY21 was filed with the Registrar of Companies within the prescribed timelines.

Internal financial controls

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2022 and are operating effectively.

The Board of Directors has devised systems, policies and procedures / frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to Company's policies, safeguarding assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal controls to ensure they remain effective and are designed to achieve their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, corrective and preventive actions are then put in place to strengthen controls.

The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements, an internal audit framework, an ethics framework, a risk management framework and adequate segregation of duties to ensure an acceptable level of risk.

The Company has documented Standard Operating Procedures (SOP) for key functions such as for procurement, project / expansion management, capital expenditure, human resources, sales and marketing, finance, treasury, compliance management, safety, health, and environment (SHE), and manufacturing. The Company's internal audit activity is managed through the Management Assurance Services ('MAS') function. It is an important element of the overall process by which the Audit Committee and the Board obtains assurance on the effectiveness of internal controls over financials reportings.

The scope of work including annual internal audit plan, authority, and resources of MAS are regularly reviewed and approved by the Audit Committee. Annual internal audit plan is aligned with Enterprise Risk Management to ensure that all critical risks are covered in the audit plan. Besides, its work is supported by the services of leading international audit firms. The annual internal audit includes: monthly physical verification of inventory and review of accounts/ MIS and a quarterly review of critical business processes. To enhance internal controls, the internal audit follows a stringent grading mechanism, monitoring and reporting of the implementation of internal auditors' recommendations of internal audit. The internal auditors make periodic presentations on audit observations, including the status of follow-up to the Audit Committee.

Details regarding frauds reported by auditors under section 143(12)

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

Legal compliances management

The Company mitigates its legal and regulatory compliance risks with the help of an online compliance management tool. It is a well-defined system for storing, monitoring and ensuring compliances under various legislations. Non-compliances, if any, are reported and corrective actions are taken within a reasonable time. Any regulatory amendment is updated periodically in the system. Based on reports from the system and certificates from functional heads, the Managing Director presents the quarterly compliance certificate to the Board at the Board meetings.

Business risk management

The Company has formally implemented Enterprise Risk Management framework and have policy to identify and assess the risk events, monitor and report on action taken to mitigate identified risks. A detailed exercise is carried out periodically to identify, evaluate, manage and monitor both business and non-business risk. The Audit Committee and the Board of Directors periodically review the risk and suggest steps to be taken to control and mitigate the same through a properly defined framework. Details of Risk Management are presented in a separate section forming part of this Annual Report.

During the year under review, a revised risk management policy/framework was adopted by the Board. This framework, *inter alia*, includes identification of internal and external risks faced by the Company, including financial, operational, sectoral, sustainability, information, cyber security, strategic or any other risk as may be determined by the Risk Management Committee and the measures for risk mitigation, reporting of critical risks within the Company and Business Continuity Plan.

The Risk Management Committee of the Board comprises of Ms Kumud Srinivasan as the Chairperson and Mr Sandip Das, Mr Ankit Agarwal and Mr Mihir Modi as Members.

Whistle blower mechanism

The Company has established a vigil mechanism and formulated the Whistle Blower Policy (WB Policy) to deal with instances of fraud and mismanagement, if any. The details of the WB Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

Disclosure regarding prevention of sexual harassment

The Company is committed to maintaining a productive environment for all its employees at various levels in the organisation, free of sexual harassment and discrimination on the basis of gender. The Company has framed a policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act'). The Company has also set up Prevention of Sexual Harassment Committee, which is in compliance with the requirement of the POSH Act, to redress the Complaints received regarding sexual harassment which has formalised a free and fair enquiry process with clear timeline. During the financial year, Company did not receive any complaint under the POSH Act.

Employees stock option scheme

The Company's Employee Stock Option Schemes are in line with Company's philosophy of sharing benefits of growth with the growth drivers and are in compliance with the applicable SEBI Regulations. The Company allotted 11,28,407 shares during the year to various employees who exercised their options. The Certificate from the Statutory Auditors confirming that the Scheme has been implemented in accordance with the SEBI Regulations and the resolution passed by the shareholders would be placed at the ensuing AGM for inspection by members.

Disclosures with respect to Stock Options, as required under Regulation 14 of the Listing Regulations, are provided in the **Annexure II** to this Report, notes to the financial statements and can also be accessed on the Company's website at https://www.stl.tech/downloads.html

Particulars of employees and related disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as **Annexure III** to this Report.

A statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as a separate annexure forming part of this Report. However, the Annual Report is being sent to the members excluding the aforesaid annexure. The said information is available for electronic inspection during working hours and any member interested in obtaining such information may write to the Company Secretary or Registrar and Transfer Agent and the same will be furnished on request.

Annual return

In terms of Section 92(3) of the Act, the annual return of the Company for the financial year ended March 31, 2022 shall be available on the Company's website https://www.stl.tech/investors.html

Non-convertible debentures

As on March 31, 2022, the Company has outstanding Secured, Rated, Redeemable, Non-Convertible Debentures (NCDs) of ₹ 440 crores. The Company has maintained asset cover sufficient to discharge the principal amount along with outstanding interest at all times for its NCDs. NCDs are listed on the debt segment of BSE Limited, as per the SEBI Guidelines and Listing Regulations.

The details of debenture trustee are as below–

Axis Trustee Services Limited
The Ruby, 2nd Floor, SW
29 Senapati Bapat Marg, Dadar West
Mumbai- 400 028
Contact No.: +91- 022-6230 0438

Credit rating

The Company's financial discipline is reflected in the strong credit rating ascribed by ICRA/CRISIL:

Debt instrument	ICRA		CRISIL	
	Rating	Outlook	Rating	Outlook
Non-Convertible Debentures	NA	NA	AA	Negative
Commercial Papers	A1+	NA	A1+	NA
Line of credit	AA	Stable	AA	Negative

Particulars of loans, guarantees or investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as prescribed under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, are provided in the **Annexure IV** to this Report.

Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Act, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company to the Investor Education and Protection Fund established by Central Government. Details of unpaid and unclaimed amounts lying with the Company as on March 31, 2022 have been uploaded on the Company's website at https://www.stl.tech/latest_disclosure.html

Transfer of 'underlying shares' to IEPF

In terms of Section 124(6) of the Act, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred the equity shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government. Details of shares transferred have been uploaded on the website of the Company.

Corporate social responsibility

The Board has constituted Sustainability and Corporate Social Responsibility Committee ('CSR Committee') which comprises of Mr B J Arun, as a Chairman and Mr Sandip Das, Mr Pravin Agarwal and Mr Ankit Agarwal, as the members. The Board has also approved a CSR policy on recommendations of CSR Committee, which is available on the website of the Company at https://www.stl.tech/Code-of-Conduct-and-Policies.html

As part of its initiatives under Corporate Social Responsibility, the Company has undertaken projects in the areas of Education, Health, Women Empowerment and Community Development during FY22.

During the year, the Company has spent ₹ 11.57 crores on CSR activities. The Annual Report on CSR activities, in accordance with Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure V** to this Report.

General

Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a) The Company has not accepted any deposits from the public or otherwise in terms of Section 73 of the Act read with Companies (Acceptance of Deposit) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

b) The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

c) The Whole-time Directors of the Company do not receive any remuneration or commission from any of its subsidiaries.

d) No significant or material orders were passed by the Regulators, Courts or Tribunals which impact the going concern status and Company's operations in future.

e) The Auditors have not reported any matter under Section 143 (12) of the Act, therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

Acknowledgement

Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Directors take on record their deep sense of appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the progress of our Company.

For and on behalf of the Board of Directors

Pravin Agarwal Vice Chairman & Whole-time Director	**Ankit Agarwal** Managing Director

Place: Mumbai
Date: April 28, 2022

FORM NO. MR-3
Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
STERLITE TECHNOLOGIES LIMITED
4th Floor, Godrej Millennium, Koregaon Road 9,
STS 12/1, Pune – 411001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STERLITE TECHNOLOGIES LIMITED** (CIN: L31300PN2000PLC202408) (Hereinafter called 'the Company')

Secretarial Audit was conducted for the financial year 2021-22, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and for expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to me and representations made by the Management, during the audit period covering the financial year ended on March 31, 2022 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of the following list of laws and regulations:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the Audit Period]**

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not applicable during the Audit Period]**

e) Securities and Exchange Board of India SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021;

f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable during the Audit Period]**

g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2006 regarding the Companies Act and dealing with client

j) SEBI (Delisting of Equity Shares) Regulations, 2009 **[Not applicable during the Audit Period]**

and circulars/ guidelines issued thereunder;

(vi) Other Applicable Laws: As informed by the management, there are no other laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the committee and Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period: -

1. The shifting of registered office of the Company from E1, MIDC Industrial Area Waluj Aurangabad, Aurangabad 431136, Maharashtra, India located in the State of Maharashtra under the jurisdiction of Registrar of Companies Mumbai, (ROC Mumbai) to 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1, Pune-411001, located in the State of Maharashtra under the jurisdiction of Registrar of Companies, Pune (ROC Pune) was approved by the shareholders by passing special resolution in the Annual General Meeting held on August 31, 2020. The Company received order from the Regional Director, Western Region vide order number-RD/Sec.12(5)/R68671668/1803 on November 10, 2020. The Company received approval from the Registrar of Companies, Pune on July 6, 2021.

2. Dr. Anand Agarwal stepped down from the position of Chief Executive Officer & Whole-time Director (Key Managerial Personnel) w.e.f. December 2, 2021. The Board of directors of the Company appointed Mr. Ankit Agarwal as Managing Director of the Company for a tenure of 5 years from October 8, 2021 to October 7, 2026.

3. The Company sold investment of company in METIS EDUVENTURES PRIVATE LIMITED (Sale of Entire 22.46 % stake in METIS) Associate of the Company and Maharashtra Transmission Communication Infrastructure Limited (Sale of Entire 64.98 % stake in METIS) –Subsidiary of the Company.

FOR J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor

Place: Pune
Date: April 28, 2022

Annexure I

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF STERLITE TECHNOLOGIES LIMITED (2021-2022) AUDITORS' RESPONSIBILITY

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSA1 to CSA4) I wish to state as under-

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068

Place: Pune
Date: April 28, 2022

PR No. 1238/2021
UDIN: F004266D000203641

Annexure II

Details of Stock Options as on March 31, 2022

Statement as on March 31, 2022 for Employee Stock Option Scheme, 2010 as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Sr. No	Particulars	ESOP 2010 Scheme
1.	Date of Shareholders' approval	July 14, 2010
2.	Total Number of options approved	Upto 5% of the paid-up capital of the Company
3.	Vesting Requirements	The Company achieving targets as per prescribed Performance Criteria continuous employment with the Company
4.	Source of shares	Primary
5.	Exercise price	Options vest at a nominal value of equity shares i.e. ₹ 2 per option
6.	Maximum term of options granted	Granted options would vest over a period of five years from the date of grant. Vested options are to be exercised within five year from the date of vesting
7.	Variation of terms of option	None
8.	Option movement during the year:	
	Number of options outstanding at the beginning of the year	35,68,463
	Number of options granted during the year	17,37,354
	Number of options forfeited/ lapsed during the year	11,74,087
	Number of options vested during the year	23,06,278
	Number of options exercised during the year	11,28,407
	Number of shares arising as a result of exercise of options	11,28,407
	Money realised by exercise of options (₹), if scheme is implemented directly by the Company	₹ 22,56,814
	Number of options outstanding at the end of the year	30,02,165
	Number of options exercisable at the end of the year	724,205
9.	Employee-wise details of options granted during FY22 to	
I.	Number of options granted to Senior Managerial Personnel	
	Dr. Anand Agarwal CEO & Whole-time Director	60,000
II.	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	None
III.	Identified employees who were granted options during any one year, equal to or exceeding 1% of issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None
10.	Diluted earnings per share pursuant to issue of ordinary shares on exercise of Options calculated in accordance with Ind AS 33	₹ 2.06 ₹ 2.04
11.	Method of Calculation of Employee Compensation Cost	The Company has used fair market value method for calculation of compensation cost, using the Black Scholes Option Pricing Model and Monte Carlo simulation model. Use of model is based on the related vesting conditions.

Sr. No	Particulars	ESOP 2010 Scheme
12.	Weighted average exercise price and weighted average fair values of Options granted for options whose exercise price either equals or exceeds or is less than the market price of the stock. Weighted Average exercise price (per option) Weighted Average Fair value (per option)	₹ 2 Grant I - ₹ 25.87 Grant II – ₹ 29.77 Grant III – ₹ 28.22 Grant IV – ₹ 48.66 Grant V- ₹ 79.99 Grant VI- ₹ 84.62 & ₹ 87.30 Grant VII – ₹103.94 Grant VIII- ₹ 162.87 & ₹ 92.90 Grant IX – ₹ 265.58 Grant X- ₹ 377.59 Grant XI – ₹ 291.97 & ₹134. 31 Grant XII- ₹ 286.53 Grant XIII- ₹ 136.86 & ₹ 44.32 & ₹ 22.30 Grant XIV – ₹ 126.69 & ₹ 63.00 Grant XV– ₹ 180.75 Grant XVI – ₹ 276.80 Grant XVII – ₹ 279.50 Grant XVIII- ₹ 253.80

13. Description of method and significant assumptions used during the year to estimate the fair values of options:

a) Assumptions under Black Scholes Option Pricing:

Details	Grants																	
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV	XVI	XVII	XVIII
1. Risk Free Interest rate (%)	8.33	8.04	8.66	7.84	7.22	6.50	6.12	6.20	6.27	6.54	7.03	6.88	6.19	3.92	3.99	4.35	4.35	4.67
2. Expected Life (yrs)	1.5	1.7	1.7	1.7	1.8	1.5	1.54	1.5	1.5	1.5	1.54	1.5	3.5	2.1	2.1	2.5	2.10	2.10
3. Expected Volatility (%)	48.31	53.93	44.41	51.55	55.34	50.28	47.02	37.00	42.75	43.28	44.79	44.64	47.87	54.60	57.90	55.50	55.80	49.50
4. Expected Dividend Yield (%)	0.73	0.79	0.79	0.59	0.72	1.14	0.47	2.20	1.90	1.30	1.04	0.69	1.07	2.5	2.5	2.36	2.36	2.50
5. Weighted Average Fair value (₹)	25.87	29.77	28.22	48.66	79.99	84.62	103.94	162.87	265.58	377.59	291.97	286.53	136.86	126.69	180.75	276.80	279.50	253.80

Assumptions used are as follows:

- Fair value of the options calculated by using Black-Scholes option pricing model.
- Stock price: The closing price on NSE as on the date of grant has been considered for valuing the options granted.
- Expected Volatility: The daily volatility of the stock prices on NSE till the date of grant corresponding with the expected life of the options has been considered to calculate the fair value of the options.
- Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.
- Time of Maturity/ Expected Life: Time of Maturity/ Expected Life of option is the period for which the Company expects the option to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.
- Expected dividend yield: Expected dividend yield has been calculated on the dividend prior to the date of the grant.

b) Assumptions under Monte Carlo Simulation model

Vesting of options is dependent on the shareholder return during the performance period as compared to comparator group identified by Nomination and Remuneration Committee. The Monte Carlo model requires the following variables of the Company and comparator group companies.

- Historical share price and expected volatility during the performance period
- Risk free interest rate of the country where stock of comparator group is listed
- Dividend yield based on historical dividend payments
- Estimate of correlation coefficients for each pair of company

Assumptions used are as follows:

Variables	Grant VIII	Grant XI	Grant XIII	Grant XIV	Grant XVI
Price of underlying stock	₹ 172.30	₹ 301.75	₹ 145.35	₹ 135.40	₹ 295.80
Expected volatility	37.00%	44.79%	47.87%	54.60%	55.80%
Risk Free rate	6.40%	7.03%	6.19%	3.92%	4.35%
Exercise Price (per Option)	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	2.00
Dividend Yield	2.20%	1.04%	1.07%	2.50%	2.36%
Fair Value of the option	₹ 92.90	₹ 134.31	₹ 44.32	₹ 63.00 & ₹ 22.30	₹ 145.09 & ₹ 137.99

Annexure III

Statement of Disclosure of Remuneration

Information as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Remuneration disclosures for Executive Directors and Key Managerial Personnel (KMP) for the financial year ended March 31, 2022

(₹ in crores)

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for Financial Year 2021-22	% increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Pravin Agarwal Vice Chairman & Whole-time Director	10.17	7%	93
2	Dr. Anand Agarwal (KMP)* CEO & Whole-time Director	13.63	13%	111
3	Mr. Ankit Agarwal (KMP)** Managing Director	3.72	22%	34
4	Mr. Mihir Modi (KMP) Chief Financial Officer	2.67	211%	24
5	Mr. Amit Deshpande (KMP) Company Secretary	0.72	2%	7

* Dr Anand Agarwal ceased to be director with effect from December 02,2021

** Ankit Agarwal was appointed as the Managing Director with effect from October 08,2021

Note: As the liability for leave encashment is provided on an actuarial basis for the Company as a whole, the said amounts are not included above. The remuneration of KMPs also includes perquisites value of Employee Stock Options (ESOPs) exercised, if any.

Details of remuneration paid to Independent Directors and other Non-Executive Directors are provided in the Corporate Governance Report, which forms a part of the Annual Report.

B. The percentage increase in the median remuneration of employees in the financial year is **15.09%**

C. The number of permanent employees on the rolls of company as on March 31, 2022 is **2,691**

D. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year viz. FY 22 was **7.8%**

E. It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Annexure IV

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014 for the year ended March 31, 2022.

A. CONSERVATION OF ENERGY

1. The steps taken or impact on the conservation of energy.

In FY22, various initiatives are taken up across our plants which has contributed to decrease in energy consumption and hence the carbon footprint.

a. The interlocking of Cooling tower Fan with water temperature to save motor running time.

b. Installation of UPS with IGBT technology, which provide 95% efficiency (Traditional with 80-85%).

c. Installation of Chillers with PHE to improve its efficiency with Load reduction.

d. The continuous load optimisation and revision in contract demand depending upon the market conditions and monitoring of load

e. Design and installation of Air receivers at the machines, where high pressure/consumption required, to help towards increase in efficiency of the air compressors

f. Installation of STP to recycle the water & the recycled water is used for gardening purpose.

g. Plant roof sheets are designed & installed with north facing lights & inner insulation with glass wool & aluminum sheet for better daylight visibility & maintain 5 degree less temperature inside plant.

h. The continuous load optimisation and revision in contract demand depending upon the market conditions and monitoring of load

i. Replacement of old air wiper system in FG & buffering lines with in-house modified wiper which are less air consuming and more effective. Will reduce the running hrs of air compressor thus energy saving

j. Replacement of overhead pumps of chilled water circulation with submersible single pump.

k. Replacement of cooling tower starter with VFD's has resulted in a saving Unit/Month.

l. Installed the Motion Sensor/LDR and timers for office & street Light & Air Condition Unit to reducing power consumption

m. DC Motor has been replaced by High Efficiency AC motor for power saving.

n. Installation of Air VAC instead of the conventional rotary type vacuum pump in new Sheathing lines

o. Heat exchangers (PHE) installation for all sheathing line in plant to reduce the load on chillers.

p. Design and installation of receivers at high air consumption machines to help towards increase in efficiency of the air compressors.

q. Installation of water level sensors at collection tanks to contribute towards maintaining optimum level of water for the chillers and help towards power saving.

r. Autonomous maintenance of machines and execution of centralised utilities

s. Air compressor pipeline modified in the FTTH plant so as to connect the machine trough centralised air pipeline and completely eliminate use of one 120 CFM compressor.

t. High Recovery RO plant procurement in progress, with automation and new technology

u. Initiate an automation of all machine extruder parameter to track and alarm for any rise in load

v. Installation of VFD done in scrubber area provide energy saving 10% by running pumps at optimised frequency.

w. Installation of VFD done for scrubber compressors reduces number of loading & unloading time cycles which optimise constant load saving energy approx. 5%.

x. Installation of VFD done in UGT pump house optimises pump speed gives 5% energy saving.

y. The continuous load optimisation and revision in contract demand depending upon the market conditions and monitoring of load has led to a saving of 85 lakhs/month in electricity bill.

z. Installed motion sensors in offices, service floor, battery room, UPS room, canteen, EHS & washrooms in less man movement areas contribute power saving.

aa. Installation of timers done for lighting on staircases switching ON during nights only saving energy.

bb. After installation of VFDs in 9 No's AHU we start the saving, Total approx. Energy and ₹ will be save (3.86 Lac Units and 26.89 Lac ₹) per Annum.

cc. Installed 700TR chiller in phase 1 & 2 to replace two 320 TR chiller's operation. Total energy saved (216000 units a year and Thirteen lacs thirty-nine thousand two hundred units).

dd. Installed VFD for chiller secondary pumps as a result the we are able to reduce the pump operational load by 20% (54432 units and Three Lacs thirty-seven thousand four hundred seventy-eight rupees).

ee. Process chiller 300 TR temperature output was optimised in January 2022 as a result we are able to save 17280 units a month (for three months its three lac twenty-one thousand four hundred eight rupees).

2. The steps taken by the Company for utilising alternate sources of energy.

a. Installed battery enabled motion sensors in offices & washrooms to contribute towards saving power.

b. High Recovery RO plant procurement in progress, with automation and new technology.

c. Recycling of domestic water waste by using STP for gardening purpose.

d. Solar Power Panel of Capacity 625 Kwp capacity. Yearly 750,000 units will be generated

e. Exploring for power exchange alternative from solar & wind power.

f. Installed motion sensors in offices, service floor, battery room, UPS room, canteen, EHS & washrooms to contribute towards saving power.

g. Timer installation for staircase lighting.

h. Installation of VFDs in plant contributes energy saving

3. The capital investment on energy conservation equipment

a. High efficiency and quality product delivering machines commissioned which are capable of producing multiple cable designs with minimum scrap and consuming less power and maintaining high rate of availability.

b. Installed and commissioned 5 new 400 KVA UPS with higher efficiency of 96 % as compared to traditional UPS with around 85% efficiency.

c. Implemented Centralised Utilities set up which have Power saving by 10 to 15 %

d. Installation of 600 CFM Air compressors having high power efficiency with saving of approximate 300 energy units per day.

e. High cooling efficiency chiller installed.

f. Centralised Utilities Building in progress to go live which shall have Power saving by 10 to 15 %

g. Design and selected the latest highly efficient equipment(Dry transformer/UPS/RMU/Type Tested panels/HVAC/Cooling Towers/Pumps) with the scheme of 100% redundancy

h. Introduction and replacing of oil type transformer with dry transformer with higher efficiency

i. High efficiency UPS in parallel scheme with 100% redundancy

j. New PEB shed with roof sky light design to reduce day time plant lighting load

k. Capital investment on VFD have less than year payback period. It comprises 3 to 4 % saving in monthly bill.

l. Cost investment on motion sensors & timers have less than year payback period.

B. TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption

a. Implemented & started usage of Industry 4.0 for analysis of machine data at OFC, Waluj on first 9 machines (3 Buffering, 2 Stranding & 4 Sheathing).

b. Installation of Filler line with 400 MPM line speed, which has capacity for production of 500 km filler/day.

c. Closed loop PHE installed to reduce Chilled water losses.

d. Aluminium air pipeline installed that have low friction during flow of air thereby resulting in high efficiency of compressor and low air losses.

e. Centralised Utility installed with energy bridge concept.

f. The aging cooling tower was replaced with new technology leading to higher efficiency and reliability.

g. Revamp the chilled water circulation pumping system with submersible improving reliability of system.

h. New design submersible pump installation for the buffering and sheathing lines centralised water circulation to reduce power consumption, reduce noise generation, reduce maintenance cost and increase water flow rate.

i. Centralised SCADA system for Utility section under new project design phase completed.

j. The Centralised Utilities project in progress with main Energy Bridge concept.

k. Machine running hours being tracked to increase the OEE of machines through efficient planning.

l. Closed loop heat exchanger system is installed to reduce chilled water losses.

m. Aluminium air pipeline installed that have low friction during flow of air thereby resulting in high efficiency of compressor and low air losses.

a. Annunciation panel installation done in electrical building panels gives reliability

b. Tripping circuit provided for APFC during DG running reduces recovery time during power failure

c. Installation of timers provides reduced person activity physically.

2. The benefits derived like product improvement, cost reduction, product development or import substitution

a. Uninterrupted chilled water supply for cable cooling process with high efficient Chiller & PHE set up, resulting overall product improvement.

b. Installation of high efficient KAESER compressor with Aluminium pipeline, resulting less losses & cost reduction for compressed air system.

C. Rain Water Harvesting

Implementation of Rain water harvesting in the plant with a harvesting potential with a provision to use water back into process.

D. Sewage Treatment Plant

50 KLD plant installed and will be capable in utilising the adding amount of treated water for landscaping and other cleaning activities

e. Environment and Sustainability

f. Food Composter machine of 100kg per day installed for converting the canteen food waste in to manure

g. Optimised motor speed due to VFD installation reduces wear & tear effect of pumps. Increased life & efficiency of pumps

h. Replacement of focus lights with LED lights provides energy saving & also illumination.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable

4. The expenditure incurred on Research and Development (₹ crores)

a. Capital – 46.40

b. Recurring – 194.33

c. Total – 240.73

d. Total R&D expenditure as a % of total turnover – 4.79%

E. Foreign Exchange Earnings and Outgo

Discussion on activities relating to development of exports is covered in the Management Discussion & Analysis Report.

Foreign Exchange Actual Inflow: 1318.20 crores

Foreign Exchange Actual Outflow: 2171.50 crores

F. Environment and Sustainability

Company's initiatives to minimise environmental footprint of products, manufacturing and supply chain are guided by its environmental policy. The Environment Management System of the Company is ISO 14001 certified. The Company has dedicated departments to manage different environmental aspects which are responsible for managing and monitoring the performance. The performance is evaluated periodically and future actions are planned.

In FY22, under our initiative to become water positive we completed Zero Liquide Discharge certification for three plants at Aurangabad, Maharashtra. In the coming years we will be expanding this to other plants. Our initiatives to reduce carbon footprints includes multiple energy efficiency projects and Kaizen projects.

Annexure V

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. Brief outline on CSR Policy of the Company

Through a collaborative approach we envision 'Transforming Everyday Living, by Delivering Smarter Networks' for under developed communities. Connectivity, Innovation and Sustainability are thus pivotal not only to how we operate as a business, but even for our community outreach programmes. This approach helps us 'Create Shared Value' for each of our stakeholders as well as enable connected future for the nation that is inclusive for all.

Each of our ESG focus areas - Education, Women Empowerment, Health and Environment are interconnected and power each other through their alignment with the UN Sustainable Development Goals and Ten Principles of the UN Global Compact Network. This, in addition to strategic partnerships with the Government of India, NGOs, technical institutions and other development players allows us to create holistic solutions that positively impact and contribute to the realization of integrated development for rural, semi-urban and urban areas in India.

Our CSR Policy encapsulates each of these aspects, our Company's programs are implemented and monitored as well as governance aspects.

2. Composition of Sustainability and Corporate Social Responsibility Committee:

S. No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
i.	B J Arun, Chairman	Non-Executive & Independent Director	2	2
ii.	Sandip Das	Non-Executive & Independent Director	2	2
iii.	Pravin Agarwal	Vice Chairman & Whole-time Director	2	2
iv.	Dr. Anand Agarwal*	Chief Executive Officer & Whole-time Director	2	2
v.	Ankit Agarwal**	Managing Director	2	NA

*Dr. Anand Agarwal ceased as a member of the committee w.e.f. October 21, 2021.
**Mr. Ankit Agarwal was appointed as a member of the committee w.e.f. October 21, 2021 post which no committee meeting was held.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board is disclosed on the website of the Company

STL's website has all details pertaining to the Company's work on CSR, its policy and CSR Committee composition.

CSR Policy - https://www.stl.tech/pdf/corporate-social-responsibility-policy-2021.pdf

CSR Committee composition – https://www.stl.tech/esg/

CSR programs approved by the Board and their details - https://www.stl.tech/esg/social-impact/

- https://www.stl.tech/pdf/ESG-Report-FY20-21.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of Companies (CSR Policy) Rules, 2014, if applicable (attach the report)

Not applicable for FY22

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. **Average net profit of the Company as per section 135(5) –** ₹ 559.86 crores

7. **(a)** **Two percent of Average net profit of the Company as per section 135(5) –** ₹ 11.20 crores

(b) **Surplus arising out of the CSR projects/ programmes or activities for the financial year –** Nil

(c) **Amount required to be set off for the financial year, if any -** None

(d) **Total CSR obligation for the financial year (7a+7b- 7c) –** ₹ 11.20 crores

8. **(a)** **CSR amount spent for the financial year:**

Total Amount Spent for the Financial Year (in ₹ lakhs)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of Transfer
1157	NA	NA	NA	NA	NA

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

1	2	3	4	5	6	7	8	9	10	11	12	
S. No.	Name of the Project	Project ID (if available)	Item from the list of activities in schedule VII	Local Area (Yes/ No)	Location of the Project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the Current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imple-mentation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
											Name	CSR Registration number.
1	Jeewan Jyoti Women Empowerment Program	NA	Women Empowerment	Yes	Pune, Aurangabad, Nagpur	Ongoing	95	95	NA	No	Rangsutra Lighthouse Communities Foundation Institute of Livelihood Research and Training	CSR00001688 CSR00001116 CSR00001484
2	Digital Equalizer & Improved Learning Programme	NA	Education	Yes	Aurangabad, Silvassa, Nandurbar	Ongoing	216	220	NA	No	American India Foundation	CSR00001977
3	Digital Empowerment Program	NA	Education	Yes	Pune	Ongoing	18	14	NA	No	Lighthouse Communities Foundation	CSR00001116
4	Mobile Medical Unit	NA	Healthcare	Yes	Aurangabad, Nandurbar, Gachiroli	Ongoing	145	213	NA	No	Sevamob	CSR00001153
5	Mission Green	NA	Environment	Yes	Aurangabad, Pune	Ongoing	194	186	NA	No	The Ecological Society Village Social Transformation Foundation	CSR00009860 CSR00003542
6	Holistic Water Program	NA	Environment	Yes	Aurangabad	Ongoing	101	110	NA	No	Village Social Transformation Foundation	CSR00003542
7	Employee Volunteering	NA	Women Empowerment, Health, Education, Environment	Yes	Pune, Virtual	Ongoing	5	5	NA	No	Sterlite Tech Foundation	CSR00010514

1	2	3	4	5	6	7	8	9	10	11	12	
											Mode of Implementation – Through Implementing Agency	
S. No.	Name of the Project	Project ID (if available)	Item from the list of activities in schedule VII	Local Area (Yes/ No)	Location of the Project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the Current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imple-mentation Direct (Yes/No)	Name	CSR Registration number.
8	COVID-19 Relief	NA	Health	Yes		Ongoing	313	245	NA	No	Sevamob	CSR00001153
											Village Social Transformation	CSR00003542
											Foundation American India Foundation	CSR00001977
9	Liver transplant support	NA	Healthcare	Yes	Pune	Ongoing	20	20	NA	No	The Pravin Agarwal Foundation	CSR00014975
10	Administration Expenses	NA	-	-	-	Ongoing	50	50	NA	Yes	-	-
TOTAL							**1157**	**1157**				

Note:- CSR activities have been carried out either through Sterlite Tech Foundation (Public Charitable Trust with 3 years track record) or directly by the Company through administrative support of several Implementing Agencies as mentioned above and other Non-Governmental Organisations or Charitable Institutions.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6		7	8	9	
S. No.	Name of the Project	Project ID (if available)	Item from the list of activities in schedule VII	Local Area (Yes/No)	Location of the Project		Amount Spent for the project (in ₹)	Mode of Impleme-ntation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
					State	District			Name	CIN
Not Applicable										

(d) Amount spent in Administrative Overheads – ₹ 50 lakhs

(e) Amount spent on Impact Assessment, if applicable – Not applicable for FY22

(f) Total Amount Spent for the Financial Year (8b+8c+8d+8e) – ₹ 11.57 crores

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	11.20
(ii)	Total amount spent for the Financial Year	11.57
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.37
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

9. a) Details of unspent CSR amount for the preceding three financial years:

1	2	3	4			5
Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
			Name of the Fund	Amount (in ₹)	Date of Transfer	
Not Applicable						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Not Applicable								
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount Spent in the reporting Financial Year (in ₹)	Cumulative Amount Spent at the end of financial year	Status of the project -Completed / Ongoing.
Not applicable								

10. In case of creation or acquisition of asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (Asset wise details)

(a) **Date of creation/ acquisition of the asset(s) -** None

(b) **Amount of CSR spent for creation /acquisition of asset -** NIL

(c) **Details of the entity/ public authority under whose name such asset is registered, address etc. –** Not Applicable

(d) **Provide details of the property or asset(s) created/ acquired (including complete address and location of the property) –** Not Applicable

11. Specify the reason(s) if the Company has failed to spend two per cent of the average net profit as per section 135(5):

Ankit Agarwal
Managing Director

B J Arun
Chairman, Sustainability and Corporate Social Responsibility Committee

Corporate Governance Report

Philosophy of the Company on code of Governance

Corporate Governance represents the value, ethical and moral framework under which business decisions are taken. The investors want to be sure that not only is their capital handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner, which is not illegal or involves moral hazard.

Our Company perceives good corporate governance practices as key to sustainable corporate growth and long-term shareholder value creation. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and client satisfaction and enhancing shareholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation.

The Company has a three-tier governance structure:

Strategic supervision

The Board of Directors occupies the topmost tier in the governance structure. It plays a role of strategic supervision that is devoid of involvement in the task of strategic management of the Company. The Board lays down strategic goals and exercises control to ensure that the Company is progressing to fulfill stakeholders' aspirations.

Strategic management

The Executive Committee is composed of the senior management of the Company and operates upon the directions of the Board.

Executive management

The function of Management Committee is to execute and realise the goals that are laid down by the Board and the Executive Committee.

Board of Directors

Composition of Board

The Company's Board comprises directors from diverse backgrounds and substantial experience, who are able to provide appropriate guidance to the executive management as required. As on March 31, 2022, the Board of Directors of the Company ("the Board") comprises of two Whole-time Directors and five Non-Executive Directors including one Independent Woman Director. Mr. Anil Agarwal is a Non-Executive Chairman and Mr. Pravin Agarwal is the Vice Chairman of the Board. The Board has no institutional nominee Director. The Board composition is in compliance with the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), requiring not less than half the Board to be Independent. The profiles of Directors are available at https://www.stl.tech/board-of-directors/

All Directors have made necessary disclosures regarding Directorships and Committee positions held by them in other companies. None of the Directors is a Member of more than ten Committees and Chairman of more than five Committees (Audit Committee and Stakeholders' Relationship Committee) across all companies in which he / she is a Director. None of the Company's Independent Directors served as an Independent Director in more than seven listed companies. The appointment of the Whole-time Directors, including their tenure and remuneration are also approved by the Board.

Mr. Pravin Agarwal, and Mr. Ankit Agarwal, are not appointed as Independent Directors of any Listed Company. Mr. Anil Agarwal and Mr. Pravin Agarwal are brothers. Mr. Ankit Agarwal is the son of Mr. Pravin Agarwal.

All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under the Listing Regulations. In the opinion of Board, the independent directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Chart or a matrix setting out the list of core skills/ expertise/competencies

The skills and attributes of the Board can be broadly categorised as follows:

- Governance skills (skills directly relevant to performing the Board's key functions);
- Industry skills (skills relevant to the industry);
- Personal attributes or qualities that are considered desirable to be an effective Director.

The brief profiles of Directors forming part of this Annual Report gives an insight into the education, expertise, skills and experience of STL Directors, thus bringing in diversity to the Board's perspectives. The Board has identified the matrix below, which is used as a guide for its effective functioning.

Skills sets and description	Anil Agarwal	Pravin Agarwal	Ankit Agarwal	Kumud Srnivasan	Sandip Das	S Madhavan	B J Arun
Leadership Understanding of organisational systems and processes complex business and regulatory environment, strategic planning and risk management	✓	✓	✓	✓	✓	✓	✓
Strategic planning and oversight Ability to think expansively, evaluate alternatives and make choices	✓	✓	✓	✓	✓	✓	✓
Operational oversight Understanding of business model and experience of having managed organisations with large consumer / customer interface in diverse business environments	✓	✓	✓	✓	✓	✓	✓
Financial skills Experience in handling financial management along with an understanding of accounting and financial statements.	✓	✓	✓	✓	✓	✓	✓
Risk management and internal control Understanding various risks and risk management capabilities within the organisation, including crisis preparedness and recovery plans	✓	✓	✓	✓	✓	✓	✓
Experience and knowledge of the industry Domain Knowledge in Business and understanding of business environment, Optimising the development in the industry for improving Company's business.	✓	✓	✓	✓	✓		
Geographic, gender and cultural diversity Representation of gender, geographic, cultural and other perspective				✓			✓
Technology skills Knowledge and understanding of how technology can be leveraged to produce competitively superior results and stay ahead	✓		✓	✓	✓		✓
Stakeholder engagement Experience of dealing with government officials, regulators, customers, boards, partners and suppliers, employees; and broader community for corporate social responsibility agenda	✓	✓	✓	✓	✓	✓	✓

Board meetings

During FY22, six meetings of the Board of Directors were held on April 29, 2021; July 22, 2021; October 07, 2021; October 21, 2021; January 19, 2022 and February 25, 2022. The maximum time-gap between any two consecutive meetings did not exceed one hundred and twenty days. Video/Tele-conferencing facilities were made available to facilitate Directors to participate in the meetings. As required by Part A of Schedule II to the Listing Regulations, all the necessary information was placed before the Board from time to time. The Board also reviewed the declaration made by the Managing Director regarding compliance with all applicable laws on a quarterly basis as also steps taken to remediate instances of non-compliances, if any.

As per the relaxation given by MCA due to the Covid-19 pandemic, all the Board and committees meetings of the Company during the year under review were held in hybrid mode (Physical meeting plus meeting held through video conferencing).

The composition of the Board, their attendance in meetings, other Directorships and Committee memberships and their shareholding in the Company as on March 31, 2022 are as follows:

Director (Category)	Relationship with other directors	Board Meetings attended in FY22 out of the 6 held	Attendance at the Last AGM held on August 26, 2021	Directorships in other Companies[1]	Committee Memberships & [Chairpersonships] in other Companies[2]	Directorship in other listed entity (Category of Directorship)	Number of shares held in the Company as on March 31, 2022
Anil Agarwal, Chairman (Promoter Non-Executive)	Brother of Pravin Agarwal	02	No	02	Nil	• Vedanta Limited (Non-executive Director)	Nil
Sandip Das (Independent Non-Executive)	-	06	Yes	01	01	• Greenlam Industries Limited (Independent Director)	8,290

Director (Category)	Relationship with other directors	Board Meetings attended in FY22 out of the 6 held	Attendance at the Last AGM held on August 26, 2021	Directorships in other Companies[1]	Committee Memberships & [Chairpersonships] in other Companies[2]	Directorship in other listed entity (Category of Directorship)	Number of shares held in the Company as on March 31, 2022
Kumud Srinivasan (Independent Non-Executive)	-	06	No	Nil	Nil	Nil	Nil
Pravin Agarwal, Vice Chairman & Whole-time Director (Promoter, Executive)	Father of Ankit Agarwal Brother of Anil Agarwal	06	Yes	03	02	• Sterlite Power Transmission Limited* (Non-Executive Director)	50,000
S Madhavan (Independent Non-Executive)	-	02	Yes	06	05	• UFO Moviez India Limited • ICICI Bank Limited • Transport Corporation of India Limited • HCL Technologies Limited • Procter & Gamble Health Limited (Independent Director - in all companies)	3,000
B J Arun (Independent Non-Executive)	-	02	Yes	Nil	Nil	Nil	Nil
Ankit Agarwal[3] Managing Director (Promoter, Executive)	Son of Pravin Agarwal	02	Yes	06	Nil	Nil	8,38,676

*Debt listed company.

1. All public limited companies are included and all other companies viz., private, foreign, Section 8 Companies are excluded. Directorship in Sterlite Technologies Limited has been excluded
2. Membership / Chairpersonship in Audit Committee and Stakeholders' Relationship Committee are included. Committee positions held in Sterlite Technologies Limited have been excluded.
3. Appointed as Managing Director with effect from October 08, 2021.

Information provided to the Board

Information is provided to the Board members on regular basis for their review, inputs and approvals. The quarterly Board Meeting presentations (made by the Managing Director to the Board) provide adequate information to Directors on strategy, future roadmap, technology, functional updates, financial results and their analysis, governance matters and legal updates. The Statutory Agenda for Board and Committee meetings is sent well in advance as per the statutory timelines. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting.

Further, Chief Operating Officer (COO), Chief Financial Officer (CFO) and Business CEOs have interactions with all Directors at the Board Meeting; Members of senior Management also attend the Board Meetings periodically to provide detailed insight to the Board Members.

Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 (the 'Act') and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on October 05, 2021 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

Induction and Familiarization of Board Members

Upon appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation from the Managing Director on the Company's manufacturing, marketing, finance and other important functions. The Company Secretary briefs the Directors about their legal and regulatory responsibilities as a Director. The induction for Independent Directors includes interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site and more. On matters of specialised nature, the Company engages outside experts/consultants for presentation and discussion with the Board members. The familiarization programme of directors forms part of Company's Nomination and Remuneration Policy and can be viewed on the Company's website in "Investors" section at the link https://www.stl.tech/Code-of-Conduct-and-Policies.html

Orderly succession to board and senior management

Pursuant to regulation 17(4) of the SEBI Listing Regulations, the framework of succession planning for the Board and senior management is placed before the Board for its review. During the year under review, the Board of the Company satisfied itself that plans are in place for orderly succession of such appointments.

Directors and officers liability insurance (D&O policy)

The Company has in place a D&O policy. It covers directors (including independent directors) of the Company. The Board is of the opinion that the quantum and risks presently covered are adequate.

Committees of the Bboard

I. Audit committee

The Audit Committee of the Board is governed by a Charter drawn in accordance with the requirements of the Act and Regulation 18 of the Listing Regulations and Section 177 of the Act, besides other terms as may be referred by the Board of Directors. The primary objective of the Audit Committee of the Board of Directors is to discharge responsibilities relating to accounting and reporting of financial practices adopted by the Company and its subsidiaries, surveillance of internal financial control systems as well as accounting and audit activities.

The terms of reference of the Audit Committee include:

1. Reviewing the Company's financial reporting processes and the disclosure of its financial information to ensure the financial statements are correct, sufficient and credible.

2. Reviewing with the management, the quarterly and annual financial statements and the Auditors' report before submission to the Board for approval, focusing primarily on:

   i. Matters required to be included in the Directors' Responsibility Statement being part of the Annual Board Report.

   ii. Compliance with accounting standards and changes in accounting policies and practices and the reasons for the same.

   iii. Major accounting entries involving estimates based on exercise of judgment by Management.

   iv. Audit qualifications and significant adjustments in the financial statements, arising out of the audit.

   v. Compliance with listing and other legal requirements relating to financial statements.

   vi. Disclosure of any related party transactions.

   vii. Modified Opinion(s) in the Statutory Auditors Report, if any; as well as reviewing the Auditors Report for the Key Audit Matters, if any.

   viii. Contingent liabilities;

   ix. Status of litigations by or against the Company; and

   x. Claims against the Company and their effect on the accounts.

3. Reviewing the Management Discussion and Analysis part of the Directors' Report.

4. Reviewing financial statements and investments made by subsidiary companies.

A. Auditors

1. Recommending the appointment, terms of appointment and removal of auditors and the fixation of audit fees, including, payment to Statutory Auditors for any other services rendered and any other related payments.

2. Reviewing the Statutory Auditor's independence and performance and scrutinizing the effectiveness of the entire audit process.

3. Discussing with the Statutory Auditors the nature and scope of their audit as well as having post-audit discussions.

4. Reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors.

5. Recommending the appointment of secretarial and cost auditors along with their fees and reviewing their periodic audit reports.

B. Internal Audit & internal controls

1. Reviewing with the management - the performance and adequacy of the Internal Audit function, the structure of the Internal Audit department, the adequacy of the staffing of the department, the reporting structure, coverage and frequency of the Internal Audit and the significant findings and follow up there on.

2. Reviewing with the Internal Auditors, the plans for and the scope of their ongoing audit activities and also review and approve the periodicity and programme for conducting the internal audit.

3. Reviewing the Internal Auditor's independence and performance and scrutinizing the effectiveness of the entire Audit process.

4. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

5. Reviewing the internal financial control framework and Risk Management systems.

6. Reviewing internal audit reports relating to internal control weaknesses.

7. Approving appointment, removal and terms of remuneration of the chief internal auditor.

C. Governance

1. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

2. Reviewing statement of deviations:

   i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) SEBI Listing Regulations.

   ii. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

3. Reviewing the Whistle Blower Mechanism (Vigil mechanism as per of the Companies Act, 2013) and in particular the provision of having the direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

4. Approving any transactions or subsequent modifications of transactions with related parties. Reviewing statement of significant related party transactions, submitted by management.

5. Reviewing inter-corporate loans and investments.

6. Reviewing valuation of undertakings or assets of the Company, if necessary.

7. Evaluating reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.

8. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations.

9. Approving the appointment of CFO after assessing the qualification, experience and background etc. of the candidate.

10. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing amounts.

11. Reviewing the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and the shareholders.

12. Reviewing compliance with the provisions of the Code of Conduct to Regulate, Monitor and Report Trading in the Securities of the Company and applicable SEBI Regulations and to verify that the systems for internal controls are adequate and are operating effectively and to amend, modify, interpret the Code.

13. Investigating any matter within its term of reference and for this purpose to have full access to the information contained in the records of the Company.

14. To seek information from any employee and obtain from external independent sources any legal or other professional advice in the performance of its duties.

15. To secure attendance of independent professional persons with suitable qualifications and relevant experience in specific matters, if it considers this necessary.

16. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

17. Confirm to the Board on an annual basis the compliance by the Audit Committee with its Charter.

Composition and meetings

The Audit Committee comprises of three Independent Directors and one Executive Director. The Chairman of the Committee (Independent Director) is a Chartered Accountant and has accounting and financial expertise. The other Committee members also are financially literate. The quorum of the Committee is two members or one-third of its members, whichever is higher with at least two Independent Directors.

The Chairman of the Audit Committee attended the last Annual General Meeting ('AGM') of the Company. The Audit Committee met five times during FY22 on April 28, 2021, July 21, 2021; October 20, 2021; January 18, 2022 and February 25, 2022and the gap between two meetings did not exceed one hundred and twenty days. The Composition of the Audit Committee as at March 31, 2022 and attendance at committee meetings are as follows:

Name	Category	Number of Meetings attended
S. Madhavan, Chairman	Non-Executive & Independent Director	05
Kumud Srinivasan	Non-Executive & Independent Director	05
Sandip Das	Non-Executive & Independent Director	05
Pravin Agarwal	Vice Chairman & Whole-time Director	05

Audit Committee meetings are usually attended by the Executive Directors, the CFO and representatives of Statutory Auditors and Internal Auditors. Business CEOs and Functional Heads are also invited to the meetings, as and when needed. The Company Secretary acts as the Secretary to Audit Committee. The Internal Audit function reports to the Audit Committee to ensure its independence.

II. Nomination and remuneration committee

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as provided under Regulation 19 of the Listing Regulations and Section 178 of the Act, besides other terms as referred by the Board.

The terms of reference of the Nomination and Remuneration Committee include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director.

2. Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

3. Formulation of criteria for the annual evaluation of individual Directors, the Board and its Committees as also the Chairperson.

4. Reviewing whether to extend or continue the term of appointment of the Independent Director, on the basis of the annual performance evaluation.

5. Devising a policy on Board diversity.

6. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. Also annually review comparator companies for benchmarking purposes.

7. Recommend to the Board, all remuneration, in whatever form, payable to senior management, i.e. all members of management one level below the chief executive officer and including the Company secretary and the chief financial officer.

8. Approval and Oversight of the Employee Stock Option Scheme(s).

9. Oversee Leadership Development, Rewards and Recognition, Talent Management and Succession Planning for the CXO level.

10. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

11. Confirm to the Board on an annual basis the compliance by the Nomination and Remuneration Committee with its Charter

Composition and meetings

The Committee comprises of five members out of which four are Non-Executive Independent Directors and one is Non-Independent Director.

Mr. Sandip Das is the Chairman of the Committee. The Committee met five times during the FY22 on April 28, 2021; July 21, 2021; October 07, 2021; October 20, 2021; and January 18, 2022. The Company Secretary acts as the Secretary to Nomination and Remuneration Committee. The Composition of the Committee as at March 31, 2022 and attendance at Committee meetings are as follows:

Name	Category	Number of Meetings attended
Sandip Das, Chairman	Non-Executive & Independent Director	05
S. Madhavan	Non-Executive & Independent Director	05
B. J. Arun	Non-Executive & Independent Director	05
Kumud Srinivasan	Non-Executive & Independent Director	05
Anil Agarwal*	Non-Executive Director	00

*Appointed as a member of the Committee effective October 21, 2021.

III. Stakeholders' Relationship Committee

The powers, role and terms of reference of the Stakeholders' Relationship Committee covers the areas as provided under Regulation 20 read with Part D of Schedule II to the Listing Regulations and Section 178 of the Act, besides other terms as referred by the Board.

The terms of reference of the Stakeholders' Relationship Committee include:

1. Resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/Annual Reports/statutory notices by the shareholders of the Company.

5. Review the measures taken by Management on dematerialisation of shares.

6. Oversee statutory compliances relating to all securities including dividend payments and transfers of unclaimed amounts to the Investor Education and Protection Fund.

7. Review movements in shareholding and ownership structures of the Company.

8. Oversee the Investor Relations function.

9. Suggest and monitor implementation of various investor friendly initiatives.

10. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

11. Confirm to the Board on an annual basis the compliance by the Stakeholders' Relationship Committee with its Charter

Composition and meetings

The Stakeholders' Relationship Committee oversees redressal of stakeholders' grievances.

The Committee met four times during the FY22 on April 28, 2021, July 21, 2021, October 20, 2021 and January 18, 2022. Further during the year, the Company received 442 complaints for various matters like non-receipt of share certificates, non-issue of duplicate certificates, rejection of demat requests, non-receipt of Annual Reports. All the complaints were resolved to the satisfaction of investors. Mr. Amit Deshpande, Company Secretary acts as the Compliance Officer of the Company. The composition as on March 31, 2022 and attendance at Committee meetings are as follows:

Name	Category	Number of Meetings attended
Kumud Srinivasan, Chairperson	Non-Executive & Independent Director	04
S. Madhavan	Non-Executive & Independent Director	04
B. J. Arun	Non-Executive & Independent Director	04
Ankit Agarwal	Managing Director	04

IV. Risk Management Committee

The powers, role and terms of reference of the Risk Management Committee covers the areas as provided under Regulation 21 of the Listing Regulations besides other terms as referred by the Board.

The terms of reference of the Risk Management Committee include:

1. Formulating a detailed Risk Management Policy ('RM Policy') of the Company, which shall include-

    a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sustainability (particularly ESG related risks), information and cyber security risks or any other risks as may be determined by the Committee.

    b. Measures for risk mitigation including systems and processes for internal control of identified risks.

    c. Business continuity planning.

2. Overseeing the implementation of the RM Policy and evaluating the adequacy of risk management systems and capabilities within the Company, including processes relating to escalating risks, crisis preparedness and recovery plans.

3. Reviewing the RM Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

4. Ensuring that appropriate methodologies, processes and systems are in place to monitor and evaluate the risks associated with the business of the Company.

5. Evaluating the significant risk exposures of the Company and assessing management's actions to mitigate the exposures in a timely manner.

6. Advising the Board on acceptable levels of risk, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the Company's operations.

7. Periodic reporting on its discussions, recommendations and actions to be taken.

8. Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

9. Seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if necessary.

10. Coordinating its activities with the Audit Committee so as to harmonise the working of the two Committees.

11. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

12. Confirm to the Board on an annual basis the compliance by the Risk Management Committee with its Charter.

Composition and meetings

The Committee met two times during the FY22 on October 20, 2021 and January 18, 2022. The composition and attendance at Committee meetings is as follows:

Name	Category	Number of Meetings attended
Kumud Srinivasan, Chairperson	Non-Executive & Independent Director	02
Sandip Das	Non-Executive & Independent Director	02
Mihir Modi	Chief Financial Officer	02
Ankit Agarwal	Managing Director	02
Dr Anand Agarwal*	CEO and Whole-time Director	01

*Dr Anand Agarwal ceased to be a member of the Committee w.e.f. December 02, 2021.

V. Sustainability and Corporate Social Responsibility Committee

The Committee's primary role is to assist the Company in discharging its social responsibilities. The Committee monitors the implementation of the Corporate Social Responsibility Policy and oversees Company's sustainability initiatives. The Committee's constitution and terms of reference meet with the requirements of the Act and Rules made thereunder. Its terms of reference include:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy ('CSR Policy') or its modification which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;

2. To recommend the amount of expenditure to be incurred on the activities as prescribed under CSR Policy;

3. To monitor the CSR Policy of the Company from time to time.

4. To approve the Corporate Sustainability Report and oversee the implementation of sustainability activities.

5. To formulate and recommend to the Board - policies, principles and practices to foster the sustainable growth of the Company and to respond to evolving public sentiment and government regulations.

6. To aid management in setting strategy, establishing goals and integrating sustainability into daily business activities across the Company.

7. To review and advise the Board on company's sustainability reporting and sustainability targets.

8. To review management's risk assessment and risk management policies and procedures with respect to sustainability impacts and considerations.

Composition and meetings

The Committee met two times during FY22 on April 28, 2021 and October 20, 2021. The composition and attendance at Committee meetings is as follows:

Name	Category	Number of Meetings attended
B J Arun, Chairman	Non-Executive & Independent Director	02
Pravin Agarwal	Vice Chairman & Whole-time Director	02
Anand Agarwal*	CEO & Whole-time Director	02
Ankit Agarwal**	Managing Director & Whole-time Director	00
Sandip Das	Non-Executive & Independent Director	02

*Dr Anand Agarwal ceased to be a member of the Committee w.e.f. October 21, 2021.

** Mr. Ankit Agarwal was appointed as a member of the Committee w.e.f. October 21, 2021.

VI. Other committees

The Board has also constituted the Authorisation and Allotment Committee, to assist in discharging its functions. This Committee operate within the limit of authorities, as delegated by the Board of Directors.

Board evaluation

The Board of Directors of the Company is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee has established processes for performance evaluation of Independent Directors, the Board and Committees of the Board.

Pursuant to the provisions of the Act, and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of its Committees as well as the directors individually. A structured evaluation was carried out based on various parameters such as skills and experience to perform the role, level of participation, contribution to strategy, degree of oversight, professional conduct and independence.

Policy for selection and appointment of directors and their remuneration

The Nomination and Remuneration Committee (NRC) has adopted a Charter which, *inter alia*, deals with the manner of selection of the Directors, KMP and Senior Management and their remuneration. This Policy is accordingly derived from the said Charter.

a. **Appointment criteria and qualification:**

The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his/her appointment.

For the appointment of KMP (other than Managing/ Whole-time Director or Manager) or Senior Management, a person should possess adequate qualification, expertise and experience for the position he/she is considered for the appointment.

b. **Term:**

The Term of the Directors including Managing / Whole time Director / Manager/ Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and Listing Regulations, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Whole-time Director/ Manager) and Senior Management shall be governed by the prevailing HR policies of the Company.

c. **Removal:**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations there under and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Nomination and Remuneration Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel.

d. **Remuneration of Managing / Whole-time Director, KMP and Senior Management**

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole-time Director will be determined by the NRC and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Whole-time Director of the Company is authorised to decide the remuneration of KMP (other than Managing/ Whole-time Director) and Senior Management, and which shall be decided by the Whole-time Director based on the standard market practice and prevailing HR policies of the Company.

e. **Remuneration to Non-Executive / Independent Director:**

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and Listing Regulations, as amended from time to time.

The Nomination and Remuneration Policy can be accessed on Company's website at the link: https://www.stl.tech/Code-of-Conduct-and-Policies.html

Details of remuneration paid to the directors

As on March 31, 2022, Mr. Pravin Agarwal, and Mr. Ankit Agarwal are the Executive Directors of the Company.

Mr. Pravin Agarwal was appointed as Whole-time Director of the Company for a period of 5 years with effect from October 30, 2020. As per the terms of appointment, the agreement can be terminated by giving 90 days' notice or equivalent pay by either of the sides. Dr Anand Agarwal earlier CEO & Whole-time Director resigned effective from December 02, 2021.

Mr. Ankit Agarwal was appointed as Additional Whole-Time Director of the Company for a term of 5 years with effect January 20, 2021 and the same was approved by the shareholders at their Annual General Meeting held on August 26, 2021. Further, on recommendation of the NRC, the Board, at its meeting held on October 07, 2021 appointed Mr. Ankit Agarwal as a Managing Director for a period of five years effective October 08, 2021 till October 07, 2026. The said appointment, its terms and remuneration is subject to approval of shareholders of the Company at the forthcoming AGM of the Company.

In FY22, sitting fee of ₹ 75,000/- for attendance at each meeting of the Board and ₹ 40,000/- for each meeting of the Committees of the Board was paid to its Members (excluding Executive Directors). Remuneration by way of commission to Non-Executive directors is decided by the Board of Directors and distributed to them based on their participation and contribution at the Board and certain Committee meetings as well as time spent on operational matters other than at meetings.

On August 4, 2015, Members had approved the payment of remuneration by way of commission to the Non- Executive directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company. The break-up of remuneration actually paid to directors (excluding provisions, if any) in FY22 is as follows:

Director	Salary / Perquisites[4]	Incentive/ Commission	Sitting Fee	Total
Anil Agarwal	-	-	-	-
Kumud Srinivasan		30.00	10.90	40.90
Pravin Agarwal	827.13	190	-	1017.13
Anand Agarwal [1*]	1105.61	257	-	1362.61
Sandip Das[2]	-	30.00	15.08	45.08
S Madhavan	-	7.50	10.10	17.60
B J Arun	-	7.50	8.90	16.40
Ankit Agarwal	268.46	103.64	-	372.10

*Anand Agarwal ceased to be a CEO and Whole-Time Director with effect from December 02, 2021.

1. Remuneration of Dr. Anand Agarwal also includes the perquisite value of Employee Stock Options (ESOPs) exercised by him during the year. He has exercised 90,617 options in FY22 against which equal number of shares were allotted to him. 60,000 options were granted to him in FY22.

2. The Company has paid ₹ 5 lakhs per month to Mr. Sandip Das as consultancy fees in FY22 for advisory services rendered by him in professional capacity and the same is not a part of his remuneration as Director. The advisory services agreement with Mr. Das has been discontinued from April 1, 2022.

3. As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the said amounts are not included above.

General body meetings

Particulars of last three Annual General Meetings

Date	Venue	Time	Special Resolutions that were passed with requisite majority
July 23, 2019	E1, MIDC Industrial Area, Waluj, Aurangabad, Maharashtra – 431 136, India	11.00 am	• Re-appointment Mr. Arun Todarwal as an Independent Director • Re-appointment Mr. A. R. Narayanaswamy as an Independent Director • Raising of the funds through Qualified Institutional Placement (QIP) / External Commercial Borrowings (ECBs) with rights of conversion into Shares / Foreign Currency Convertible Bonds (FCCBs) / American Depository Receipts (ADRs) / Global Depository Receipts (GDRs) /Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPs/CCPs) etc. pursuant to Section 62 of Companies Act, 2013
August 31, 2020	Video Conference/Other audio-visual means Deemed Venue: E1, MIDC Industrial Area, Waluj, Aurangabad, Maharashtra – 431 136, India	03.00 pm	• Re-Appointment Mr. Pravin Agarwal as a Whole-Time Director of the Company • Re-Appointment Dr. Anand Agarwal as a Whole-Time Director of the Company • Shifting of Registered Office of the Company
August 26, 2021	Video Conference/Other audio-visual means Deemed Venue: 4th Floor Godrej Millennium, Koregaon Road 9, STS12/1 Pune, Maharashtra – 411001, India	09.00 am	• Appointment of Ankit Agarwal as a Whole-Time Director of the Company. • Approval of Divestment / dilution / disposal of investment in subsidiaries • Raising of the funds through Qualified Institutional Placement (QIP) / External Commercial Borrowings (ECBs) with rights of conversion into Shares / Foreign Currency Convertible Bonds (FCCBs) / American Depository Receipts (ADRs) / Global Depository Receipts (GDRs) /Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPs/CCPs) etc. pursuant to Section 62 of Companies Act, 2013

The Company had provided facility of e-voting pursuant to provisions of the Act and the Listing Regulations, to its Members. A scrutinizer was appointed by the Company to monitor and review the e-voting process. On completion of e-voting process, the Scrutinizer presented a report to the Chairman. All the resolutions were passed with requisite majority.

During FY22, no special resolutions were passed through postal ballot. There is no special resolution proposed to be conducted through postal ballot.

Subsidiary companies

The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Listing Regulations and the same is displayed on its website at link https://www.stl.tech/Code-of-Conduct-and-Policies.html

The applicable requirements of Regulation 24 of the Listing Regulations with respect to material subsidiary are complied with. Minutes of subsidiary companies are placed before the Board and the attention of the Directors is drawn to significant transactions and arrangements entered into by the subsidiary companies.

Related party transactions

All Related Party Transactions are approved by the Audit Committee. Approval of the Board is taken, as needed, in accordance with the Act and the Listing Regulations. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. No transaction with the Promoters, Directors or their relatives has a potential conflict with the Company's interest. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialisation and the Company's long-term strategy for sectoral investments, optimisation of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on an arm's length basis, and are intended to further the Company's interests.

All transactions entered into with Related Parties as defined under the Act and Regulation 23 of the Listing Regulations during the FY22 were on an arm's length basis. Suitable disclosures as required under the applicable Accounting Standards have been made in the notes to the Financial Statements. The Board has approved the policy on Related Party Transactions, which has been uploaded on the Company's website in "Investors" section at link https://www.stl.tech/Code-of-Conduct-and-Policies.html

Code of Conduct

The Company has adopted a 'Code of Business Conduct & Ethics' to meet the changing internal and external environment for its employees at all levels including Senior Management and Directors. The Code has also been posted on the Company's website at link https://www.stl.tech/Code-of-Conduct-and-Policies.html. The Code serves as a guide to the employees of the Company to make informed and prudent decisions. As required under the Listing Regulations, the affirmation of compliance with the Code has been obtained from Directors and Senior Management personnel for FY22.

Disclosures in relation to the sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013:

The status of complaints is as follows:

No. of Complaints Pending as on 1st April, 2021	0
No. of Complaints filed during financial year	NIL
No. of Complaints disposed off during financial year	NIL
No. of Complaints Pending as on 31st March, 2022	0

Whistleblower mechanism

The Company has adopted a Whistleblower Mechanism, which has been communicated to all employees along with Code of Business Conduct & Ethics. The Whistleblower policy is the mechanism to help the Company's directors, employees, its subsidiaries and all external stakeholders to raise their concerns about any malpractice, impropriety, abuse or wrongdoing at an early stage and in the right way, without fear of victimisation, subsequent discrimination or disadvantage. The policy encourages raising concerns within the Company rather than overlooking a problem. All Complaints under this policy are reported to the Director - Management Assurance, who is independent of operating management and businesses. 'Complaints' can also be reported on a web-based portal, designated email id or toll-free number as below:

Web based Portal	www.vedanta.ethicspoint.com
Toll Free number	000 800 100 1681
Email	stl.whistleblower@sterlite.com
Mailing address	Group Head – Management Assurance, Vedanta, 75 Nehru Road, Vile Parle (E), Mumbai 400 099 Tel No. +91- 22 – 6646 1000, Fax No. +91- 22 – 6646 1450

No person has been denied access to the Audit Committee. The Whistleblower mechanism has also been extended to external stakeholders like vendors, customers, etc. The details of the Whistleblower Policy are available at the link https://www.stl.tech/Code-of-Conduct-and-Policies.html

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of trading in the securities of the Company ('the Code') as per the SEBI (Prohibition of Insider Trading) Regulations, 2015 with a view to regulate trading in securities by the Directors and designated employees of the Company. Under the Code, the Company has constituted Insider Trading Monitoring Committee for overall administration of the Code. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's securities by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

MD and CFO certification

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17 of the Listing Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the Listing Regulations. The annual certificate for FY22 given by the Managing Director and the Chief Financial Officer is published in this Report.

Reconciliation of share capital audit

A qualified Practising Company Secretary carries out a Reconciliation of Share Capital Audit on a quarterly basis to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The Audit report is submitted to the stock exchanges and is also placed before the Board. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Disclosures

a. The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter relating to the above.

b. The Company has not received any complaints relating to child labour, forced labour, involuntary labour during FY22.

c. As a result of its businesses and the global nature of its operations, the Company is exposed in particular to market risks from changes in foreign currency exchange rates and interest rates, while commodity price risks arise from procurement. The Company has established internal guidelines for risk controlling procedures and for the use of financial instruments, including a clear segregation of duties with regard to financial activities, settlement, accounting and the related controlling. The guidelines upon which the Company's risk management processes for financial risks are based, are designed to identify and analyse these risks throughout the Company, to set appropriate risk limits and controls and to monitor the risks by means of reliable and up-to-date administrative and information systems. The guidelines and systems are regularly reviewed and adjusted to changes in markets and products. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports.

d. This Corporate Governance Report of the Company for the Financial Year ended March 31, 2022 is in compliance with the requirements of Corporate Governance under Listing Regulations.

e. The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

f. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to PWC, the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part:

(₹ in lakhs)

Entity	Fees paid in FY22
Sterlite Technologies Limited (STL)	116.90
Subsidiaries of STL	8.50
Total	**125.40**

g. The Company has obtained a certificate from M/s. J. B. Bhave & Co., company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is attached to this Report.

h. The Board had accepted all recommendation of its committees during FY22, which were mandatorily required.

i. The Company has complied with all the mandatory requirements as stipulated in the Listing Regulations, as applicable. Comments on adoption of non-mandatory requirements are given at the end of this report.

Means of communication

a. Quarterly Financial Results are published in all-India Editions of Financial Express, Pune edition of Loksatta.

b. Results are also posted on the Company's website: www.stl.tech and the websites of BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

c. The Company displays official news releases and the presentations made to institutional investors or to analysts on the website.

d. NSE Electronic Application Processing System ('NEAPS') and BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): NEAPS and BSE Listing Centre are web-based applications designed by NSE/ BSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on these applications.

General shareholder information

i.	CIN	L31300PN2000PLC202408
ii.	Annual General Meeting	Day - Friday, Date - August 26, 2022 Time - 9.00 A.M 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1 Pune MH 411001 IN
iii.	Book Closure Dates	Wednesday, August 24, 2022 to Friday, August 26, 2022 (both days inclusive)
iv.	Dividend Payment Date	Dividend, if declared in the AGM will be paid within the statutory time limits.

Financial Calendar for FY23 (Financial Year April 1 to March 31) (tentative)

First Quarter Results	End of July 2022
Half Yearly Results	End of October 2022
Third Quarter Results	End of January 2023
Fourth Quarter/Annual Results	End of April 2023

Listing of shares on Stock Exchanges

The equity shares of the Company are listed on BSE and NSE. Annual listing fees for the financial year ended March 31, 2022 have been paid to BSE and NSE. The Stock Codes of the Exchanges are as under:

Exchange	Code	Address
BSE	532374	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001
NSE	STLTECH	The National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.

Debt Securities

The Company has outstanding Secured, Rated, Redeemable, Non-Convertible Debentures (NCDs) of ₹ 440 crores. NCDs are listed on the debt segment of BSE Limited, as per the SEBI Guidelines and Listing Regulations.

Stock Price Data

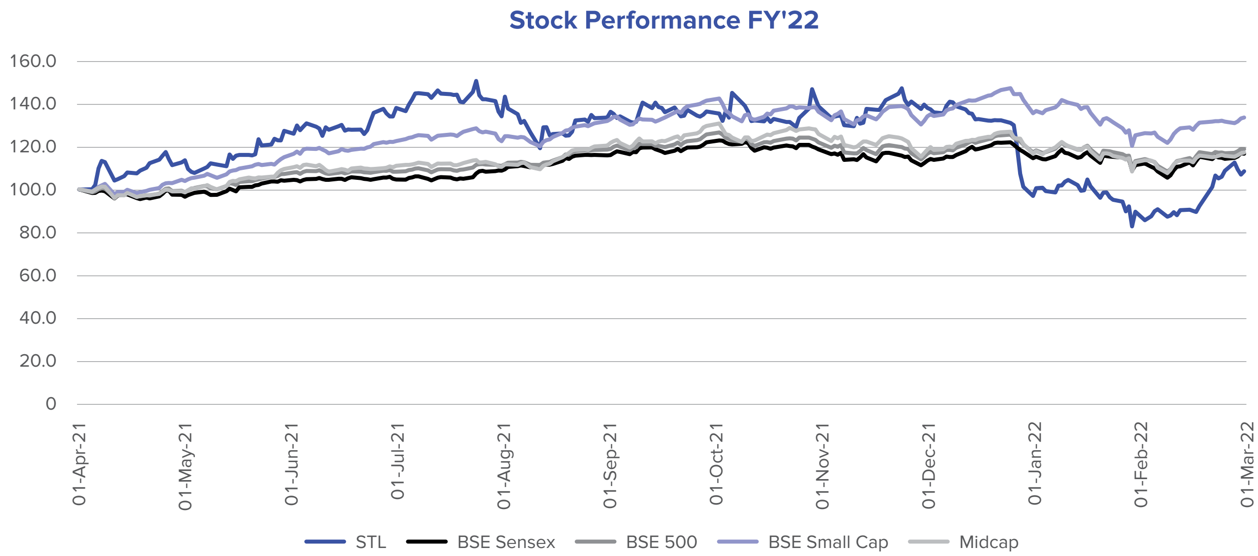
Stock Price data for the period April 1, 2021 to March 31, 2022 is as detailed below:

Month	BSE Monthly High (₹)	BSE Monthly Low (₹)	NSE Monthly High (₹)	NSE Monthly Low (₹)
Apr-21	248.75	196.10	249.00	195.00
May-21	259.90	221.50	260.00	221.30
Jun-21	279.95	248.40	280.00	248.00
Jul-21	318.00	257.20	318.00	264.90
Aug-21	317.50	245.00	318.00	245.00
Sep-21	299.15	258.15	299.35	255.30
Oct-21	308.00	263.75	308.00	264.25
Nov-21	311.50	260.30	311.50	260.60
Dec-21	317.45	269.10	317.40	268.85
Jan-22	199.50	171.65	292.70	196.00
Feb-22	221.95	170.00	221.85	170.05
Mar-22	225.75	190.00	236.40	174.85

Sources: Data compiled from BSE & NSE official websites.

Stock Performance

The performance of the Company's stock prices is given in the chart below:



Distribution of Shareholding as on March 31, 2022

Sr. no	Category	Cases	% of Cases	No. of shares	% of shareholding
1	1-5000	197,873	97.40	46,468,623	11.68
2	5001- 10000	2,910	1.43	10,534,382	2.65
3	10001- 20000	1,250	0.62	8,977,886	2.26
4	20001- 30000	373	0.18	4,688,538	1.18
5	30001- 40000	214	0.11	3,825,365	0.96
6	40001- 50000	114	0.06	2,593,714	0.65
7	50001- 100000	229	0.11	8,045,482	2.02
8	100001 & Above	184	0.09	312,622,795	78.60
	Total:	**2,03,147**	**100.00**	**397,756,785**	**100.00**

Equity holding pattern as on March 31, 2022

Category	Number of Shares	% of Equity
Promoter Group	21,54,43,766	54.16
Banks, Mutual Funds, Trusts, Govt & Insurance Companies, Indian Financial Institutions, etc.	3,17,32,623	7.99
FIIs, Foreign National, Foreign Portfolio Investors and NRIs	2,75,50,072	6.92
Bodies Corporates & NBFCs Registered with RBI	1,48,06,930	3.72
Individuals (Public) & HUFs	10,33,05,428	25.97
Clearing Members	3,88,890	0.10
Others (including IEPF)	45,29,076	1.14
Total	**397,756,785**	**100.00**

Dematerialisation of Shares and Liquidity

The Company's equity shares are compulsorily traded in the electronic form. As on March 31, 2022 39,52,52,282 shares representing 99.37% of total equity capital were held in electronic form. The Shareholders can hold the shares in demat form either through NSDL or CDSL. The ISIN allotted to the Company is INE089C01029.

Issuance of Securities in dematerialised form in case of Investor Service Requests

SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 and circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has introduced common and simplified norms for processing investor's service requests by the RTA and and norms for furnishing PAN, KYC details and nomination and has mandated that the listed companies shall henceforth issue the securities in dematerialised form only, while processing the following service requests:

1. Issue of Duplicate securities certificate;
2. Claim from unclaimed suspense account;
3. Renewal/exchange of securities certificate;
4. Endorsement;
5. Sub-division/ Splitting of securities certificate;
6. Consolidation of securities certificate;
7. Transmission;
8. Transposition.

For enabling the shareholders to demat their securities, the Registrar and Transfer Agent shall issue a 'letter of confirmation' in lieu of physical share certificates to physical shareholders for enabling them to dematerialise the securities.

Also, all the holders of physical securities of the Company are mandatorily required to furnish the following documents/details to the RTA i.e., KFin Technologies Limited.

1. Form ISR 1 - For registering PAN, KYC details or changes/updation
2. Form ISR 2 - Confirmation of signature of securities holder by the Banker
3. ISR 3 - Opting out of nomination by physical securities holders
4. SH 14 - Cancellation or variation of nomination

In view of the above, the Company has sent communication to the shareholders who hold securities in physical form.

The said forms can be downloaded from the website of the Company at www.stl.tech and also RTA at https://ris.kfintech.com/clientservices/isc/default.aspx

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date & likely impact on equity – Nil

Details of outstanding shares in the Unclaimed Suspense Account

In terms of Schedule V of Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	Total No. of Shareholders	No. of Outstanding Shares lying in Unclaimed Suspense Account
As on April 1, 2021	35	14,545
Shareholders approached for transfer/delivery during FY22	Nil	Nil
Shares transferred/delivered during FY22	Nil	Nil
Shares transferred to IEPF	Nil	Nil
Balance as on March 31, 2022	35	14,545

The voting rights on the shares in the suspense account as on March 31, 2022 shall remain frozen till the rightful owners of such shares claim the shares.

Share Transfer System

Requests for Transfer/ Transmission of shares held in physical form can be lodged with the Company's Registrar and Tranfer Agent, KFin Technologies Limited ('KTL'), Hyderabad. The requests are generally processed within 10-15 days of receipt of documents, if documents are complete and valid in all respects. Shares under objection are returned within 7-10 days.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company submits to Stock Exchanges, a certificate, on yearly basis, issued by a Practising Company Secretary for due compliance of share transfer formalities by the Company.

Registrar & Transfer Agent

During the year, name of the RTA was changed from KFin Technologies Private Limited to KFin Technologies Limited consequent to its conversion from Private Company to the Public Company. KTL is the Registrar and Transfer Agent of the Company. Shareholders, beneficial owners and Depository Participants, (DPs) can send/deliver the documents/correspondence relating to the Company's share transfer activity, etc. to KTL at the following address:

Kfin Technologies Limited
(Unit – Sterlite Technologies Limited)
Selenium Tower-B, Plot No. 31 & 32,
Financial District, Gachibowli,
Nanakramguda, Serilingampally
Hyderabad 500 008 India
Phone No.: 040 67161524
E-mail: einward.ris@kfintech.com

Shareholders' correspondence should be addressed to the Company's Registrar and Transfer Agents at the above-mentioned address. In case of unresolved complaints, the members may also write to the Company Secretary & Compliance Officer at the office of the Company as detailed below:

Registered Office:

Sterlite Technologies Limited
4th Floor, Godrej Millennium
9 Koregaon Road, STS 12/1, Pune – 411 001
Maharashtra, India
Phone: +91-20-30514000 Fax: +91-20-30514113
E-mail: secretarial@stl.tech

Debenture Trustee

Axis Trustee Services Limited
The Ruby, 2nd Floor, SW
29 Senapati Bapat Marg, Dadar West
Mumbai- 400 028
Contact No.: +91- 022-6230 0438

Plant Locations

Optical Fiber	• E1, E2, E3, MIDC, Waluj, Aurangabad – 431136, India • AL-23, A-1/7, Shendra Five Star Industrial Area, Aurangabad 431 201, Maharashtra, India • 777 Beihai Beihai Rd, Haimen Town, Hai Men City, Jiangsu, China
Fiber Optic Cables, OPGW Cables Optical Interconnect	• Survey No. 68/1, Rakholi Village, Madhuban Dam Road, Silvassa – 396230, Union Territory of Dadra & Nagar Haveli, India • Dello (Brescia -Italy) Via Marconi 31, Italy • Sao Jose dos Pinhais, State of Parana, at Rua Dr. Muricy, 4000, Barracoa Fundos, Bairro Coesteria, CEP 83015 – 290, Brazil • Via Zenale 44 - 20024, Garbagnate Milanese, Milano, Italy.
Copper Telecom Cables & Structured Data Cables and Optical Interconnect	• Survey No. 33/1/1, Waghdara Road, Dadra – 396191, Union Territory of Dadra & Nagar Haveli, India

Credit rating

The Company's credit rating ascribed by ICRA/CRISIL as on date:

Debt instrument	ICRA		CRISIL	
	Rating	Outlook	Rating	Outlook
Non-Convertible Debentures	NA	NA	AA	Negative
Commercial Papers	A1+	NA	A1+	NA
Line of credit	AA	Stable	AA	Negative

Compliance certificate of practising company secretary

Certificate from M/s J B Bhave & Co., Practising Company Secretary, confirming compliance with conditions of Corporate Governance as stipulated under Listing Regulations, is attached to this Report.

Compliance with non-mandatory requirements

1. **The Board**

   Mr. Anil Agarwal is the Non-Executive Chairman of the Board. As the Chairman has a separate office, the Company does not reimburse expenses incurred by him for maintenance of a separate Chairman's office.

2. **Shareholder Rights**

   The Company publishes its results in the newspapers having nationwide circulation. Results are also uploaded on the Company's website. A copy of results is furnished to all the shareholders upon request. Therefore, the Company does not circulate the half-yearly results to its shareholders.

3. **Unqualified audit report**

   The Auditors' opinion on the Financial Statements is unmodified.

4. **Separate Posts of Chairman and MD**

   The Company has separate posts of Chairman and MD

5. **Reporting of Internal Auditor**

   The Internal Auditor of the Company reports directly to Audit Committee.

MD AND CFO CERTIFICATE

(As per Schedule II of the Listing Regulations)

To,
The Board of Directors
Sterlite Technologies Limited

a) We have reviewed financial statements and the cash flow statement of Sterlite Technologies Limited for the year ended March 31, 2022 and to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

d) We have indicated to the Auditors and the Audit Committee:

   (i) significant changes in internal control during the year.

   (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For **Sterlite Technologies Limited**

Ankit Agarwal
Managing Director
Place: Mumbai
Date: April 28, 2022

Mihir Modi
Chief Financial Officer

Certificate on compliance with code of conduct

In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct and Business Ethics of the Company for the Financial Year ended March 31, 2022.

For **Sterlite Technologies Limited**

Mr. Ankit Agarwal
Managing Director
Place: Mumbai
Date: April 28, 2022

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(As per Provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended from time to time)

To,
The Members
STERLITE TECHNOLOGIES LIMITED
4th Floor, Godrej Millennium, Koregaon Road 9,
STS 12/1, Pune – 411001

Sub: Corporate Governance Compliance Certificate of Sterlite Technologies Limited

I have examined all relevant records of **Sterlite Technologies Limited** (CIN: L31300PN2000PLC202408) for the purpose of certifying compliance of the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the above certification.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was carried out in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. My examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

On the basis of our examination of the records produced, explanations and information furnished, I certify that the Company has complied with the mandatory conditions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable and amended from time to time for the financial year ended March 31, 2022.

For J. B. BHAVE & Co.
Company Secretaries

JAYAVANT B. BHAVE
Proprietor
FCS: 4266 CP: 3068
UDIN: F004266D000203696
PR No. 1238/2021
Place: Pune
Date: April 28, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
STERLITE TECHNOLOGIES LIMITED
4th Floor, Godrej Millennium,
Koregaon Road 9, STS 12/1,
Pune – 411 001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **STERLITE TECHNOLOGIES LIMITED** having CIN: L31300PN2000PLC202408 and having registered office at 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1 Pune – 411 001, Maharashtra (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	Designation	DIN	Date of appointment in Company
1	Anil Kumar Agarwal	Non-Executive Non-Independent Director	00010883	30/10/2006
2	Ankit Agarwal	Managing Director	03344202	08/10/2021
3	Pravin Agarwal	Whole-time Director	00022096	30/10/2006
4	Sandip Das	Non-Executive and Independent Director	00116303	16/10/2017
5	Banagalore Jayaram Arun	Non-Executive and Independent Director	02497125	20/01/2021
6	Subramanian Madhavan	Non-Executive and Independent Director	06451889	20/01/2021
7	Kumud Madhok Srinivasan	Non-Executive and Independent Director	06487248	22/05/2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the same based on our verification. This certificate is specifically being issued in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For J. B. BHAVE & Co.
Company Secretaries

JAYAVANT B. BHAVE
Proprietor
FCS: 4266 CP: 3068
PR No. 1238/2021
UDIN: F004266D000203718
Place: Pune
Date: April 28, 2022

Business Responsibility Report

Section A: General Information about the Company

1.	**Corporate Identity Number (CIN) of the Company**	:	L31300PN2000PLC202408
2.	**Name of the Company**	:	STERLITE TECHNOLOGIES LTD.
3.	**Registered address**	:	4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1, Pune – 411001
4.	**Website**	:	https://www.stl.tech/
5.	**E-mail id**	:	stl.communications@stl.tech
6.	**Financial Year reported**	:	2021-22
7.	**Sector(s) that the Company is engaged in (industrial activity codewise)**	:	
	Product/Service		**NIC Code**
	Fibre optical cable		3890
	Optical fibre		3890
	Copper telecom cables		3130
	Fibre optical cable laying services		3890
8.	**List three key products/services that the Company manufactures/ provides (as in balance sheet)**	1.	Optical Networking Business
		2.	Network Software Business
		3.	Global Services Business

9. The total number of locations where business activity is undertaken by Company

a. **Number of International Locations (Provide details of major 5)**

i. Italy
ii. UK
iii. US
iv. UAE

b. **Number of National Locations**

i. Maharashtra
ii. UT of Dadra and Nagar Haveli and Daman
iii. Gujarat
iv. Haryana
v. Karnataka

10. Markets served by the Company – Local/State/National/International

1. Domestic market: across India
2. International market: across the globe

Section B: Financial Details of the Company

1.	Paid up Capital (₹)	:	79.55 crores
2.	Total Turnover (₹)	:	5,133.24 crores
3.	Total profit after taxes (₹)	:	81.80 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	2%

5. List of activities in which expenditure in 4 above has been incurred:

a) **Women Empowerment –** Our 'Jeewan Jyoti' women empowerment programme aims to provide rural women with a holistic support system that extends beyond vocational skilling. It supports them through personality development, transportation, linkages to microfinancing, training and setting up for self-help groups for older women at villages, livelihood and entrepreneurial opportunities.

b) **Education –** Our education initiatives focuses on technology-driven programmes for children from lower-income families in rural areas across Aurangabad, Nandurbar and Silvassa. The programme aims at ensuring access to quality education and STEM learning to the masses through digital learning mechanisms, making learning fun and interesting while simultaneously aiding faculty through training and teaching techniques. In addition to this digital literacy for urban slum communities, helps include these individuals into the digital landscape improving their access to livelihood and learning opportunities.

c) **Healthcare –** We introduced a hybrid-telehealth-onsite healthcare programme that covers over 200 villages across Aurangabad, Nandurbar and Gadchiroli through free teleconsultation, testing facilities, medication, and awareness and reduces the morbidity rate in these regions. In addition to this, a comprehensive COVID relief plan was undertaken to provide 24/7 primary home care, facilitate vaccinations and ensure social behaviour change through awareness drives.

d) **Environment –** Here we have focused on a holistic water and afforestation programme through which we hope to build water resilient villages in Aurangabad. It includes not only water conservation but also rainwater harvesting, groundwater recharging and wastewater treatment for use in agriculture and for afforestation. Our environment initiatives also include Mission Green at Aurangabad and Vetale, Pune through which over 100,000 trees have been grown as well as biodiversity restoration.

Section C: Other Details

1.	Does the Company have any Subsidiary Company/Companies?	:	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):	:	No

3. Do any other entity/entities (e.g., suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? (Less than 30%, 30-60%, More than 60%):

- During our interactions with stakeholders, we always focus on sharing sustainable practices of STL along with technical knowledge. The impact of sustainable practices has helped us get customers' (less than 30%) support in our BR initiatives.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a. Details of the Director/Director responsible for the implementation of the BR policy/policies

1	DIN Number	03344202
2	Name	Ankit Agarwal
3	Designation	Managing Director

b. Details of the BR Head

No.	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Anjali Byce
3	Designation	Chief Human Resources Officer
4	Telephone number	+91-20-30514000
5	e-mail id	anjali.byce@stl.tech

2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Principle Area	Code of Conduct	Product Responsibility	Employee Wellbeing	Stakeholder Engagement	Human Rights	Environment	Public Advocacy	CSR	Customer Value
1	Do you have a policy/ policies for ...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)[1]	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y	Y	N	Y	N	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Code of Conduct[2]	Internal	Employee well-being policy[4]	Internal	Human Rights policy[5]	Internal	Internal	CSR policy[3]	Internal
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have an in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out an independent audit/ evaluation of the working of the policy/ policies by an internal or external agency?	Y	Y	Y	N	N	Y	N	Y	Y

[1] Based on National Laws and Regulatory Frameworks

[2] https://www.stl.tech/pdf/coc/Sterlite_Code_of_Conduct_Final.pdf

[4] https://www.stl.tech/pdf/Employee-well-being-policy.pdf

[5] https://www.stl.tech/pdf/Human%20Rights%20Policy.pdf

b) If the answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

(a) Indicates the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, annually, and more than 1 year

The Company's Board of Directors meet every quarter. CSR and Sustainability form a part of the MD's presentation to the Board. In addition to this, the Sustainability Council which is responsible for reviewing the BR performance meets on a monthly basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes Business Responsibility Report annually as a part of its annual report. The first BRR was published in 2016-17. Additionally, the Company published its first sustainability report for the year 2017-18 prepared as per the globally accepted GRI sustainability reporting framework and thereafter in FY20-21

Link: https://www.stl.tech/pdf/STL%20Annual%20Report%20FY21_Final.pdf

Section E: Principle-Wise Performance

Principle 1

Business should conduct and govern themselves with ethics, transparency and accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs /Others?

The Code of Conduct and Ethics policy of the Company covers the Company as well as its subsidiaries. We also have a Whistle-blower policy which covers all our employees, our subsidiaries and all external stakeholders. The Company's supply chain partners are covered under the Supply Chain Management policy, which includes principles on conducting business transactions with a high level of ethics, transparency and integrity.

2. How many stakeholder complaints have been received in the past financial year and what percentage were satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Details of the shareholder complaints are included in the Corporate Governance Report of the Annual Report under the section on Stakeholders' Relationship Committee

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   We are in the business of digital inclusion by providing last-mile connectivity solutions, thereby transforming the lives of millions. Business responsibility is at the core of our operations across the value chain.

   Celesta Ribbon Optical Fibre Cable

   It is a high-density optical fibre cable with a capacity of up to 6912 optical fibres. The innovative design resulted in a ~26% slimmer cable as compared to traditional loose tube cables. It reduces roll-out time, optimises duct space utilisation, reduces the size of passive network infrastructure and improves network performance resulting in as much as ~32% savings in the overall investment. As compared to its traditional counterpart, it requires lesser raw material and energy for manufacturing with a reduced environmental footprint.

   432F micro cable

   The micro cable 432F is one of the slimmest micro cables with a high fibre count. It is a ~20% slimmer cable as compared to traditional micro cables resulting in reduced deployment cost and increased scope for network expansion. This is a RoHS-compliant cable free from heavy metals and is environmentally friendly. It requires lesser energy for installation, lesser packaging material, is easy for deployment completion and reduces the environmental impact of manufacturing and deployment.

   STL Garv

   STL Garv was launched with the vision to enhance the usability and impact of broadband highways. It ensures critical services like e-health, e-education, assisted e-commerce and e-governance are accessible to rural citizens and marginalised populations. The product is a supercomputer as a kiosk that empowers admittance to numerous coordinated digital services and infrastructure in rural communities. Efficient administration and fast internet services offered at Garv are driven by the power of super-fast communication, based on data transfer. These kiosks act as an extended arm of administration departments and network providers, helping connect with rural citizens while promoting "anytime services" complementing the mobile platform-based service delivery. STL Garv has impacted 53,000+ rural lives to date by providing last-mile access to quality healthcare, education and livelihood opportunities.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):**

   (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   The optical fibre division has undertaken an energy optimisation project and this has helped the division to achieve a ~28% reduction in specific GHG emissions. Water initiatives taken up at the optical fibre division helped to reduce the specific water consumption by ~35%.

   (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   The products manufactured by the Company do not consume any energy or water during their use.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   (a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   The Company maintains the highest standards when it comes to sourcing its raw material, as well as adhering to stringent international requirements such as Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulations for its products. In addition to this, the Company is now implementing supplier assessments and audits that will ensure their alignment with its values and practices not just on environmental parameters, but also on waste disposal, human rights, fair labour and anti-corruption.

   The Company has adopted a sustainable sourcing policy. Further details on the policy can be read in the below link.

   Link: https://www.stl.tech/pdf/coc/Sustainable%20Sourcing%20policy.pdf.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

   (a) **If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

   Domestic Supplies for optic fibre cables increased from 55% (FY21) to 61% (FY22) by domestic supplier development.

   Yes, we are is taking steps to improve and increase the capacity and capability of domestic suppliers by helping them to improve their job work and raw material quality.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   We are the world's first integrated optic fibre and cable manufacturer to be Zero Waste to Landfill certified for its plants in India. In FY22 over 42,000+ MT of waste have been diverted from landfills through recycling, reuse and waste-to-energy.

Principle 3

Businesses should promote the well-being of all employees

1	**Please indicate the total number of employees. (On Roll)**	3286
2	**Please indicate the total number of employees hired on a temporary/ contractual/casual basis.**	3991
3	**Please indicate the number of permanent women employees.**	546
4	**Please indicate the number of permanent employees with disabilities**	4
5	**Do you have an employee association that is recognised by management?**	Yes
6	**What percentage of your permanent employees are members of this recognised employee association?**	1.30%

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, and sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sn	Category	No of complaints filed during the financial year	No of complaints pending as of end of the financial year
1	Child labour/forced labour/involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Sn	Category	Safety Training	Skill upgradation
1	Permanent Employees	100 %	82%
2	Permanent Women Employees	100 %	68%
3	Casual/Temporary/Contractual Employees	100 %	100%
4	Employees with Disabilities	100%	80%

Principle 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. **Has the Company mapped its internal and external stakeholders?**

   Yes, the Company has identified five direct stakeholder groups – Employees, Customers, Suppliers, Communities and Shareholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.**

   The Company actively engages with the communities around our operations and our objective has been to identify and work towards the upliftment of those who are socially and financially disadvantaged.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**

   We believe that progress should be inclusive and have hence aligned our community outreach programmes in a way that not only contributes to national priorities but also to the UN Sustainable Development Goals.

   To date, our Jeewan Jyoti Women Empowerment Programme has helped over 4,000 rural women step out of patriarchal shadows to lead change in their communities through entrepreneurship, vocational training, micro-finance linkage and other women empowerment initiatives. Our healthcare programmes since 2006, have been ensuring quality healthcare, COVID-19 relief and equitable access for the masses benefitting over 1.5+ million lives across Aurangabad, Gadchiroli, Nandurbar and Silvassa. Our Ed-tech programmes on the other hand focus on digital empowerment for Pune's urban slum citizens and have ensured digital literacy for 1,200+ individuals in FY22 and benefitted 100,000+ lives in rural areas through digital content, STEM learning, and teacher training and focused quality education initiatives based on each region's needs.

Principle 5

Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The human rights policy applies to STL and its subsidiaries. We have taken steps towards the implementation of these principles across our operations and value chain. The policy includes important aspects like labour standards, child and forced labour, diversity and equal opportunities, health and safety, freedom of association and non-discrimination etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent were satisfactorily resolved by the management?**

2.1	Stakeholder complaints related to human rights received in the financial year	Nil
2.2	Stakeholder complaints related to human rights pending from the previous year	Nil
2.3	Stakeholder complaints related to human rights resolved in the financial year	NA

Principle 6

Business should respect, protect, and make efforts to restore the environment

Environmental sustainability has been a core area of focus for the Company. To achieve the same, the Company has implemented a dedicated Quality, Environment, Health and Safety (QEHS) policy across its facilities which guides all environmental initiatives.

1. **Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

   The QEHS policy is applicable to STL and its subsidiaries.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlinks for the webpage etc.**

At STL, management of environmental issues starts at the systemic level and extends to implementation and monitoring. The environmental initiatives are guided by our well defined QEHS policy and before setting up any facility, environment impact assessment is conducted to understand environmental risks for its avoidance and mitigation. Inside our operations, the Company continuously improves products in terms of resource optimisation, water and electricity conservation and waste reduction to reduce its environmental footprint.

The Company is also a signatory to the UNGC to and contributes towards addressing global sustainability and environmental issues. One such initiative is in Aurangabad, Maharashtra where the Company is working with the World Bank Water Resources Group 2030, the Government of Maharashtra and Village Social Transformation Foundation to transform the region to a water resilient one through community involvement, livelihood creation and water usage sustainability.

We have also publicly announced several environmental-related goals; the details of which are present on this website (https://www.stl.tech/esg/) and FY21 Sustainability Report (https://www.stl.tech/pdf/ESG-Report-FY20-21.pdf).

3. **Does the Company identify and assess potential environmental risks?**

Yes. The potential environmental risks are identified through environmental impact assessment. Also, we conduct a company-wide risk assessment exercise to identify potential operational and future risks for taking suitable mitigation initiatives. Further, the mitigation plan is developed and the responsibility of implementation is assigned which gets reviewed at different management levels.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

No.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlinks for web pages etc.**

Yes. The details can be found under the ESG section of the Annual Report and on STL's website (Link: www.stl.tech)

6. **Are the Emissions/Waste generated by the Company within the permissible limits are given by CPCB/SPCB for the financial year being reported?**

Yes.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as of end of the Financial Year.**

Nil.

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with**

We continuously engage with industry bodies. We are an active member of the following associations:

- ITU-APT Foundation of India
- Broadband India Forum (BIF)
- Confederation of Indian Industry (CII)
- Cellular Operator Association of India (COAI)
- India Cellular & Electronics Associations (ICEA)
- Society of Indian Defense Manufacturers (SIDM)
- Tower and Infrastructure Providers Association (TAIPA)
- Federation of Indian Chamber of Commerce & Industry (FICCI)
- Telecom Equipment & Services Export Promotion Council (TEPC)
- Associated Chambers of Commerce and Industry of India (ASSOCHAM)

2. **Have you advocated/lobbied through the above associations for the advancement or improvement of the public good? if yes specify the broad areas (dropbox: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   We have been actively pursuing India's socio-economic development and empowerment through robust digital infrastructure and connectivity to all Indians. Simultaneously our efforts in making India Atmanirbhar in end-to-end manufacturing of telecom products along with R&D and IP generation have been significant. The Company through its leadership positions in various committees has been instrumental in shaping policies and creating a digital eco-system for the country to offer fundamental services (education, healthcare) to all Indians and create an ecosystem to enhance the efficiency of sectors including agriculture, defence, e-commerce, start-ups among others.

Principle 8

Businesses should support inclusive growth and equitable development

Our purpose is to 'transform billions of lives through digital networks. We live our purpose every day by facilitating a cleaner, greener, connected and more inclusive world, not just through our products and services that drive progress, but also through our operations and community outreach programmes.

While our primary focus is on communities around our operations to ensure they have access to quality healthcare, education and a pristine environment, we also work with needy communities across the country to reduce inequalities through women empowerment programmes, environment conservation and livelihood generation. COVID-19 relief work has also been an integral part of our social impact work over the last two years and our programmes have been altered to factor in the learnings from the pandemic to ensure agile and tech-based interventions that ensure social development is not stalled even during these difficult times while building more resilient communities.

1. **Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes, details of this have been shared in response to question 5 (Section B) and in the 'Annexure to the Director's Report' as well as on STL's website (https://www.stl.tech/esg/).

2. **Are the programmes/projects undertaken through an in-house team/own foundation/external NGO/ government structures/any other organisation?**

   Our CSR programmes are undertaken by Sterlite Tech Foundation (STF) either directly or through an external NGO, NPO or in partnership with government authorities. The operations of STF and partner NGOs, NPOs among other social development partners are overseen by STL's in-house CSR team. A few strategic programmes are also undertaken directly by STL.

3. **Have you done any impact assessment of your initiative?**

   Impact assessments have been conducted by third parties for our Jeewan Jyoti Women Empowerment Programme and Jaldoot

   Additionally, every programme is closely monitored by STL basis key performance indicators (KPI) finalised at the time of the programme inception. These include

   - Activity indicators, which show if we are on track to deliver the activities in our programme plan
   - Outcome indicators, which tell us if the programme is achieving the intended purpose
   - Impact indicators, which tell us the short-to-medium term impact resulting from the programme outcomes.

   Our Data Management System ensures that this data is regularly submitted through online mechanisms by our partners enabling us to analyse various trends. This allows us to proactively implement strategy changes and programme deliverables to ensure maximum benefit to the communities the programme is intended for.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

We have spent ₹ 11.57 crores in FY22 on our community outreach programmes. The details of each of our CSR programmes details of this have been shared in response to question 5 (Section B) and in the 'Annexure to the Director's Report' as well as STL's website (https://www.stl.tech/esg/)

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Our primary objective is to create shared value for each of our stakeholders and the community is one of its main stakeholders. Hence, each of our community programmes do not simply work towards benefitting lives in communities, but instead works with them as partners to drive sustainable transformation. We believe that a programme can only be sustainable after our intervention when the community understands its importance and are equally committed to wanting progress and development. Our strategy revolves around addressing the main issue by resolving the underlying reasons for its emergence. Behavioural change, awareness, collective effort and ownership have thus been key factors in ensuring each of our community outreach programmes is successfully adopted by the communities we implement them for.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as of the end of the financial year.

The total customer complaints/consumer cases open is 22.80 percent as of March 31, 2022.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes. We comply with the local law with respect to product labels. Also, we provide additional specific information and barcoding as per the customer requirement which varies from customer to customer.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as of the end of the financial year. If so, provide details thereof, in about 50 words or so.

No.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

As a part of customer engagement, customers' feedback related to products and services is collected through surveys to gauge their satisfaction level.

Independent Auditors' Report

To the Members of Sterlite Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Sterlite Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition (Refer note 2.1 (b), 3 and 25 to the Standalone Financial Statements) The Company recognises revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers". This involves application of significant judgements by Management with respect to: • Combination of contracts entered into with the same customer; • Identification of distinct performance obligations; • Total consideration when the contract involves variable consideration; • Allocation of consideration to identified performance obligations; and • Recognition of revenue over a period of time or at a point in time based on timing when control is transferred to customer. Further, for contracts where revenue is recognised over a period of time, the Company makes estimates which impact the revenue recognition. Such estimates include, but are not limited to: • costs to complete, • contract risks, • price variation claims, and • liquidated damages Further, in determining the above estimates for ongoing contracts, Management has also evaluated the estimates, especially those resulting from expected delays in the completion of the performance obligations and available contractual remedies. We focused on this area because a significant portion of the revenue generated requires management to exercise judgement and therefore could be subject to material misstatement due to fraud or error.	We performed the following procedures: Understood and evaluated the design and tested the operating effectiveness of controls relating to revenue recognition. In respect of a sample of large and complex contracts and certain other contracts, our procedures included, among other things: • Reading of selected contracts to identify significant terms of the contracts; • Assessing appropriateness of management's significant judgements in accounting for identified contracts such as identification of performance obligation and allocation of consideration to identified performance obligation; • Evaluation of the contract terms with respect to assessment of the date of transfer of control; • Testing of timing of recognition of revenue (including procedures related to cut off) in line with the terms of contracts; • Testing the appropriateness of key assumptions used by Management including the appropriateness and reasonability of Management's conclusion regarding the expected delays in estimated completion of the performance obligations and possible impact on key estimates. Reading of the related contract terms and communications with the customers to assess the likelihood of availability of contractual remedies. • Testing of journal entries for unusual/ irregular revenue transactions, if any; and • Evaluating adequacy of presentation and disclosures in the financial statements. Based on the above procedures, we did not note any significant exceptions in the estimates and judgements applied by the Management in revenue recognition including those relating to presentation and disclosures as required by Ind AS 115.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditors' report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether

a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 21 and 37 to the standalone financial statements.

        ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 19 to the standalone financial statements;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 18 to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 18 to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

15. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 22108391AHYNYU1788

Place: Pune
Date: April 28, 2022

Annexure A to Independent Auditors' Report

Referred to in paragraph 14 (f) of the Independent Auditors' Report of even date to the members of Sterlite Technologies Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Sterlite Technologies Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 22108391AHYNYU1788

Place: Pune
Date: April 28, 2022

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Sterlite Technologies Limited on the standalone financial statements as of and for the year ended March 31, 2022

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. Further, the physical verification of cables is impractical due the manner in which they have been installed/laid.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise. (Also refer Note 4 to the financial statements)

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks and financial institutions on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks and financial institutions, of which the following are not in agreement with the books of account as set out below: (Also refer Note 51 to the financial statements)

Name of the Bank/ Financial Institution	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount as per books of account (unaudited)	Amount disclosed as per quarterly statement	Difference	Reasons for material differences
ICICI Bank Ltd.	537 Crores	Inventories, Trade receivables and contract assets	**30 June 2021**				
State Bank of India	505 Crores		Inventories	448.50	351.22	97.28	The difference is on account of period end closing entries.
Yes Bank Limited	150 Crores		Trade receivables and contract assets	3,204.41	3,079.32	125.09	The difference is on account of period end regroupings of ₹ 63.09 crores and non consideration of related party receivable of ₹ 62.00 crores
Axis Bank Limited	450 Crores		**30 September 2021**				
IDFC First Bank Limited	275 Crores						
Indusind Bank Limited	335 Crores		Inventories	373.59	340.76	32.83	The difference is on account of period end closing entries.
Bank of Baroda	247 Crores		Trade receivables and contract assets	2,991.15	3,124.31	(133.16)	The difference is on account of period end closing entries of ₹ 195.16 crores and non consideration of related party receivable of ₹ (62.00) crores
RBL Bank Limited	200 Crores						
The Federal Bank Limited	200 Crores		**31 December 2021**				
IDBI Bank Limited	220 Crores						
			Inventories	457.07	348.80	108.27	The difference is on account of period end closing entries.
Deutsche Bank AG	275 Crores		Trade receivables and contract assets	2,928.65	3,161.95	(233.30)	The difference is on account of period end closing entries.
Union Bank of India	110 Crores						
HDFC Bank Limited	300 Crores						
Export-Import Bank of India	80 Crores						
Citi Bank	135 Crores						
Shinhan Bank	55 Crores						
CTBC Bank Co. Ltd.	88 Crores						
Qatar National Bank (Q.P.S.C.)	60 Crores						
Axis Finance Ltd.	75 Crores						

iii. (a) The Company has made investments in three companies, granted unsecured loans to nine companies, stood guarantee to one company and provided security to one company. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below:

	Securities	Guarantees	Loans
Aggregate amount granted/ provided during the year			
- Subsidiaries	29.43 crores	106.24 Crores	352.75 Crores
- Joint Venture	Nil	Nil	Nil
- Associates	Nil	Nil	Nil
- Others	Nil	Nil	0.48 Crores
Balance outstanding as at balance sheet date in respect of the above case			
- Subsidiaries	29.43 crores	106.24 Crores	352.75 Crores
- Joint Venture	Nil	Nil	Nil
- Associates	Nil	Nil	Nil
- Others	Nil	Nil	0.26 Crores

(b) In respect of the aforesaid investments, guarantees, securities, loans the terms and conditions under which such loans were granted, investments were made, guarantees provided, security provided are not prejudicial to the Company's interest.

(c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated as repayable on demand, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans or advances in nature of loans which were granted to same parties and which fell due during the year and were renewed or extended. Further, no fresh loans were granted to any party to settle the overdue loans or advances in nature of loan.

(f) Following loans were granted during the year to related parties u/s 2(76) which are repayable on demand:

	All Parties	Promoters	Related Parties
Aggregate of loans/ advances in nature of loan			
- Repayable on demand	352.75 Crores	Nil	352.75 Crores
- Agreement does not specify any terms or period of repayment	Nil	Nil	Nil
Percentage of loans/ advances in nature of loan to the total loans	82.71%	Nil	82.71%

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance and provident fund though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including income tax, goods and services tax, duty of customs, cess, and other material statutory dues, as applicable, with the appropriate authorities.

b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and services tax, provident fund, employees' state insurance, sales tax and duty of excise which have not been deposited on account of any dispute. The particulars of dues of income tax and duty of customs as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In Crores)	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Customs Duty	67.82	2001-03	CESTAT, Mumbai
	Customs Duty	0.68	2011-16	CESTAT, Ahemadabad
	Customs Duty	1.53	2013-14	CESTAT, Mumbai
	Customs Duty	1.54	2014-19	Commissioner (Appeals), Mumbai
	Customs Duty	15.00	2002-03	Supreme Court of India
Income Tax Act, 1961	Income Tax	17.46	AY 2018-19	Commissioner (Appeals)
	Income Tax	3.88	AY 2013-14, AY 2015-16	Commissioner (Appeals) - Mumbai
	Income Tax	1.20	AY 2002-03	Mumbai High Court
	Income Tax	0.07	AY 2001-02	Mumbai High Court
	Income Tax	0.43	AY 2014-15, AY 2016-17	Commissioner (Appeals) – Pune
	Income Tax	0.33	AY 2011-12, AY 2013-14	Commissioner (Appeals) - Ahemadabad
	Income Tax	0.53	AY 2012-13	Gujrat High Court
	Income Tax	0.12	AY 2009-10, AY 2010-11	Income Tax Appellate Tribunal - Ahmedabad
	Income Tax	55.67	AY 2013-14, AY 2014-15, AY 2017-18	Additional Commissioner of Income Tax, Delhi

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year. As stated in Note 39 to the standalone financial statements, the Company continues to dispute amounts aggregating ₹ 18.87 crores claimed by a bank in the earlier years, towards import consignments under letter of credit not accepted by the Company, owing to discrepancies in documents. Since the matter is in dispute, we are unable to determine whether there is a default in repayment of dues to the said bank.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority (Also refer Note 18 to the financial statements).

c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained (Also refer Note 18 to the financial statements).

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order are not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order are not applicable to the Company.

xi. a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 “Related Party Disclosures” specified under Section 133 of the Act.

xiv. a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 42 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 22108391AHYNYU1788

Place: Pune
Date: April 28, 2022

Balance Sheet

as at 31 March 2022

	Notes	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
ASSETS			
I. Non-current assets			
Property, plant & equipment	4	2,117.73	2,167.03
Capital work-in-progress	4	64.90	146.83
Intangible assets	5	31.12	36.58
Financial assets			
(i) Investments	6	297.07	323.72
(ii) Loans	8	411.52	216.05
(iii) Other non-current financial assets	9	18.73	13.26
Other non-current assets	10	70.21	8.23
Total Non-current Assets		**3,011.30**	**2,911.70**
II. Current assets			
Inventories	11	444.61	363.36
Financial assets			
(i) Investments	12	-	180.00
(ii) Trade receivables	7	1,848.91	1,376.11
(iii) Cash and cash equivalents	13	274.73	76.14
(iv) Other bank balances	14	116.71	55.17
(v) Loans	8	0.26	0.17
(vi) Other current financial assets	9	115.38	50.73
Contract assets	10	1,217.61	1,311.17
Other current assets	10	385.34	378.95
		4,403.55	**3,791.80**
Assets classified as held for sale	15	-	32.37
Total Current Assets		**4,403.55**	**3,824.17**
Total Assets		**7,414.84**	**6,735.87**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	79.55	79.33
Other equity	17	1,763.41	1,747.03
Total Equity		**1,842.96**	**1,826.36**
Liabilities			
I. Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	971.54	753.16
(ii) Lease liabilities	4	65.04	59.11
(iii) Other financial liabilities	19	4.20	10.08
Employee benefit obligations	24	39.96	48.32
Provisions	21	0.84	0.74
Deferred tax liabilities (net)	23A	56.76	93.40
Total Non-current Liabilities		**1,138.34**	**964.81**
II. Current liabilities			
Financial liabilities			
(i) Borrowings	18	1,604.55	1,409.77
(ii) Lease liabilities	4	21.54	19.17
(iii) Trade payables	20		
(A) total outstanding dues of micro enterprises and small enterprises (refer note 39)		172.98	72.70
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		2,129.78	1,796.96
(iv) Other financial liabilities	19	222.38	503.30
Contract liabilities	22	177.11	64.35
Current tax liabilities (net)	23B	-	14.88
Employee benefit obligations	24	15.80	13.36
Provisions	21	24.45	10.23
Other current liabilities	22	64.95	39.98
Total Current Liabilities		**4,433.54**	**3,944.70**
Total Liabilities		**5,571.88**	**4,909.51**
Total Equity & Liabilities		**7,414.84**	**6,735.87**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number:108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

Statement of Profit and Loss

for the year ended 31 March 2022

	Notes	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
INCOME			
Revenue from operations	25	5,021.06	4,142.01
Other income	26	59.43	57.67
Total Income (I)		**5,080.49**	**4,199.68**
EXPENSES			
Cost of raw materials and components consumed	27	2,587.31	2,115.32
Purchase of traded goods		163.72	0.69
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	27	(118.39)	(30.11)
Employee benefit expense	28	610.70	491.97
Other expenses (includes net impairment losses of financial and contract assets of ₹ 126.55 crores (31 March 2021: ₹ 10.83 crores))	29	1,350.36	851.31
Total Expense (II)		**4,593.70**	**3,429.18**
Earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		**486.79**	**770.50**
Depreciation and amortisation expense	30	209.37	215.10
Finance costs	31	219.11	189.71
Profit before exceptional items and tax		**58.31**	**365.69**
Exceptional items	46	52.75	-
Profit before tax		**111.06**	**365.69**
Tax expense:			
Current tax	32	67.04	75.23
Deferred tax		(37.78)	29.05
Total tax expense		**29.26**	**104.28**
Profit for the year (A)		**81.80**	**261.41**
Other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		0.11	(1.48)
Income tax effect on the above		(0.03)	0.37
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**0.08**	**(1.11)**
Items that will not to be reclassified to profit or loss in subsequent periods:			
Remeasurements of defined employee benefits plans		4.44	3.29
Income tax effect on the above		(1.12)	(0.83)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**3.32**	**2.46**
Other comprehensive income for the year, net of tax (B)		**3.40**	**1.35**
Total comprehensive income for the year (A+B)		**85.20**	**262.76**
Earnings Per Equity Share	34		
Basic			
Computed on the basis of profit for the year (₹)		2.06	6.57
Diluted			
Computed on the basis of profit for the year (₹)		2.04	6.50
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number:108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

Statement of Changes in Equity

for the year ended 31 March 2022

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each (issued, subscribed and fully paid)	Note	No. in crores	Amount
As at 01 April 2020		**40.39**	**80.79**
Changes in equity share capital	16	(0.73)	(1.46)
As at 31 March 2021		**39.66**	**79.33**
Changes in equity share capital	16	0.11	0.22
As at 31 March 2022		**39.77**	**79.55**

B. OTHER EQUITY

	Reserves and surplus							Other Reserves	Total
	Capital Reserve	Securities Premium	Employee Stock Option Outstanding	Debenture Redemption Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Cash Flow Hedge Reserve	
As at 31 March 2020	**(19.06)**	**51.36**	**26.83**	**56.25**	**-**	**131.25**	**1,477.63**	**4.52**	**1,728.78**
Profit for the year	-	-	-	-	-	-	261.41	-	261.41
Other comprehensive income for the year	-	-	-	-	-	-	2.46	(1.11)	1.35
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**263.87**	**(1.11)**	**262.76**
Employee stock option exercised*	-	14.83	-	-	-	-	-	-	14.83
Transferred to securities premium account*	-	-	(14.83)	-	-	-	-	-	(14.83)
Employee stock option expenses for the year (refer note 33)*	-	-	11.42	-	-	-	-	-	11.42
Utilised for buy-back of equity shares*	-	(51.36)	-	-	-	(48.42)	-	-	(99.78)
Amount transferred to general reserve	-	-	-	(18.75)	-	18.75	-	-	-
Capital redemption reserve created during the year*	-	-	-	-	1.77	-	-	-	1.77
Equity dividend (refer note 48)*	-	-	-	-	-	-	(138.28)	-	(138.28)
Tax on buy-back of equity shares	-	-	-	-	-	-	(22.16)	-	(22.16)
Transferred to Statement of profit and loss (net)	-	-	-	-	-	-	-	2.52	2.52
As at 31 March 2021	**(19.06)**	**14.83**	**23.42**	**37.50**	**1.77**	**101.58**	**1,581.06**	**5.93**	**1,747.03**
Profit for the year	-	-	-	-	-	-	81.80	-	81.80
Other comprehensive income for the year	-	-	-	-	-	-	3.32	0.08	3.40
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**85.12**	**0.08**	**85.20**
Employee stock option exercised*	-	10.14	-	-	-	-	-	-	10.14
Transferred to securities premium account*	-	-	(10.14)	-	-	-	-	-	(10.14)
Employee stock option expenses for the year (refer note 33)*	-	-	11.88	-	-	-	-	-	11.88
Amount transferred to general reserve	-	-	-	(37.50)	-	37.50	-	-	-
Equity dividend (refer note 48)*	-	-	-	-	-	-	(79.36)	-	(79.36)
Transferred to statement of profit and loss (net)	-	-	-	-	-	-	-	(1.34)	(1.34)
As at 31 March 2022	**(19.06)**	**24.97**	**25.16**	**-**	**1.77**	**139.08**	**1,586.82**	**4.67**	**1,763.41**

* Transactions with owners in their capacity as owners

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number:108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

Statement of Cash Flows

for the year ended 31 March 2022

	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
A. Operating activities		
Profit before tax	**111.06**	**365.69**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant & equipment	199.11	192.09
Amortization and impairment of intangible assets	10.26	23.01
Provision for doubtful debts and advances	104.86	3.83
Bad debts / advances written off	-	0.92
Impairment provision for investment in subsidiaries	21.69	7.00
(Profit) / loss on sale of property, plant and equipment, net including gain on termination of lease	(67.85)	(21.55)
Profit on sale of investments	(19.90)	-
Rental income	(0.32)	(0.06)
Employee stock option expenses	11.88	11.42
Change in fair value of Investment	-	(7.00)
Finance costs (including interest pertaining to Ind AS 116)	219.11	189.71
Finance income	(26.30)	(14.35)
Unrealized exchange difference	(2.74)	(8.09)
	449.80	**376.93**
Operating profit before working capital changes	**560.86**	**742.62**
Working capital adjustments:		
Increase/(decrease) in trade payables	433.46	507.18
Increase/(decrease) in long-term provisions	0.10	(0.15)
Increase/(decrease) in short-term provisions	14.22	0.21
Increase/(decrease) in other current liabilities	24.97	(3.54)
Increase/(decrease) in other current financial liabilities	(1.32)	(47.75)
Increase/(decrease) in contract liabilities	112.76	(69.05)
Increase/(decrease) in other non-current financial liabilities	(5.32)	(2.66)
Increase/(decrease) in non current employee benefits obligations	(3.92)	3.87
Increase/(decrease) in current employee benefits obligations	2.44	(1.03)
Decrease /(increase) in trade receivables	(565.67)	44.58
Decrease /(increase) in inventories	(81.25)	(77.97)
Decrease/(increase) in loans given to related parties	12.28	0.03
Decrease/(increase) in short-term loans	(0.09)	0.15
Decrease/(increase) in other current financial assets	(54.76)	19.47
Decrease/(increase) in contract assets	82.37	(568.40)
Decrease /(increase) in other non-current financial assets	7.53	8.40
Decrease /(increase) in other current assets	(6.39)	(46.99)
Decrease/(increase) in other non-current assets	0.28	0.72
Change in working capital	**(28.32)**	**(232.93)**
Cash generated from operations	**532.54**	**509.69**
Income tax paid (net of refunds)	(140.17)	(41.60)
Net cash inflow from operating activities (A)	**392.37**	**468.09**

Statement of Cash Flows

for the year ended 31 March 2022

	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
B. Investing activities*		
Payment for property, plant and equipment	(487.67)	(365.79)
Receipt of government grant for investment in property, plant & equipment	128.85	-
Purchase of intangible assets	(4.80)	(11.29)
Proceeds from sale of property, plant and equipment	95.00	21.42
Investment in subsidiaries	(29.93)	(37.87)
Proceeds from sale of non-current investments	44.88	-
Proceeds/(investment in) asset held for sale	19.96	-
Purchase of current investments	-	(180.00)
Proceeds from sale of current investments	180.00	233.00
Loans given to related parties	(385.36)	(160.98)
Repayment of loans by related parties	187.68	14.37
Net movement in other bank balances	(61.54)	38.75
Rental income	0.32	0.06
Interest received	16.38	14.27
Net cash outflow from investing activities (B)	**(296.22)**	**(434.06)**
C. Financing activities*		
Proceeds from long - term borrowings	446.05	623.82
Repayment of long - term borrowings	(229.01)	(252.31)
Proceeds/(repayment) from/of short - term borrowings (net)	194.79	50.65
Proceeds from issue of shares against employee stock options	0.22	0.30
Interest paid (including interest pertaining to Ind AS 116)	(220.72)	(184.31)
Principal elements of lease payments	(9.54)	(12.86)
Dividend paid on equity shares	(79.36)	(137.77)
Buy-back of equity shares	-	(99.78)
Tax on buy-back	-	(22.16)
Net cash inflow/(outflow) from financing activities (C)	**102.43**	**(34.42)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**198.58**	**(0.39)**
* Non-cash financing and investing activities during the year pertain to acquisition of right to use assets of ₹ 18.12 crores (31 March 2021: ₹ 0.84 crores)		
Cash and cash equivalents as at the beginning of the year (Refer note 13)	76.14	76.53
Cash and cash equivalents as at the year end (Refer note 13)	**274.73**	**76.14**

Components of cash and cash equivalents:

	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Balances with banks:	274.72	76.12
Cash on hand	0.01	0.02
Total cash and cash equivalents	**274.73**	**76.14**

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number:108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

1. Corporate information

Sterlite Technologies Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The registered office of the Company is located at 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1, Pune, Maharashtra- 411001, India. The Company is primarily engaged in the business of Connectivity and Network solutions.

The Company is a global leader in end-to-end data network solutions. The company designs and deploy high-capacity converged fibre cables and wireless networks. With expertise ranging from optical fibre and cables, hyper-scale network design, and deployment and network software, the company is the industry's leading integrated solutions provider for global data networks. The company partners with global telecom companies, cloud companies, citizen networks and large enterprises to design, build and manage such cloud-native software-defined networks.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The standalone Ind AS financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value
- Share based payments
- Defined benefit plans - plan assets measured at fair value
- Assets classified as held for sale – measured at fair value less cost to sale.

The standalone Ind AS financial statements are presented in Indian Rupees in Crores, except when otherwise indicated.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products and services and the time between the acquisitions of assets for processing and their realisation in cash and cash equivalents, the company has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities.

a) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (₹the functional currency'). The financial statements are presented in Indian rupee (INR), which is Sterlite Technologies Limited’s functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on the basis of underlying transactions.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

b) Revenue from contracts with customers

Revenue recognition policy

The Company has following streams of revenue:

(i) Revenue from sale of products

(ii) Revenue from sale of services

(iii) Revenue from network integration projects

(iv) Revenue from software products/licenses and implementation activities

The Company accounts for a contract when it has approval and commitment from parties involved, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

The Company identifies distinct performance obligations in each contract. For most of the network integration project contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

However, the Company may promise to provide distinct goods or services within a contract, for example when a contract covers multiple promises (e.g., construction of network with its maintenance and support), in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation. In case of cost to obtain a contract, the same is determined as per the terms of contract with the customer and is amortised on a systematic basis that is consistent with the transfer to the customer of the goods and services.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date.

If none of the criteria above are met, the Company recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment the legal title to the goods, the physical possession and the customer acceptance in determining the point in time when control has been transferred.

The Company uses input method to measure the progress for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the input method measure of progress, the extent

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to the Standalone Financial Statements for the year ended 31 March 2022

of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Revenue in respect of operation and maintenance contracts is recognized on a time proportion basis.

Due to the nature of the work required to be performed on performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. It is common for network integration project contracts to contain liquidated damages on delay in completion/performance, bonus on early completion, or other provisions that can either increase or decrease the transaction price. These variable amounts generally are awarded upon achievement of certain performance metrics, program milestones or cost targets and may be based upon customer discretion.

The Company estimates variable consideration using the most likely amount to which it expects to be entitled. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Contracts are modified to account for changes in contract specifications and requirements. The Company considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

When estimates of total costs to be incurred exceed total estimates of revenue to be earned on a performance obligation related to a contract, a provision for the entire loss on the performance obligation is recognized in the period.

For fixed price contracts, the customer pays the fixed amount based on the payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognized. If the payment exceed the services rendered, a contract liability is recognised.

Financing components: The Company does not expect to have any material contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Revenue recognised at a point-in-time

For contracts where performance obligation(s) are not satisfied over time, revenue is recognized at a point in time when control is transferred to the customer - based on right to payment, alternative use of goods, legal title to goods, delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above.

c) Other Income

1. Interest income

Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in other income in the statement of profit and loss.

2. Dividends

Dividends are recognised in profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

3. Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in the statement of profit and loss.

d) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are recognised in books by deducting the grant from the carrying amount of the asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

e) Income Tax (Current Income tax and Deferred tax)

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax is recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.

Current and Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to income taxes levied by same taxation authorities on either same taxable entity or different taxable entities which intend either to settle the current tax assets and tax liabilities on a net basis or to realise the asset and settle the liability simultaneously.

f) Property, plant and equipment

Freehold land and capital work in progress are carried at historical costs. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment. Such historical cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. No decommissioning liabilities are expected to be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction cost to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

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Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The Company, based on technical assessments made by technical experts and management estimates, depreciates certainitems of tangible assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Table below providesthe details of the useful lives which are different from useful lives prescribed under Schedule II of the Companies Act, 2013:

Asset Category	Useful Life considered #*	Useful life (Schedule II)
Buildings	30-60 Years	30-60 Years
Plant & Machinery	3-25 Years	Continuous process plant -25 Years Others - 15 Years
Furniture and fixtures	7.5-10 Years	10 Years
Data processing equipments	3-5 Years	Servers and networks - 6 years, and Desktops and laptop etc - 3 Years
Office equipments	4-5 Years	5 Years
Electric fittings	4-10 Years	10 Years
Vehicles	4-5 Years	8 Years

* Considered on the basis of management's estimation, supported by technical advice of management's expert, of the useful lives of the respective assets.

Residual value considered upto 15% on the basis of management's estimation, supported by technical advice.

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The Company does not have any intangible assets with indefinite useful lives.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Customer acquisition costs consist of payments made to obtain consents/permissions for laying of fiber cables and other telecom infrastructure in residential and commercial complexes/townships. Such cost is amortized over the period of the consent/permission on a straight line basis.

All intangible assets are amortised on a straight line basis five to six years

Goodwill on amalgamation is amortised on a straight line basis over a period of five years from the date of amalgamation as per the Court Order.

Research costs are expensed as incurred.

h) Leases

As a Lessee:

The company leases various assets which includes land, buildings and plant & machinery. Rental contracts are typically made for fixed periods of 2 to 15 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants andleased assets are not used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee’s incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in a number of property and equipment leases across the company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

As a Lessor:

Lease income from operating leases where the company is a lessor is recognised in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

i) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

j) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment,

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assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

k) Provisions and contingent liabilities

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

l) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for privilege leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans in the nature of gratuity, and

(b) Defined contribution plans in the nature of provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

m) Share-based payments

The fair value of options granted under the Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions (e.g., the entity's share price)
- Excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

n) Investments and Other Financial assets

i) Classification & Recognition:

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commit to purchase or sell the financial asset.

ii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in statement of profit and loss using the effective interest rate method. Impairment losses are presented as a separate line item in the financial statements.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are

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taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses and impairment expenses are presented as separate lines item in the financial statements.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ (expenses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ (expenses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity investment in subsidiaries, associate companies and joint venture are carried at historical cost as per the accounting policy choice given by Ind AS 27.

The Company makes investments in certain joint ventures and associate companies with the objective to generate growth in the medium term and with identified exit strategies. Such investments are managed on a fair value basis. The company has elected to measure investments in such joint ventures and associate companies in accordance with Ind AS 109.

iii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Lease receivables under Ind AS 116

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entityuses the remaining contractual term of the financial instrument;

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

- The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

iv) Derecognition of financial asset

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

o) Financial liabilities

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss under other income/(expenses).

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Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

p) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

q) Derivatives and hedging activities

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of assets and liabilities and highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges). The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss

When forward contracts are used to hedge forecast transactions, the company designates the full change in fair value of the forward contract as the hedging instrument. The gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When the hedged forecast transaction results in the recognition of a non-financial asset (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

- With respect to gain or loss relating to the effective portion of the forward contracts, the deferred hedging gains and losses are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance cost' at the same time as the interest expense on the hedged borrowings.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

Derivatives that are not designated as hedges

The company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in statement of profit and loss.

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

r) Financial Guarantee Contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of (i) the amount determined in accordance with the expected credit loss model as per Ind AS 109 and (ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be without the guarantee, or the estimated amount that would be payable to the third party for assuming the obligations.

Where the guarantees in relation to the loans or other payables of associate companies are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

s) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consist of cash and cash equivalent, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

t) Dividends

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

u) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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v) Presentation of EBITDA

The Company presents Earnings before interest, tax, depreciation and amortisation ('EBITDA') in the statement of profit or loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance.

Accordingly, the Company has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include exceptional items, depreciation and amortization expense, finance costs and tax expense.

w) Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless there are significant financing components, when they are recognised at fair value. The company holds the trade receivables with the objective to collect contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

x) Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors has been identified as being the CODM. Refer note 52 for segment information presented.

y) Non-current assets (or disposal group) held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal company) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal company), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal company) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal company) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal company classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal company classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal company classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

z) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated.

aa) Exceptional items

When the items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such items are disclosed separately as exceptional item by the Company.

Recent Accounting Pronouncements

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards and are effective 1 April 2022. These changes are applicable for the financial year commencing from 1 April 2022 thus management will evaluate disclosures required and applicable to Financial statements issued in respect of accounting years commencing on or after 1 April 2022.

NOTE 3: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the use of accounting estimates. Management exercises judgement in applying the company's accounting policies. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reliable and relevant under the circumstances. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Management believes that the estimates are the most likely outcome of future events. Detailed information about each of these estimates and judgements is described below.

Revenue recognition on contracts with customers

"The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the distinct goods/services and the ability of the customer to benefit independently from such goods/services. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, liquidated damages, penalties, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation (allocation of transaction price). The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus reasonable margin approach to allocate the transaction price to each distinct performance obligation.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, timing gap between transfer of control and actual revenue recognition, etc.

Revenue for fixed-price contract is recognised using the input method for measuring progress. The company uses cost incurred related to total estimated costs to determine the extent of progress towards completion. Judgement is involved to estimate the future cost to complete the contract and to estimate the actual cost incurred basis completion of relevant activities towards fulfilment of performance obligations.

Contract fulfilment costs are generally expensed as incurred except for costs that meet the criteria for capitalisation. Such costs are amortised over the life of the contract.

Uninstalled materials are materials that will be used to satisfy performance obligations in a contract for which the cost incurred does not depict transfer to the customer. The Company excludes cost of uninstalled materials for measuring progress towards satisfying a performance obligation if it involves only provision of a procurement service. In case of uninstalled materials, the Company recognises revenue equal to the cost of the uninstalled materials if the goods are distinct, the customer is expected to obtain control of the goods significantly before services related to the goods are rendered, the cost of the transferred goods is significantly relative to the total expected costs to completely satisfy the performance obligation and the goods are procured from a third party wherein there is no involvement of the Company in designing and manufacturing of the good.

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Share-based payments

The Company measures the cost of equity-settled transactions with employees using Black Scholes model and Monte carlo's simulation model to determine the fair value of options. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions relating to vesting of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 33.

Defined benefit plans

The cost of the defined benefit plan and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increase, employee turnover and expected return on planned assets. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at the year end. Details about employee benefit obligations and related assumptions are given in Note 24.

NOTE 4: PROPERTY, PLANT & EQUIPMENT

(₹ in crores)

	Freehold land	Buildings#	Plant & machinery	Furniture & fixtures	Data processing equipments	Office equipments	Electrical fittings	Vehicles	Right of use asset	Total
Cost										
As at 01 April 2020	**75.29**	**496.25**	**2,616.80**	**25.51**	**70.92**	**18.90**	**63.93**	**13.73**	**114.57**	**3,495.90**
Additions	-	17.22	121.03	2.16	7.87	1.41	4.45	0.75	0.84	155.73
Asset disclosed as asset held for sale	(0.76)	(0.19)	-	-	-	-	-	-	-	(0.95)
Disposals/Adjustments	-	(2.68)	(20.13)	(1.24)	(0.07)	(0.94)	(1.35)	(1.66)	(16.46)	(44.53)
Aa at 31 March 2021	**74.53**	**510.60**	**2,717.70**	**26.43**	**78.72**	**19.37**	**67.03**	**12.82**	**98.95**	**3,606.15**
Additions	10.27	24.51	93.91	1.43	9.47	0.97	13.26	4.30	18.11	176.23
Disposals/Adjustments	(4.74)	(2.87)	(34.51)	(1.04)	(0.09)	(1.66)	(0.39)	(1.92)	(1.48)	(48.70)
Aa at 31 March 2022	**80.06**	**532.24**	**2,777.10**	**26.82**	**88.10**	**18.68**	**79.90**	**15.20**	**115.58**	**3,733.68**
Accumulated depreciation & impairment										
Aa at 01 April 2020	**-**	**90.38**	**1,065.77**	**13.12**	**49.43**	**12.69**	**31.87**	**5.25**	**14.08**	**1,282.59**
Charge for the year	-	24.37	131.43	2.81	10.64	2.39	4.88	1.84	13.73	192.09
Asset disclosed as asset held for sale	-	(0.10)	-	-	-	-	-	-	-	(0.10)
Disposals/Adjustments	-	(2.38)	(20.01)	(0.79)	(0.02)	(0.89)	(1.33)	(1.10)	(8.94)	(35.46)
As at 31 March 2021	**-**	**112.27**	**1,177.19**	**15.14**	**60.05**	**14.19**	**35.42**	**5.99**	**18.87**	**1,439.12**
Charge for the year	-	25.81	140.91	2.53	9.55	2.01	4.79	1.54	11.97	199.11
Disposals/Adjustments	-	(1.48)	(15.57)	(0.98)	(0.07)	(1.67)	(0.37)	(0.91)	(1.23)	(22.28)
As at 31 March 2022	**-**	**136.60**	**1,302.53**	**16.69**	**69.53**	**14.53**	**39.84**	**6.62**	**29.61**	**1,615.95**
Net Book Value:										
As at 31 March 2022	80.06	395.64	1,474.57	10.13	18.57	4.15	40.06	8.58	85.97	2,117.73
As at 31 March 2021	74.53	398.33	1,540.52	11.29	18.67	5.18	31.60	6.83	80.08	2,167.03

Movement in capital work in progress	31 March 2022	31 March 2021
Opening balance	**146.83**	**127.52**
Additions during the year	66.97	170.71
Borrowing cost capitalised during the year (Refer Note 31)	4.92	2.75
Transfers during the year	(153.82)	(154.15)
Closing balance	**64.90**	**146.83**

Capital work in progress mainly comprises amounts pertaining to plant & machinery, building and Data processing equipments.

 # Buildings include those constructed on leasehold land:

	31 March 2022	31 March 2021
Gross Block	355.99	348.36
Depreciation for the year	14.56	12.27
Accumulated depreciation	76.14	61.58
Net Block	279.85	286.78

Refer note 18 for information on property, plant and equipment pledged as security by the Company.

Refer note 36 for disclosure of contractual commitments for the acquisition of property, plant & equipments.

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

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CWIP ageing schedule as at 31 March 2022

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Fiber cable project	4.14	-	-	-	4.14
Fiber project	10.15	-	-	-	10.15
Wireless solution project	29.97	1.61	-	-	31.58
Others	18.95	0.08	-	-	19.03
	63.21	**1.69**	**-**	**-**	**64.90**

CWIP ageing schedule as at 31 March 2021

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Fiber cable project	10.86	11.55	0.62	0.00	23.03
Fiber project	82.33	31.10	0.71	0.70	114.84
Wireless solution project	2.21	0.05	-	-	2.26
Others	4.23	1.56	0.70	0.22	6.71
	99.63	**44.26**	**2.03**	**0.92**	**146.83**

There are no material overdues compared to original plans as on 31 March 2022 and 31 March 2021. The reporting for the year ended 31 March 2021 is based on current status of the projects due to revision in the original plan date of the project on account of Covid-19 pandemic.

The Company evaluates completion of the projects based on its original plan which includes certain projects relating to research and development monitored on an ongoing basis.

Details of lease:

The note provides information for leases where the company is a lessee. The company has taken land, various offices and equipments on lease. Rental contracts for offices and equipments are typically made for fixed periods of 2 to 15 years, but have extension options.

(i) Assets recognised in balance sheet

The balance sheet shows the following amount relating to lease:

Particulars	Gross Book Value		Net Book Value	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Right of use assets				
Leasehold land	19.81	19.81	18.68	18.83
Buildings	46.59	29.96	30.21	19.83
Plant & Machinery	49.18	49.18	37.08	41.42
Total	**115.58**	**98.95**	**85.97**	**80.08**

Additions to the right of use assets during the year is ₹ 18.12 crores. (31 March 2021 - ₹ 0.84 crores)

Particulars	31 March 2022	31 March 2021
Lease liabilities		
Non-current	65.04	59.11
Current	21.54	19.17
Total	**86.58**	**78.28**

Movement of lease liability

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	78.28	99.76
Add: Created during the year	18.12	0.84
Less: Deleted during the year	(0.29)	(9.46)
Add: Interest accrued during the year	8.94	9.40
Less: Rent paid during the year	(18.47)	(22.26)
Closing balance	**86.58**	**78.28**

(ii) Amount recognised in the Statement of profit and loss

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Depreciation charge on right of use assets		
Leasehold land	0.15	0.15
Buildings	7.79	9.50
Plant & Machinery	4.03	4.08
Total (Note no. 30)	**11.97**	**13.73**

Particulars	Note	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Interest expenses (included in finance cost)	31	8.94	8.69
Expenses related to short term leases, low value assets (included as rent in other expenses)	29	2.31	1.84

The total cash outflow for leases for the year ended 31 March 2022 is ₹ 20.78 crores. (31 March 2021 - ₹ 23.39 crores)

Extension and termination option:

Extension and termination options are included in a number of property and equipment leases held by the company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

NOTE 5: INTANGIBLE ASSETS

(₹ in crores)

	Software/ licenses	Patents	Indefeasible Right of use	Customer acquisition	Goodwill	Total
Cost						
As at 01 April 2020	**57.62**	**9.31**	**1.00**	**5.72**	**148.19**	**221.84**
Additions	11.68	-	-	-	-	11.68
Disposals/Adjustments	(0.38)	-	-	-	-	(0.38)
As at 31 March 2021	**68.92**	**9.31**	**1.00**	**5.72**	**148.19**	**233.14**
Additions	4.80	-	-	-	-	4.80
Disposals/Adjustments	(0.01)	-	-	-	-	(0.01)
As at 31 March 2022	**73.71**	**9.31**	**1.00**	**5.72**	**148.19**	**237.93**
Accumulated amortization & impairment						
As at 01 April 2020	**26.47**	**9.31**	**0.54**	**3.70**	**133.54**	**173.56**
Charge for the year	7.73	-	0.07	0.56	14.65	23.01
Disposals/Adjustments	(0.01)	-	-	-	-	(0.01)
As at 31 March 2021	**34.19**	**9.31**	**0.61**	**4.26**	**148.19**	**196.56**
Charge for the year	9.63	-	0.07	0.56	-	10.26
Disposals/Adjustments	(0.01)	-	-	-	-	(0.01)
As at 31 March 2022	**43.81**	**9.31**	**0.68**	**4.82**	**148.19**	**206.81**
Net Book Value:						
As at 31st March 2022	29.90	-	0.32	0.90	-	31.12
As at 31st March 2021	34.73	-	0.39	1.46	-	36.58

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NOTE 6: NON-CURRENT INVESTMENTS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current investments (unquoted)		
Investment in subsidiaries		
Equity component of debt instrument (unquoted)		
44,705,928 (31 March 2021: 44,705,928) 0.01% compulsory	3.73	25.42
convertible debentures of Speedon Network Limited **		
Equity investments at cost (unquoted)		
33,246,847 (31 March 2021: 33,246,847)	218.29	218.29
Equity shares of Sterlite Global Ventures (Mauritius) Limited of USD 1 each fully paid up		
7,000,000 (31 March 2021: 7,000,000) Equity shares	40.23	40.23
of Metallurgica Bresciana SPA of Euro 1 each fully paid-up ##		
50,000 (31 March 2021: 50,000) Equity shares	0.05	0.05
of Sterlite Innovative Solutions Limited of ₹ 10 each fully paid-up		
50,000 (31 March 2021: 50,000) Equity shares	0.05	0.05
of STL Digital Limited of ₹ 10 each fully paid-up		
50,000 (31 March 2021: 50,000) Equity shares	0.05	0.05
of Sterlite Tech Cables Solutions Limited of ₹ 10 each fully paid-up		
1,550,000 (31 March 2021: 1,550,000) Equity shares	-	-
of Speedon Network Limited of ₹ 10 each fully paid-up		
5,000 (31 March 2021: 5,000) Equity shares of	0.04	0.04
Sterlite Technologies UK Ventures Limited of Euro 1 each fully paid-up		
100% Equity shares of Sterlite (Shanghai) Trading Company Limited fully paid-up	1.53	1.53
Nil (31 March 2021: 22,451,766) Equity shares of	-	-
Maharashtra Transmission Communication Infrastructure Limited of ₹ 10 each fully paid up (Refer Note 15)		
1,000 (31 March 2021: 1,000) Equity shares of Sterlite Tech Holding Inc. USA	0.00	0.00
100 (31 March 2021: 100) Equity shares of Elitecore Technologies SDN, BHD	0.00	0.00
1,100 (31 March 2021: 1,100) Equity shares of PT Sterlite Technologies, Indonesia	2.22	2.22
of IDR 10 Million each, partly paid up IDR 4.2 Million each		
100,000 (31 March 2021: 100,000) Equity shares of STL Optical Interconnect S.p.A.	0.87	0.87
of EUR 1 each fully paid up		
50 (31 March 2021: 50) Equity shares of Sterlite Technologies DMCC	0.10	0.10
of AED 1,000 each fully paid up		
100 (31 March 2021: 100) Equity shares of Sterlite Technologies Pty. Ltd	0.00	0.00
of AUD 1 each fully paid up		
25,00,000 (31 March 2021: Nil) Equity shares of STL UK Holdco Limited, UK	25.75	-
of GBP 1 each fully paid up		
4,00,000 (31 March 2021: Nil) Equity shares of STL Tech Solutions Limited, UK	4.13	-
of GBP 1 each fully paid up		
50,000 (31 March 2021: Nil) Equity shares of STL Networks Limited	0.05	-
of ₹ 10 each fully paid up		
Investment in joint venture (unquoted, at fair value through P&L)		
Nil (31 March 2021: 511) Equity shares of Metis Eduventures Private Limited#	-	8.53
Investments - other (unquoted, at fair value through OCI)		
18,683 (31 March 2021: 18,683) Equity shares of Singularity Healthcare IT	0.00	0.00
Systems Private Limited of ₹ 10 each fully paid up		
Investment in debentures (unquoted)		
Investment in debentures- joint venture (at fair value through P&L)		
Nil (31 March 2021: 17,600,000) 0.001% Compulsorily	-	17.60
Convertible Debentures of Metis Eduventures Private Limited#		
Nil (31 March 2021: 5,000,000) 0.01% Cumulative Optionally	-	5.00

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Convertible Debentures of Metis Eduventures Private Limited#		
Investment in preference shares - joint venture (unquoted, at fair value through P&L)		
Nil (31 March 2021: 313) 0.01% Compulsorily Convertible	-	3.74
Preference Shares of Metis Eduventures Private Limited#		
Total Investments	**297.07**	**323.72**
Total non-current investments		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	297.07	323.72
Amount of impairment in the value of investments	28.69	7.00

* Amount is below the rounding off norm followed by the Company.

During the year, company has sold the investment in Metis Eduventures Private Limited for ₹ 44.88 crores. The gain on sale of ₹ 10.00 crores is disclosed in other income as profit on sale of investments.

** During the year, impairment of ₹ 21.69 crores (31 March 2021: ₹ 7.00 crores) has been recognised.

During the period, Sterlite Technologies S.p.A. merged into Metallurgica Bresciana S.p.A. and company received 0.70 crores shares of Metallurgica Bresciana S.p.A. in lieu of 0.51 crores shares of Sterlite Technologies S.p.A.

The company has complied with the number of layers prescribed under the Companies Act, 2013.

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

NOTE 7: TRADE RECEIVABLES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current		
Trade receivables	1,295.38	1,183.43
Receivables from related parties (Refer Note 50)	696.34	241.81
Less: Loss allowance	(142.81)	(49.13)
	1,848.91	**1,376.11**
Break-up for security details		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	1,991.72	1,425.24
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**1,991.72**	**1,425.24**
Less: Loss allowance	142.81	49.13
	1,848.91	**1,376.11**
Total Current trade receivables	**1,848.91**	**1,376.11**

No trade or other receivable are due from directors or other officers of the company either severally or jointly. Also no trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member. Refer note 18 for information on trade receivables hypothecated as security by the Company.

Trade receivable ageing

31 March 2022

(₹ in crores)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	943.14	339.27	236.35	207.62	145.86	119.48	1,991.72
Total	**943.14**	**339.27**	**236.35**	**207.62**	**145.86**	**119.48**	**1,991.72**

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31 March 2021

(₹ in crores)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	690.81	327.47	81.05	128.68	197.23	-	1,425.24
Total	**690.81**	**327.47**	**81.05**	**128.68**	**197.23**	**-**	**1,425.24**

NOTE 8: LOANS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current		
Loans to related parties (refer note 50)	426.52	231.05
Less: Loss allowance	(15.00)	(15.00)
Total non-current loans	**411.52**	**216.05**
Break-up for security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	426.52	231.05
Loans which have significant increase in credit risk	-	-
Loans - Credit impaired	-	-
Total	**426.52**	**231.05**
Less: Loss allowance	(15.00)	(15.00)
Total	**411.52**	**216.05**
Current		
Loans to employees	0.26	0.17
Total current loans	**0.26**	**0.17**

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties:

Type of borrower	Amount outstanding as at 31 March 2022	Percentage to the total loans and advances in the nature of loans
Amounts repayable on demand:		
Other Related Parties		
Twin Star Technologies Limited	0.79	0.18%
Twinstar Display Technologies Limited	0.48	0.11%
Maharashtra Transmission Communication Infrastructure Limited	0.13	0.03%
Sterlite Global Ventures (Mauritius) Limited	0.36	0.08%
Speedon Network Limited	28.58	6.70%
Sterlite Tech Cables Solutions Limited	161.82	37.94%
Sterlite Technologies UK Ventures Limited	107.88	25.29%
Sterlite Technologies Holding Inc USA	38.13	8.94%
STL Digital Limited	0.08	0.02%
Sterlite Technologies Pty. Ltd	2.76	0.65%
Sterlite Technologies DMCC	10.20	2.39%
STL Optical Interconnect S.p.A.	61.18	14.34%
STL UK HoldCo Limited, UK	14.13	3.31%
Total	**426.52**	**100.00%**

Type of borrower	Amount outstanding as at 31 March 2021	Percentage to the total loans and advances in the nature of loans
Amounts repayable on demand:		
Other Related Parties		
Twin Star Technologies Limited	0.45	0.19%
Twinstar Display Technologies Limited	11.53	4.99%
Sterlite Global Ventures (Mauritius) Limited	0.36	0.16%
Speedon Network Limited	25.36	10.98%
Sterlite Tech Cables Solutions Limited	66.00	28.57%
Maharashtra Transmission Communication Infrastructure Limited	1.84	0.80%
Sterlite Technologies UK Ventures Limited	27.34	11.83%
STH Inc USA	30.74	13.30%
Sterlite Technologies Pty. Ltd	0.56	0.24%
Sterlite Technologies DMCC	7.19	3.11%
STL Optical Interconnect S.p.A.	59.70	25.84%
Total	**231.05**	**100.00%**

NOTE 9: OTHER FINANCIAL ASSETS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current (unsecured, considered good)		
Derivative instruments		
Foreign exchange forward contracts	0.53	6.83
Other financial assets		
Security deposits	3.96	2.73
Financial guarantee receivable	2.47	3.47
Others*	11.77	0.23
Total other non-current financial assets	**18.73**	**13.26**

*This amount includes ₹ 11.52 crores receivable from Sterlite Power Transmission Limited with respect to sale of investment in Maharashtra Transmission Communication Infrastructure Limited. (Refer note 15 for further details)

Current (unsecured, considered good)

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Derivative instruments		
Foreign exchange forward contracts	25.30	20.83
Currency/ Interest rate swaps	4.10	5.82
Other financial assets		
Interest accrued on investments/deposits	0.14	0.30
Financial guarantee receivable	1.23	2.31
Security deposits	7.41	7.63
Government grants receivable	32.64	-
Others*	44.56	13.84
Total other current financial assets	**115.38**	**50.73**

*This includes expenses incurred on behalf of customer, amounting to ₹ 4.61 crores (31 March 2021: ₹ 1.09 crores). This also includes ₹ 9.93 crores receivable from Sterlite Power Transmission Limited with respect to sale of investment in Maharashtra Transmission Communication Infrastructure Limited. (Refer note 15 for further details)

Refer note 18 for information on financial assets hypothecated as security by the Company.

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NOTE 10: OTHER ASSETS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current (unsecured, considered good)		
Capital advances	11.97	7.95
Advance income tax, including TDS (net of provision)	58.24	-
Prepaid expenses	-	0.28
Total other non-current assets	**70.21**	**8.23**
Contract assets (Unsecured, considered good)	1,228.79	1,311.17
Less: Loss allowance	(11.18)	-
Total Contract assets	**1,217.61**	**1,311.17**

Significant changes in contract assets

Contract assets have decreased from previous year as entity has provided fewer services ahead of the agreed payment schedules for fixed price contracts.

During the year, loss allowance of 11.18 crores (31 March 2021: ₹ Nil) has been recognised for the contract assets.

During the year ended 31 March 2022, ₹ 1,146.48 crores (31 March 2021: ₹ 538.57 crores) of opening unbilled revenue has been reclassified to Trade receivables upon billing to customers on completion of milestones.

Refer note 18 for information on other assets hypothecated as security by the Company.

Current (unsecured, considered good)

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Prepaid expenses*	40.41	30.63
Balances with Government authorities	288.77	318.62
Advance to suppliers	49.82	23.71
Other advances	6.34	5.99
Total other current assets	**385.34**	**378.95**

* Includes cost to obtain a contract of ₹ 4.63 crores (31 March 2021: ₹ 7.95 crores) which is being amortised to Statement of Profit and Loss on a systematic basis which is consistent with the transfer to the customer of the goods and services. The amount amortised to Statement of Profit and Loss in the current year is ₹ 3.32 crores (31 March 2021: ₹ 1.84 crores).

NOTE 11: INVENTORIES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Raw materials [Includes stock in transit ₹ 8.20 crores (31 March 2021: ₹ 30.87 crores)	121.79	154.13
Work-in-progress	51.13	46.53
Finished goods	214.25	104.51
[Includes stock in transit ₹ 53.77 crores (31 March 2021: ₹ 28.03 crores)]		
Traded goods [Includes stock in transit ₹ 4.67 crores (31 March 2021: Nil)]	7.58	3.53
Stores, spares, packing materials and others	49.86	54.66
Total	**444.61**	**363.36**

Amounts recognised in profit or loss:

Write-downs of inventories to net realisable value amounted to ₹ 55.39 crores (31 March 2021 - ₹ 28.60 crores). These were recognised as an expense and included in '(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods' in statement of profit and loss of respective year.

Refer note 18 for information on inventories hypothecated as security by the Company.

NOTE 12: CURRENT INVESTMENTS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
In mutual funds (at fair value through profit or loss) (quoted)		
NIL (31 March 2021: 248,357.27) units of SBI Liquid fund- Direct Growth Plan	-	80.00
NIL (31 March 2021: 99,370.95) units of Nippon India Liquid Fund - Direct growth plan	-	50.00
NIL (31 March 2021: 1,640,873.05) units of ICICI Prudential Liquid Fund- Direct Plan- Growth Option	-	50.00
Aggregate amount of quoted investments [Market Value: NIL (31 March 2021: ₹ 180.00 crores)]	**-**	**180.00**
Aggregate amount of impairment in the value of investments	**-**	**-**

NOTE 13: CASH AND CASH EQUIVALENTS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Balances with banks:		
In current accounts (in ₹)	129.25	64.41
In current accounts (in foreign currency)	45.47	11.71
Deposits with maturity of less than 3 months	100.00	-
Cash on hand	0.01	0.02
	274.73	**76.14**

There are no repatriation restrictions with regards to cash and cash equivalents.

NOTE 14: OTHER BANK BALANCES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Deposits with original maturity of more than 12 months*	1.26	0.47
Deposits with original maturity of more than 3 months but less than 12 months**	111.01	50.03
In unpaid dividend account	4.44	4.67
Total other bank balances	**116.71**	**55.17**

* Includes ₹ 1.26 crores (31 March 2021: ₹ 0.47 crores) held as lien by banks against bank guarantees.

** Includes ₹ 1.01 crores (31 March 2021: ₹ 0.03 crores) held as lien by banks against bank guarantees.

NOTE 15: ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Land & building held for sale*	-	0.85
Investment in NIL (31 March 2021: 22,451,766) equity shares of	-	31.52
Maharashtra Transmission Communication Infrastructure Limited #		
	-	**32.37**

Post demerger of the power business in the financial year ended 31 March 2017, the Company has been in the process of obtaining requisite approvals from government authorities to sell its equity interest in its subsidiary, Maharashtra Transmission Communication Infrastructure Limited (referred as disposal group or MTCIL) to Sterlite Power Transmission Limited. The investment in the subsidiary has been measured at lower of carrying amount and fair value, less cost to sell. No write down is required to be recognised as fair value of the investment is higher than cost. This is a level 3 measurement as per the fair value hierarchy set out in the fair value measurement disclosure.

During the year ended 31 March 2022, company has sold the investment in MTCIL. The gain on sale of investment in Maharashtra Transmission Communication Infrastructure Limited of ₹ 9.90 crores is disclosed in other income as Profit on sale of subsidiaries and investment in joint venture.

* The Company had decided to sell land and building at Hyderabad during the year ended 31 March 2021. Hence it was classified as held for sale during the year ended 31 March 2021 and measured at the lower of its carrying amount and fair value less costs to sell. The fair value of the building was determined using the sales comparison approach. No write down was recognised as fair value of the assets is higher than cost. During the year ended 31 March 2022, company has sold the Land and building at Hyderabad. The gain of ₹ 67.00 crores is recognised as an exceptional item in the statement of profit and loss.

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NOTE 16: SHARE CAPITAL

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Authorised equity share capital (no. crores):		
75.00 (31 March 2021: 75.00) equity shares of ₹ 2 each	150.00	150.00
Issued, subscribed and fully paid-up shares (no. crores):		
39.77 (31 March 2021: 39.66) equity shares of ₹ 2 each fully paid - up.	79.55	79.33
Total issued, subscribed and fully paid-up share capital	**79.55**	**79.33**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2022		31 March 2021 (₹ in crores)	
	Nos in crores	₹ in crores	Nos in crores	₹ in crores
At the beginning of the year	39.66	79.33	40.39	80.79
Issued during the year against employee stock options	0.11	0.22	0.16	0.31
Shares bought back during the year	-	-	(0.89)	(1.77)
Outstanding at the end of the year	**39.77**	**79.55**	**39.66**	**79.33**

Buy-back of shares:

On 24 March 2020, the Board of Directors had approved the buyback of Equity Shares for a total amount not exceeding ₹ 145 Crores, 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 31 March 2019. The Company closed the buy back on 27 August 2020. The Company has bought back 88,67,000 shares for ₹ 99.78 crores (excluding taxes).

b. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company and their subsidiaries/associates:

Particulars	31 March 2022		31 March 2021	
	No. in crores	% holding	No. in crores	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius (Subsidiary of Volcan Investments Limited, Bahamas [Ultimate holding company])	20.94	52.65%	20.94	52.80%
Vedanta Limited	0.48	1.20%	0.48	1.20%

d. Detail of shareholders holding more than 5% of shares in the company

Particulars	31 March 2022		31 March 2021	
	No. in crores	% holding	No. in crores	% holding
Twin Star Overseas Limited, Mauritius (Subsidiary of Volcan Investments Limited, Bahamas [Ultimate holding company])	20.94	52.65%	20.94	52.80%

e. Shares reserved for issue under options

For information relating to employees stock options plan, 2010 including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, refer note 33.

f. Details of shareholding of promoters:

Name of the promoter	Number of shares (No. in crores) as at 31 March 2022	Number of shares (No. in crores) as at 31 March 2021	Percentage of total number of shares as at 31 March 2022	Percentage of total number of shares as at 31 March 2021	Percentage of change during the year ended 31 March 2022	Percentage of change during the year ended 31 March 2021
Twin Star Overseas Limited, Mauritius	20.94	20.94	52.65%	52.80%	-0.15%	0.95%

'Promoters' for the purpose of this disclosure means promoters as defined under Section 2(69) of Companies Act, 2013.

NOTE 17: OTHER EQUITY

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
A. Securities premium		
Opening balance	14.83	51.36
Add: Addition on Employees stock options exercised	10.14	14.83
Less: Utilised for Buy-back of equity shares	-	(51.36)
Closing balance (A)	**24.97**	**14.83**
B. Other reserves		
Capital reserve	(19.06)	(19.06)
Employee stock option outstanding		
Opening balance	23.42	26.83
Add: Employee stock option expense for the year (refer note 33)	11.88	11.42
Less: Transferred to securities premium	(10.14)	(14.83)
Closing balance	**25.16**	**23.42**
Debenture redemption reserve		
Opening balance	37.50	56.25
Less: Amount transferred to general reserve	(37.50)	(18.75)
Closing balance	**-**	**37.50**
Capital redemption reserve		
Opening balance	1.77	-
Add: Capital redemption reserve created during the year (refer note 16)	-	1.77
Closing balance	**1.77**	**1.77**
General reserve		
Opening balance	101.58	131.25
Add: Amount transferred from debenture redemption reserve	37.50	18.75
Less: Utilised for Buy-back of shares	-	(48.42)
Closing balance	**139.08**	**101.58**
Cash flow hedge reserve		
Opening balance	5.93	4.52
Add: Cash flow hedge reserve created on currency forward contracts	15.70	5.10
Add: Cash flow hedge reserve on swap contracts	(1.10)	(3.51)
Less: Amount reclassified to statement of profit and loss	(14.49)	(3.07)
Add/(less): Amount transferred to statement of profit and loss	(1.34)	2.52
Add/(less): Deferred tax	(0.03)	0.37
Closing balance	**4.67**	**5.93**
Total other reserves (B)	**151.62**	**151.14**
C. Retained earnings		
Opening balance	1,581.06	1,477.63
Add: Profit for the year	81.80	261.41
Add: Remeasurement & defined employee benefit obligation (net of tax)	3.32	2.46
Less: Equity dividend (refer note 48)	(79.36)	(138.28)
Less: Tax on Buy-back of shares	-	(22.16)
Total retained earnings (C)	**1,586.82**	**1,581.06**
Total other equity (A+B+C)	**1,763.41**	**1,747.03**

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

Nature and purpose of reserves other than retained earnings

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital reserve

Capital reserve was created on account of merger of passive infrastructure business of wholly owned subsidiary, Speedon Network Limited, in the year ended 31 March 2017.

General reserve

General reserve is created out of the amounts transferred from debenture redemption reserve on account of redemption of debentures.

Cash flow hedge reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecasted sales and purchases and interest rate risk associated with variable interest rate borrowings as described in note 47. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges. For hedging interest rate risk, the Company uses interest rate swaps which are also designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve are reclassified to profit or loss when the hedged item affects profit or loss. When the forecasted transaction results in the recognition of a non-financial asset (e.g. inventory), the amount recognised in the cash flow hedging reserve is adjusted against the carrying amount of the non financial asset.

Employee stock option outstanding

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under employee stock option plan (ESOP Scheme) approved by shareholders of the Company.

Debenture redemption reserve

The Company had created a debenture redemption reserve (DRR) of 25% of the total oustanding debentures out of the profits which are available for the purpose of redemption of debentures as per provisions of the Companies Act, 2013. The DRR in previous year was carried forward to the extent of outstanding amounts which have been repaid during the year.

Capital redemption reserve

As per provisions of the Companies Act, 2013, the Company has created a capital redemption reserve (CRR) of ₹ 1.77 Crores against face value of equity shares bought back by the Company during the year ended 31 March 2021.

NOTE 18: BORROWINGS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current borrowings		
Debentures (Secured)		
NIL (31 March 2021:1,500) 8.70% Non convertible debentures of ₹ 10 lacs each	-	150.00
2,900 (31 March 2021: 2,900) 8.25% Non convertible debentures of ₹ 10 lacs each	290.00	290.00
1,500 (31 March 2021: 1,500) 7.30% Non convertible debentures of ₹ 10 lacs each	150.00	150.00
Term loans		
Indian rupee loans from banks (secured)	249.00	249.00
Foreign currency loan from banks (secured)	100.05	148.67
Indian rupee loans from NBFC (unsecured)	25.49	19.45
Indian rupee loans from banks (unsecured)	400.00	-
	1,214.54	**1,007.12**

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
The above amount includes		
Secured borrowings	789.05	987.67
Unsecured borrowings	425.49	19.45
Total non-current borrowings	**1,214.54**	**1,007.12**
Less: Current maturities of long term borrowings disclosed under the head "Current Borrowings"	243.00	253.96
Net Amount	**971.54**	**753.16**

Notes:

a) 8.70% non convertible debentures carry 8.70% rate of interest. Total amount of non-convertible debentures has been repaid in the FY 2021-22. These non-convertible debentures were secured by way of mortgage of immovable fixed assets of the Company located at Aurangabad.

b) 8.25% non convertible debentures carry 8.25% rate of interest. Total amount of non-convertible debentures is due in 4 equal annual installments starting from FY 2027-28 till FY 2030-31. These non-convertible debentures are secured by way of hypothecation on specified movable fixed assets at Shendra plant (project Gaurav) (both present and future).

c) 7.30% non convertible debentures carry 7.30% rate of interest. Total amount of non-convertible debentures is due in the FY 2023-24. These non-convertible debentures are secured by way of mortgage of immovable fixed assets of the Company located at Aurangabad.

d) Foreign currency term loan from bank amounting to ₹ 37.89 crores (31 March 2021: ₹ 73.11 crores) carries interest @ Libor+2.70 % p.a. Loan amount is repayable in 20 quarterly equated instalments of USD 0.13 crores starting from April 2018. The term loan is secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of immovable fixed assets of the Company located at Dadra & Nagar Haveli and Pune.

e) Foreign currency term loan from bank amounting to ₹ 62.16 crores (31 March 2021: ₹ 75.56 crores) crores carries interest @ GBP Libor+2.60 % p.a. Loan amount is repayable in 6 half yearly equated instalments of GBP 0.13 crores starting from Feb 2022. The term loan is secured by way of first pari passu charge on entire movable fixed assets (both present and future) of the Company.

f) Indian rupee term loan from bank amounting to ₹ 249.00 crores (31 March 2021: ₹ 249 crores) carries interest @ One Year MCLR +0.15% p.a. Loan amount is repayable in 12 quarterly instalments from June 2022 of ₹ 20.75 crores per Quarter (excluding interest). The term loan is secured by way of first pari passu charge on entire movable fixed assets (both present and future).

g) Unsecured indian rupee term loan from bank amounting to ₹ 200.00 crores carries interest @ one month MCLR. Loan amount is repayable as a bullet repayment, in the month of October 2023.

h) Unsecured indian rupee term loan from bank amounting to ₹ 200.00 crores carries interest 6.6% p.a. Loan amount is repayable as a ballooning installments in FY 2022-23 and FY 2023-24.

i) Unsecured indian rupee term loan from NBFC amounting to ₹ 25.49 crores carries interest @ 5.5% p.a. Loan amount is repayable in FY 2022-23 & FY 2023-24.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current borrowings		
Working capital demand loans from banks (secured)	325.00	193.47
Current maturities of long term borrowings (secured)	219.23	241.06
Current maturities of long term borrowings (unsecured)	23.77	12.90
Commercial paper from bank (unsecured)	500.00	450.00
Other loans from banks (secured)	423.00	317.68
Other loans from banks (unsecured)	113.55	188.00
Loans from related party (unsecured)	-	6.66
	1,604.55	**1,409.77**

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
The above amount includes		
Secured borrowings	967.23	752.21
Unsecured borrowings	637.32	657.56
Net Amount	**1,604.55**	**1,409.77**

Note:

(i) Working capital demand loan from banks is secured by first pari-passu charge on entire current assets of the Company (both present and future) and second pari-passu charge on plant & machinery and other movable fixed assets of the Company. Working capital demand loans have been taken for a period of 7 days to 180 days and carry interest @ 4.50 % to 7.00% p.a (31 March 2021: 5.11% to 8.15% p.a).

(ii) Commercial papers are unsecured and are generally taken for a period from 60 Days to 180 days and carry interest @ 4.50% to 6.00% p.a (31 March 2021: 4.90% to 6.70% p.a).

(iii) Other loans include buyer's credit arrangements (secured) and export packing credit (secured and unsecured). These secured loans are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables. Export packing credit is taken for a period ranging from 30-180 days. Interest rate for both the products range from 4.00% - 6.50% p.a (31 March 2021: 5.00% to 8.11% p.a).

(iv) Loan from related party includes unsecured loan received from Sterlite Power Transmission Limited, which is repaid in the current year.

Borrowing secured against current assets:

The company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts except as disclosed in Note no.51.

Utilisation of borrowed funds:

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or;

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The borrowings obtained by the company during the year from banks and financial institutions have been applied for the purposes for which such loans were taken.

The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Cash and cash equivalents	274.73	76.14
Current investments*	110.00	230.00
Current borrowings (including interest accrued but not due)	(1,605.96)	(1,412.79)
Non-current borrowings	(971.54)	(753.16)
Net Debt	**(2,192.77)**	**(1,859.81)**

The amount of net debt considering the amount of lease liability of ₹ 86.58 crores (31 March 2021: ₹ 78.28 crores.) is ₹ 2,279.35 crores (31 March 2021: ₹ 1,938.09 crores). For movement of lease liability refer note 4.

*includes other bank balance of ₹ 110 crores (31 March 2021: ₹ 50 crores) with respect to fixed deposit excluding deposits held as lien by banks against bank guarantees. These fixed deposits can be encashed by the Company at any time without any major penalties.

Non-current borrowings

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**753.16**	**519.83**
Cashflows	217.04	230.48
Interest expense	66.97	44.52
Interest paid	(66.97)	(44.53)
Forex adjustment	1.34	2.86
Closing balance	**971.54**	**753.16**

Current borrowings

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**1,412.79**	**1,352.87**
Cashflows	194.79	57.61
Interest expense	122.74	87.30
Interest paid	(124.36)	(84.99)
Closing balance	**1,605.96**	**1,412.79**

Cash and cash equivalent

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**76.14**	**76.53**
Cashflows	198.59	(0.39)
Closing balance	**274.73**	**76.14**

Current investments

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**230.00**	**319.00**
Cashflows	(125.45)	(91.70)
Realised gain on current investment & bank deposit	5.45	2.70
Closing balance	**110.00**	**230.00**

Notes

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NOTE 19: OTHER FINANCIAL LIABILITIES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current		
Derivative instruments		
Foreign exchange forward contracts	0.02	-
Other financial liabilities		
Payables for purchase of property, plant and equipment	-	0.56
Deposits from vendors	1.71	6.05
Financial guarantee payable	2.47	3.47
Total non-current financial liabilities	**4.20**	**10.08**
Current		
Derivative instruments		
Foreign exchange forward contracts	3.57	13.86
Currency / Interest Rate Swaps	0.07	-
	3.64	**13.86**

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Other financial liabilities		
Interest accrued but not due on borrowings	1.41	1.75
Interest payable to related party	-	1.27
Unclaimed dividend*	4.44	4.67
Deposits from customers	0.25	0.26
Deposits from vendors	0.41	0.27
Payables for purchase of property, plant and equipment	150.00	427.88
Employee benefits payable	51.94	50.07
Financial guarantee payable	1.23	2.31
Others	9.06	0.96
	218.74	**489.44**
Total current financial liabilities	**222.38**	**503.30**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

NOTE 20: TRADE PAYABLES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Total outstanding dues of micro & small enterprises (refer note 39)	172.98	72.70
Total outstanding dues of creditors other than micro & small enterprises		
Trade payables to related parties (refer note 50)	162.00	24.97
Acceptances	307.00	153.91
Others	1,660.78	1,618.08
	2,129.78	**1,796.96**
Total Trade Payables	**2,302.76**	**1,869.66**

Trade payable ageing

31 March 2022

(₹ in crores)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME-undisputed	-	59.09	113.89	-	-	-	172.98
(ii) Others-undisputed	618.96	1,156.45	321.81	8.67	8.54	15.35	2,129.78
Total	**618.96**	**1,215.54**	**435.70**	**8.67**	**8.54**	**15.35**	**2,302.76**

31 March 2021

(₹ in crores)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME-undisputed	-	35.61	37.09	-	-	-	72.70
(ii) Others-undisputed	600.45	999.05	152.57	26.08	9.87	8.94	1,796.96
Total	**600.45**	**1,034.66**	**189.66**	**26.08**	**9.87**	**8.94**	**1,869.66**

NOTE 21: PROVISIONS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current		
Provision for warranty	0.84	0.74
Total non-current provision	**0.84**	**0.74**
Current		
Provision for litigations / contingencies	23.75	9.50
Provision for warranty	0.70	0.73
Total current provision	**24.45**	**10.23**

Provision for litigations / contingencies

The provision of ₹ 23.75 crores as at 31 March 2022 (31 March 2021: ₹ 9.50 Crores) is towards contingencies in respect of disputed claims against the Company as described in note 37, quantum of outflow and timing of which is presently unascertainable.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
At the beginning of the year	9.50	9.50
Arising during the year	14.25	-
Utilized during the year	-	-
At the end of the year	**23.75**	**9.50**
Current portion	23.75	9.50
Non-current portion	-	-

Provision for warranty

The Company has given warranty on network software and licences sold to customers. The timing of the outflow is expected to be within a period of eighteen months from the date of sale of telecom software products. Movement in provision for warranty is given below:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
At the beginning of the year	1.47	1.41
Arising during the year	0.07	0.06
Utilized during the year	-	-
At the end of the year	**1.54**	**1.47**
Current portion	0.70	0.73
Non-current portion	0.84	0.74

NOTE 22: OTHER CURRENT LIABILITIES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Contract liabilities		
Unearned revenue	19.78	24.74
Advance from customers	157.33	39.61
Total	**177.11**	**64.35**

Notes
to the Standalone Financial Statements for the year ended 31 March 2022

Significant changes in contract liabilities

Contract liabilities have increased in current year mainly on account of advance received from customers during the year.

During the year the Company has recognized revenue of ₹ 22.31 crores (31 March 2021: ₹ 41.39 crores) arising from opening unearned revenue.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current		
Indirect taxes payable	38.37	5.01
Withholding taxes (TDS) payable	13.81	14.75
Others	12.77	20.22
Total other current liabilities	**64.95**	**39.98**

NOTE 23A: DEFERRED TAX LIABILITIES (NET)

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Deferred tax liability		
Property, plant & equipment and intangible assets: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	132.67	132.65
Impact of fair valuation of Land as at Ind AS transition date	11.44	11.44
Right of use assets	21.64	15.42
Net movement on cash flow hedges	7.10	5.95
Others	17.50	14.69
Total deferred tax liability (A)	**190.35**	**180.15**
Deferred tax assets		
Provision for doubtful debtors and other assets, allowed for tax purpose on payment basis	49.75	17.90
Expenditure allowed for tax purposes on payment basis	27.08	26.09
Provision for inventory	13.94	7.20
Provision for litigations / contingencies	7.01	3.42
Impact of fair valuation of Plant & Machinery	-	1.33
Lease Liability	21.79	19.70
Ind As 116 transition impact	1.40	2.80
Others	12.62	8.31
Total deferred tax asset (B)	**133.59**	**86.76**
Net deferred tax liability (A-B)	**56.76**	**93.40**

Reconciliation of deferred tax liability

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening deferred tax liability, net	93.40	63.89
Deferred tax (credit) / charge recorded in statement of profit and loss	(37.78)	29.05
Deferred tax (credit) / charge recorded in OCI	1.14	0.46
Closing deferred tax liability, net	**56.76**	**93.40**

The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Profit or loss section		
Current tax	67.04	75.23
Deferred tax	(37.78)	29.05
	29.26	**104.28**
OCI section		
Deferred tax related to items recognised in OCI during in the year		
Net (gain)/loss on revaluation of cash flow hedges	0.03	(0.37)
Re-measurement loss of defined employee benefit plans	1.12	0.83
	1.15	**0.46**

Reconciliation of tax expense

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Accounting profit before income tax	111.06	365.69
Tax at India's statutory income tax rate of 25.17% (31 March 2021: 25.17%)	27.95	92.04
Adjustments in respect of income tax of previous years	3.36	1.23
Tax benefits under various sections of Income tax Act	(4.59)	(2.76)
Goodwill DTA written off	-	8.85
Other adjustments	2.54	4.93
Income tax expense	**29.26**	**104.28**
Income tax expense reported in the statement of profit and loss	**29.26**	**104.28**

NOTE 23B: CURRENT TAX LIABILITIES (NET)

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening current tax liabilities/(assets)	14.88	(19.51)
Add: current tax payable for the year	67.04	75.23
Less: tax paid	(140.17)	(41.60)
Add/(less): other adjustments	0.01	0.76
Total current tax liabilities/(assets)	**(58.24)**	**14.88**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Amounts recognised directly in equity

Amount of ₹ 22.16 Crores paid as tax on buy-back of equity shares in the year ended 31 March 2021 was directly recognized in equity.

NOTE 24: EMPLOYEE BENEFIT OBLIGATIONS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non Current		
Provision for gratuity	21.34	29.03
Provision for compensated absences	18.62	19.29
Total non-current employee benefit obligations	**39.96**	**48.32**
Current		
Provision for gratuity	11.77	10.09
Provision for compensated absences	4.03	3.27
Total current employee benefit obligations	**15.80**	**13.36**

i) Compensated absences

The compensated absences cover the company's liability for sick and privilege leave. The company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months and accordingly amounts have been classified as current and non current based on actuarial valuation report.

Notes

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ii) Post employment benefit obligation - gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972 (amended). Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to fund managed by Life Insurance Corporation of India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimate of expected gratuity payments.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Defined benefit obligation at the beginning of the year	44.16	40.86
Current service cost	6.04	5.84
Interest cost	2.90	2.68
Actuarial (gain)/loss		
- Due to change in demographic assumptions	0.02	-
- Due to change in financial assumptions	(5.95)	(0.03)
- Due to experience	1.26	(3.43)
Benefits paid	(11.12)	(1.76)
Defined benefit obligations at the end of the year	**37.31**	**44.16**

Changes in the fair value of plan assets are as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Fair value of plan assets at the beginning of the year	5.04	5.32
Interest income	0.33	0.35
Contribution by employer	2.08	1.30
Benefits paid	(3.02)	(1.76)
Return on plan assets, excluding interest income	(0.24)	(0.17)
Fair value of plan assets at the end of the year	**4.19**	**5.04**

The company expects to contribute ₹ 11.76 crores (31 March 2021: ₹ 2.50 crores) to its gratuity plan in FY 2022-23.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2022 (%)	31 March 2021 (%)
Insurance fund with life insurance corporation of india	100	100

The fair value of planned assets represents the amount as confirmed by the fund.

Details of defined benefit obligation

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Present value of defined benefit obligation	37.31	44.16
Fair value of plan assets	(4.19)	(5.04)
Net defined benefit liability	**33.11**	**39.12**

The net liability disclosed above relates to funded plans are as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Present value of funded obligations	37.31	44.16
Fair value of plan assets	(4.19)	(5.04)
Deficit of funded plan (A)	**33.11**	**39.12**
Unfunded plans (B)	-	-
Total net obligation (A+B)	**33.11**	**39.12**

The company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The company intends to continue to contribute the defined benefit plans as per the demand from LIC of India.

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current service cost	6.04	5.84
Interest cost	2.90	2.68
Expected return on plan assets	(0.33)	(0.35)
Net benefit expense	**8.61**	**8.17**

Net employee benefit expense recognised in the other comprehensive income (OCI):

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Actuarial (gains)/losses	(4.68)	(3.46)
Return on plan assets (excluding interest income)	0.24	0.17
Net (income)/expense for the year recognized in OCI	(4.44)	(3.29)

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2022	31 March 2021
Discount rate	6.90%	6.57%
Employee turnover	10.00%	10.00%
Expected rate of salary increase	8.00%	10.00%

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
+1% Change in discount rate	(2.13)	(2.82)
-1% Change in discount rate	2.41	3.22
+1% Change in rate of salary increase	2.36	3.09
-1% Change in rate of salary increase	(2.13)	(2.76)
+1% Change in rate of employee turnover	(0.28)	(0.76)
-1% Change in rate of employee turnover	0.30	0.85

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes

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Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are maintained with fund manager, LIC of India.

The Company's assets are maintained in a trust fund managed by public sector insurance company (LIC of India). LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The plan asset mix is in compliance with the requirements of the respective local regulations.

Changes in bond yields:

A decrease in bond yields will increase plan liabilities.

Future salary escalation and inflation risk:

Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this risk.

Life expectancy

Increases in life expectancy of employee will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The weighted average duration of the defined benefit obligation is 8 years (31 March 2021 - 8 years). The expected maturity analysis of gratuity is as follows:

Maturity analysis of defined benefit obligation:

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	31 March 2022 (Funded)	31 March 2021 (Funded)
Projected Benefits Payable in Future Years From the Date of Reporting:		
Less than 1 year	6.64	5.94
Between 1 to 2 years	2.78	3.24
Between 3 to 5 years	9.92	13.20
Over 5 years	43.96	55.13

NOTE 25: REVENUE FROM OPERATIONS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Revenue from contracts with customers		
Sale of products		
- Finished goods	2,895.39	2,014.65
- Traded goods	163.55	2.04
Revenue from sale of products	**3,058.94**	**2,016.69**
Revenue from sale of services	53.93	59.64
Revenue from network integration projects	1,710.32	1,913.81
Revenue from software products/licenses and implementation activities	113.41	105.24
	4,936.60	**4,095.38**
Other operating revenue		
- Scrap sales	34.13	22.41
- Other operating income	10.35	-
- Export incentives	39.98	24.22
Revenue from operations	**5,021.06**	**4,142.01**

Revenue disaggregation in terms of nature of goods and services has been included above.

The total contract price of ₹ 4,962.13 crores (31 March 2021: ₹ 4,129.16 crores) is reduced by the consideration of ₹ 25.53 crores (31 March 2021: ₹ 33.78 crores) towards variable components.

Refer note 2 and 3 for accounting policy and significant judgements, respectively.

The Company's unsatisfied (or partially satisfied) performance obligations can vary due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates or other relevant economic factors. The aggregate value of unsatisfied (or partially satisfied) performance obligations is ₹ 4,124.40 crores (31 March 2021: ₹ 2,986.59 crores) which is expected to be recognised over a period of one to seven years. Amount of unsatisfied (or partially satisfied) performance obligations does not include contracts with original expected duration of one year or less since the Company has applied the practical expedient in Ind AS 115.

During the year ended 31 March 2022, the Company has recorded provision of ₹ 64.38 crores based on final settlement with the customer for supplies made in the previous years by an adjustment to revenue from operations.

NOTE 26: OTHER INCOME

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Management fees	10.58	11.08
Rental income	0.32	0.06
Profit on sale of assets, net	0.85	21.55
Profit on sale of investments	19.90	-
Gain on fair value of investment in joint venture (at fair value through profit and loss)	-	7.00
Miscellaneous income	1.48	3.63
	33.13	**43.32**
Interest income on:		
- Bank deposits	4.14	5.57
- Loans to related parties (refer note 50)	20.79	5.61
- Others	0.06	0.47
Income from current investments	1.31	2.70
	26.30	**14.35**
Total other income	**59.43**	**57.67**

NOTE 27: COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Inventory at the beginning of the year (refer note 11)	154.13	107.62
Add: Purchases	2,554.97	2,161.83
Less: Inventory at the end of the year (refer note 11)	(121.79)	(154.13)
Cost of raw material & components consumed	**2,587.31**	**2,115.32**
(Increase)/ decrease in inventories		
Opening inventories		
Traded goods	3.53	2.93
Work-in-progress	46.53	31.48
Finished goods	104.51	90.05
	154.57	**124.46**
Closing inventories		
Traded goods	7.58	3.53
Work-in-progress	51.13	46.53
Finished goods	214.25	104.51
	272.96	**154.57**
(Increase)/Decrease in inventories	**(118.39)**	**(30.11)**

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NOTE 28: EMPLOYEE BENEFITS EXPENSE

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Salaries, wages and bonus	555.98	439.84
Contribution to provident fund (refer note below)	11.91	13.53
Gratuity expenses (refer note 24)	8.61	8.17
Employees stock option expense (refer note 33)	11.88	11.42
Staff welfare expenses	22.32	19.01
Total employee benefit expense	**610.70**	**491.97**

Defined contribution plans:

The Company has a provident fund plan which is a defined contribution plan. Contributions are made to provident fund administered by the Government in India for employees at the rate of 12% of basic salary as per local regulations. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company has recognised the following expenses in the Statement of Profit and Loss for the year:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Contribution to employees provident fund	11.91	13.53
Total	**11.91**	**13.53**

NOTE 29: OTHER EXPENSES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Consumption of stores and spares	117.19	109.48
Consumption of packing materials	106.87	73.79
Power, fuel and water	128.57	119.67
Labour charges	72.58	61.40
Repairs and maintenance		
Buildings	1.72	1.42
Plant & machinery	9.85	6.74
Others	15.55	9.82
Corporate social responsibility (CSR) expenses (refer note 44)	11.57	11.60
Sales commission	34.73	35.20
Sales promotion	77.56	32.52
Carriage outwards	259.13	96.50
Rent	2.31	1.84
Insurance	22.66	20.17
Legal and professional fees	95.59	55.56
Rates and taxes	8.29	7.09
Travelling and conveyance	25.67	16.83
Bad debts/ advances written off	-	0.92
Provision for doubtful debts and advances	93.68	3.83
Provision for unbilled Revenue	11.18	-
Impairment provision for investment in subsidiaries	21.69	7.00
Directors sitting fee and commission	1.98	1.55
Payment to auditor (refer note below)	1.26	1.08
Exchange difference, (net)	0.02	0.01
Research and development expenses (refer note 40)		
- Salaries, wages and bonus	106.11	66.29
- Raw materials consumed	1.18	1.06

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
- General expenses	87.04	45.80
Total research and development expenses	**194.33**	**113.15**
Less: Amount transferred to individual expense line item	(194.33)	(113.15)
	-	-
Miscellaneous expenses	230.71	177.29
Total other expenses	**1,350.36**	**851.31**

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Payment to auditor		
As auditor:		
Audit fee (including limited reviews and audit of consolidated financial statements)	0.90	0.70
Reimbursement of expenses	0.08	0.01
Tax audit fee	0.04	0.04
In other capacity:		
Other services (including certification fees)	0.24	0.33
	1.26	**1.08**

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Depreciation of property, plant and equipment	187.14	178.36
Depreciation of right of use assets	11.97	13.73
Amortisation of intangible assets	10.26	23.01
Total depreciation and amortisation expense	**209.37**	**215.10**

NOTE 31: FINANCE COST

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Interest on financial liabilities measured at amortised cost*	189.72	131.82
Interest on lease liabilities	8.94	8.69
Bank charges	11.62	29.32
Exchange difference to the extent considered as an adjustment to borrowing costs	8.83	19.88
Total finance cost	**219.11**	**189.71**

* During the year, the Company has capitalised borrowing costs of ₹ 4.92 crores (31 March 2021: ₹ 2.75 crores) incurred on the borrowings specifically availed for expansion of production facilities and general borrowing costs. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the company's general borrowings, in this case 7.25% p.a. (31 March 2021: 8.26% p.a.).

NOTE 32: TAX EXPENSE

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current tax*	67.04	75.23
Deferred tax#	(37.78)	29.05
Total tax expense	**29.26**	**104.28**

*For current year, the current tax expense includes charge of ₹ 8.23 crores (31 March 2021: credit of ₹ 0.42 crores) pertaining to current tax of previous year.

#For current year, the deferred tax includes credit of ₹ 4.87 crores (31 March 2021: charge of ₹ 1.65 crores) for adjustment pertaining to deferred tax of previous year.

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NOTE 33: EMPLOYEE SHARE BASED PAYMENTS

The Company has established employees stock options plan, 2010 (ESOP Scheme) for its employees pursuant to the special resolution passed by shareholders at the annual general meeting held on July 14, 2010. The employee stock option plan is designed to provide incentives to the employees of the company to deliver long-term returns and is an equity settled plan. The ESOP Scheme is administered by the Nomination and Remuneration committee. Participation in the plan is at the Nomination and Remuneration committee's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Options granted under ESOP scheme would vest in not less than one year and not more than five years from the date of grant of the options. The Nomination and remuneration committee of the company has approved multiple grants with related vesting conditions. Vesting of the options would be subject to continuous employment with the company and hence the options would vest with passage of time. In addition to this, the Nomination and remuneration committee may also specify certain performance parameters subject to which the options would vest. Such options would vest when the performance parameters are met.

Once vested, the options remain exercisable for a period of maximum five years. Options granted under the plan are for no consideration and carry no dividend or voting rights. On exercise, each option is convertible into one equity share. The exercise price is ₹ 2 per option.

The Company has charged ₹ 11.88 crores (31 March 2021: ₹ 11.42 crores) to the statement of profit and loss in respect of options granted under ESOP scheme.

a) Set out below is the summary of options granted under the plan.

Particulars	31 March 2022		31 March 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening Balance	2	3,568,463	2	3,933,890
Granted during the year	2	1,737,354	2	1,871,240
Exercised during the year	2	(1,128,407)	2	(1,532,391)
Expired/cancelled during the year	2	(1,175,245)	2	(704,276)
Closing Balance		**3,002,165**		**3,568,463**
Vested and Exercisable		724,205		720,421

Average share price for the year ended 31 March 2022 is ₹ 257.49 (31 March 2021: ₹ 148.49).

Share options outstanding at the end of the year have the following expiry date and exercise prices.

Grant date	Expiry date	Exercise price (₹)	Share options outstanding on 31 March 2022	Share options outstanding on 31 March 2021
30 April 2014	01 June 2024	2	5,750	13,200
30 March 2015	01 June 2025	2	45,750	106,981
13 July 2016	01 June 2025	2	9,302	21,361
25 July 2016	01 August 2026	2	37,160	153,900
19 July 2017	01 August 2027	2	107,950	225,055
16 October 2017	16 October 2027	2	7,180	10,770
17 January 2018	17 January 2028	2	2,280	3,660
19 July 2018	01 August 2028	2	266,355	504,274
24 January 2019	25 January 2027	2	29,325	37,875
24 October 2019	24 October 2029	2	519,062	924,735
22 July 2020	31 July 2030	2	756,692	1,485,412
19 January 2021	19 January 2031	2	38,345	81,240
21 July 2021	31 July 2030	2	227,251	-
21 July 2021	31 July 2031	2	913,662	-
18 January 2022	18 January 2032	2	36,101	-
Total			**3,002,165**	**3,568,463**
Weighted Average remaining contractual life of the options outstanding at the end of the period			3.09	3.27

b) Fair Value of the options granted during the year-

During the current year remuneration committee has approved three grants. Following are the details of assumptions under the grant, related vesting conditions and fair valuation model used based on the nature of vesting.

Date of grant- 21 July 2021

The company has granted options under ESOP scheme based on following criteria and related assumptions
Vesting criteria - Continuous employment with the company.
Fair valuation method- Black scholes options pricing model

Variables	Vest 1	Vest 2	Vest 3	Vest 4
	01-Aug-22	01-Aug-23	01-Aug-24	01-Aug-25
Share price at grant date	295.80	295.80	295.80	295.80
Volatility	55.50%	55.50%	55.50%	55.50%
Risk free rate	4.35%	4.35%	4.35%	4.35%
Exercise price (₹ per option)	2.00	2.00	2.00	2.00
Life of the option	2.50	2.50	2.50	2.50
Dividend yield	2.36%	2.36%	2.36%	2.36%
Outputs				
Option fair value	276.80	276.80	276.80	276.80
Vesting percentage	25.00%	25.00%	25.00%	25.00%
Fair value of the option (Black scholes model)				**276.80**

Date of grant- 21 July 2021

The company has granted options under ESOP scheme based on following criteria and related assumptions
1. Vesting criteria - Assured vesting of 30% Options in five years subject to continuous employment with the company.
Fair valuation method- Black scholes options pricing model

Variables	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
	01-Aug-22	01-Aug-23	01-Aug-24	01-Aug-25	01-Aug-26
Share price at grant date	295.80	295.80	295.80	295.80	295.80
Volatility	55.80%	55.80%	55.80%	55.80%	55.80%
Risk free rate	4.35%	4.35%	4.35%	4.35%	4.35%
Exercise price (₹ per option)	2.00	2.00	2.00	2.00	2.00
Life of the option	2.10	2.10	2.10	2.10	2.10
Dividend yield	2.36%	2.36%	2.36%	2.36%	2.36%
Outputs					
Option fair value	279.50	279.50	279.50	279.50	279.50
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Fair value of the option (Black scholes model)					**279.50**

The expected price volatility is based on historical volatality (based on remaining life of the options) adjusted for any expected change to future volatility due to publicly available information.

2. Vesting criteria - 30% vesting based on total shareholders return based on market performance

Fair valuation method - Monte carlo simulation model

Vesting of these options is dependent on the shareholder return during the performance as compared to comparator group identified by Nomination and Remuneration Committee. The Monte carlo model requires the following information of the company and comparator group companies:

- the historical share price and expected volatility during the performance period
- Risk free interest rate of the country where stock of comparator group is listed
- Dividend yield based on historical dividend payments
- Estimate of correlation coefficients for each pair of company

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Assumptions used are as follows:

Variables	
Share price at grant date	295.80
Volatility	37.81%
Risk free rate	5.98%
Exercise price (₹ per option)	2.00
Life of the option	0.82
Dividend yield	2.36%
Fair value of the option	**145.10**

3. Vesting criteria - 40% vesting based on achivement of target EBITDA

Fair valuation method - Monte carlo simulation model

Vesting of these options is dependent on the achivement of target EBITDA during the performance of FY 2021-22 as per the criteria determined by Nomination and Remuneration Committee. The Monte carlo model requires the following information of the company:

- the historical share price and expected volatility during the performance period
- Risk free interest rate of the company
- Dividend yield based on historical dividend payments
- Estimate of EBITDA as per approved business plan

Assumptions used are as follows:

Variables	
Share price at grant date	295.80
Volatility	37.81%
Risk free rate	5.98%
Exercise price (₹ per option)	2.00
Life of the option	0.82
Dividend yield	2.36%
Fair Value of the option	**138.00**

Date of Grant- 19 January 2022

Vesting criteria - Continuous employment with the Company.

Fair Valuation Method- Black Scholes options Pricing Model

Variables	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
	19-Jan-23	19-Jan-24	19-Jan-25	19-Jan-26	19-Jan-27
Share price at grant date	269.25	269.25	269.25	269.25	269.25
Volatility	49.50%	49.50%	49.50%	49.50%	49.50%
Risk free rate	4.67%	4.67%	4.67%	4.67%	4.67%
Exercise price (₹ per option)	2.00	2.00	2.00	2.00	2.00
Life of the option	2.10	2.10	2.10	2.10	2.10
Dividend yield	2.50%	2.50%	2.50%	2.50%	2.50%
Outputs					
Option fair value	253.80	253.80	253.80	253.80	253.80
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Fair value of the option (Black scholes model)					**253.80**

NOTE 34: EARNINGS PER SHARE (EPS)

The following table shows the computation of basic and diluted EPS.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Profit for the year	81.80	261.41
Weighted average number of equity shares in calculating basic EPS	39.71	39.78
Adjustments for calculation of diluted EPS:		
Employee stock option outstanding during the year	0.39	0.42
Weighted average number of equity shares in calculating diluted EPS	40.10	40.20
Earnings Per Share		
Basic	2.06	6.57
Diluted	2.04	6.50

Options granted to employees under the ESOP Scheme 2010 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are given in note 33.

NOTE 35: CODE ON SOCIAL SECURITY, 2020

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 draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on 13 November 2020. The Company is 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 rules that are notified become effective.

NOTE 36: CAPITAL AND OTHER COMMITMENTS

a) Estimated amount of contracts remaining to be executed on capital account and not recognised for (net of advances) are ₹ 67.40 crores (31 March 2021: ₹ 95.98 crores)

b) The company has imported certain machinery under the Export Promotion Capital Goods (EPCG) scheme and accordingly has export obligation as per details below:

(₹ in crores)

Year of Issue	Year upto which export obligation to be fulfilled	31 March 2022	31 March 2021
2017-18	2023-24	-	117.97
2018-19	2024-25	-	13.32
2019-20	2025-26	-	9.78
2020-21	2026-27	5.29	62.73
2021-22	2027-28	1.96	-

In this respect, the Company has given bonds of ₹ 883.29 crores (31 March 2021: ₹ 875.87 crores) to the commissioner of customs. The Company expects to fulfil the export obligation within prescribed time.

c) For commitments relating to lease arrangements please refer note 4.

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NOTE 37: CONTINGENT LIABILITIES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
1. Disputed liabilities		
a) Excise and Customs duty	89.97	89.64
b) Goods and Service tax	0.69	0.69
c) Income tax	11.80	11.87
d) Claims lodged by a bank against the company*	18.87	18.87
e) Claims against the Company not acknowledged as debt $	-	15.91

2. The Company had issued corporate guarantees amounting to ₹ 114 crores to the income tax authorities in FY 2003-04 on behalf of the group companies. The matter against which corporate guarantee was paid by STL was decided in favour of the group companies by both ITAT and HC orders against which the department has filed an appeal with the Supreme Court. The above corporate guarantee is backed by the corporate guarantee issued by the Volcan Investments Limited (ultimate holding company) in the favour of the Company.

The Company has not provided for disputed liabilities disclosed above arising from disallowances made in assessments which are pending with different appellate authorities for its decision. The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No liability has been accrued in the financial statements for the demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position. In respect of the claims against the company not acknowledged as debts as above, the management does not expect these claims to succeed. It is not practicable to indicate the uncertainties which may affect the future outcome and estimate the financial effect of the above liabilities.

* In an earlier year, one of the Bankers of the Company had wrongly paid an amount of ₹ 18.87 crores under the letter of credit facility. The letter of credit towards import consignment was not accepted by the company, owing to discrepancies in the documents. Thereafter, the bank filed claim against the company in the Debt Recovery Tribunal (DRT). Against the DRT Order dated 28 October 2010, the parties had filed cross appeals before the Debt Recovery Appellate Tribunal. The Debt Recovery Appellate Tribunal vide its Order dated 28 January 2015 has allowed the appeal filed by the company and has dismissed the appeal filed by the bank. The bank has challenged the said order in WRIT petition before the Bombay High Court. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the financial statements.

$ Claims against the company not acknowledged as debt mainly pertains to an order against the Company with respect to claim made by a supplier of ₹ Nil (31 March 2021: ₹ 14.80 crores). In the current year, the company has provided for ₹ 14.25 crores in the books of account (refer note 46).

In the current year, the Company has received show cause notices with respect to 4 Service tax registrations of ₹ 56.53 crores each demanding service tax on difference between value of services appearing in 26AS (at legal entity level) vis-à-vis respective service tax registrations for the period 2016-17. Management has assessed that the show-cause notice is not required to be disclosed as contingent liability as it is erroneous in nature and the probability of an unfavourable outcome is remote.

Further, Income tax orders for AY 2013-14, 2014-15 and 2017-18 were received with respect to Elitecore Technologies private limited (which is now a non-existent entity in these years since it had merged with the company with effect from 29 September 2016) with a demand of ₹ 55.67 crores mainly relating to addition on certain aspects like treatment of purchase of software/hardware. Management has assessed that based on principles arising from judicial precedents, including those passed by the Hon'ble Supreme Court and Jurisdictional Bombay High Court, the notices issued in the name of non-existent entity are not merely an irregularity but also suffer from jurisdictional defect which cannot be cured. On this primary ground and certain other strong grounds, including procedural defects, the company (on behalf of Elitecore Technologies private limited) is in the process of filing a writ before the Hon'ble High Court. Hence, management believes that the probability of an unfavourable outcome is remote and the demand is not disclosed as a contingent liability.

NOTE 38: DETAILS OF LOANS AND ADVANCES GIVEN TO SUBSIDIARIES

The details are provided as required by regulation 53 (f) read with Para A of Schedule V to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

(₹ in crores)

Name of subsidiary	31 March 2022		31 March 2021	
	Outstanding amount	Maximum balance	Outstanding amount	Maximum balance
Sterlite Global Ventures (Mauritius) Limited	0.36	0.36	0.36	0.36
Speedon Network Limited (net of loss allowance)	13.58	13.58	10.36	10.36
Sterlite Tech Cables Solutions Limited	161.82	231.36	66.00	66.00
Maharashtra Transmission Communication Infrastructure Limited	-	2.01	1.84	5.09
Sterlite Technologies UK Ventures Limited	107.88	107.88	27.34	27.34
Sterlite Technologies Holding Inc USA	38.13	73.91	30.74	40.56
STL Digital Limited	0.08	0.08	-	-
Sterlite Technologies Pty. Ltd	2.76	2.76	0.56	0.56
Sterlite Technologies DMCC	10.20	10.20	7.19	7.19
STL Optical Interconnect S.p.A.	61.18	61.18	59.70	59.70
STL UK HoldCo Limited, UK	14.13	14.13	-	-
Total	**410.12**		**204.09**	

NOTE 39: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars		31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
	Principal amount due to supplier*	172.98	72.70
	Interest amount due to supplier	0.86	0.54
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	2.36	1.50
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Amount due to micro and small enterprises are disclosed on the basis of information available with the Company regarding status of the suppliers as micro and small enterprises.

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NOTE 40: RESEARCH AND DEVELOPMENT EXPENDITURE

STL through its extensive research capabilities, constant innovation and unique capabilities at following R&D centres is able to provide customers end to end solutions from manufacturing of cable to system integration to providing software products required by telecom players:

- **Aurangabad –** R&D activities to manufacture cable which can cater most bandwidth demand.
- **Gurgaon -** R&D activities to design, build, manage broadband network for global service providers, smart cities, rural broadband etc.
- **Ahmedabad –** R&D activities to develop innovative telecom software products which can cater demand for business support system and operating support system.
- **Pune -** R&D activities for product engineering towards programmable networking & intelligence.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Capital expenditure		
- Plants and machinery - capitalized during the year	18.11	9.03
- Software - capitalized during the year	7.03	0.42
- IT equipments - capitalized during the year	3.90	0.63
- Furniture & fixtures - capitalised during the year	1.23	-
- Office equipments and Electrical Installation - capitalised during the year	0.71	0.02
- Right of use assets - capitalised during the year	15.42	-
	46.40	**10.10**
Revenue expenditure		
- Salaries, wages and bonus	106.11	66.29
- Raw materials consumed	1.18	1.06
- General expenses	87.04	45.80
Total	**194.33**	**113.15**

The company has four research and development centres. Centre wise breakup of expenditure is as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Sterlite Technologies - Aurangabad		
- Capital expenditure	2.83	3.78
- Revenue expenditure	20.02	15.02
	22.85	**18.80**
Sterlite Technologies - Gurgaon		
- Capital expenditure	37.95	6.24
- Revenue expenditure	139.63	48.82
	177.58	**55.06**
Sterlite Technologies - Ahmedabad		
- Capital expenditure	4.19	-
- Revenue expenditure	30.74	20.44
	34.93	**20.44**
Sterlite Technologies - Pune		
- Capital expenditure	1.43	0.07
- Revenue expenditure	3.94	28.87
	5.37	**28.94**

NOTE 41: IMPACT OF COVID-19 PANDEMIC

Management has made an assessment of the impact of COVID 19 in preparation of these financial statements. 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 statements have been identified.

NOTE 42: FINANCIAL PERFORMANCE RATIOS

Particulars	31 March 2022	31 March 2021	Variance	Note
A. Performance Ratios				
Net profit ratio (Profit after tax and exceptional items) / (Revenue from operations)	1.63%	6.31%	-74%	(i)
Net capital turnover ratio (Revenue from operations) / (Closing working capital)	(167.42)	(34.37)	387%	(ii)
Return on capital employed (Profit before exceptional items, interest and tax) / (Closing capital employed*)	6.24%	13.73%	-55%	(i)
Return on equity ratio (Profit after exceptional items and tax) / (Average shareholder's equity)	4.46%	14.38%	-69%	(i)
Return on investment (Profit before exceptional items, interest and tax) / (Closing total assets)	3.74%	8.25%	-55%	(i)
Debt service coverage ratio {Profit before interest and tax after exceptional items/ (interest expense + principal long term loan repayment)}	0.74	1.26	-41%	(i)
B. Leverage Ratios				
Debt-equity ratio (Total debt) / (Total equity)"	1.40	1.18	18%	
C. Liquidity Ratios				
Current ratio (Current assets) / (Current liabilities)	0.99	0.97	2%	
D. Activity Ratio				
Inventory turnover ratio (Cost of goods sold) / (Closing inventory)	5.92	5.74	3%	
Trade receivables turnover ratio (Revenue from operations) / (Closing current trade receivables)	2.72	3.01	-10%	
Trade payables turnover ratio (Cost of goods sold) / (Closing trade payable)	1.14	1.12	2%	

*Closing capital employed = Tangible net worth + Gross debt + Deferred tax liability

Note: Explanation for change in ratio by more than 25%

(i) The variation in above ratios is on account of lower profitability, increase in research expenses and loss allowance on debtors during the year.

(ii) Net capital turnover ratio impacted due to higher revenue and working capital changes.

NOTE 43: RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does not have any transactions with companies struck- off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, except as reported below.

(₹ in crores)

Name of the struck off company	Nature of transaction	Balance as on 31st March 2022	Balance as on 31st March 2021	Relationship with the struck off compay
Airosense india private limited	Payable for services	-	0.10	Not a related party
Curinnov services private limited	Payable for services	0.10	-	Not a related party
Yash medical sciences private limited	Payable for services	0.00	-	Not a related party

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NOTE 44: CORPORATE SOCIAL RESPONSIBILITY

The Company has spent an amount of ₹ 11.57 crores (31 March 2021: ₹ 11.60 crores) during the year as required under section 135 of the Companies Act, 2013 in the areas of education, healthcare, woman empowerment and environment. The amount was spent by way of contribution to Sterlite Tech Foundation of ₹ 11.42 crores (refer note 50) and other miscellaneous donations of ₹ 0.15 crores.

Details of CSR expenditure:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
A. Gross amount required to be spent by the Company as per section 135 of the Companies Act, 2013	11.57	11.59
B. Amount spent during the year on	11.57	11.60
(i) Construction/acquisition of any assets	-	-
(i) On purpose other than (i) above	11.57	11.60

NOTE 45: AMORTISATION OF RECOGNISED GOODWILL ON ACQUISITION

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 was merged with the Company with the appointed date of September 29, 2015 under a scheme of amalgamation approved by Honourable Bombay High Court and Gujarat High Court (the "Scheme"). Goodwill (excess of purchase consideration over the aggregate book value of the net assets acquired) was being amortised over a period of five years, as per the Scheme. Ind-AS does not allow amortisation of goodwill, which amounted to ₹ Nil (31 March 2021: ₹ 14.65 crores) for the year. The Goodwill attributable to ETPL has been completely amortized in the year ended 31 March 2021.

NOTE 46: EXCEPTIONAL GAIN/(LOSS) DURING THE YEAR

During the year ended 31 March 2022, the amount of ₹ 52.75 crores reported under exceptional items in the financial statements includes profit of ₹ 67 crores recognised on account of transfer of land situated at Hyderabad and a provision of ₹ 14.25 crores with respect to an order against the Company for a claim filed by a vendor for non-fulfilment of certain contractually agreed off take obligations.

NOTE 47: FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, trade and other receivables, cash and short-term deposits and other financial assets that arise directly from its operations. The Company also enters into derivative transactions.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's senior management oversees the activities to manage these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes should be undertaken.

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are approved and reviewed regularly by the Board to reflect changes in market conditions and the Company's activities.

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. The risks to which Company is exposed and related risk management policies are summarised below -

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk mainly includes loans given and borrowings, financial assets and liabilities in foreign currency, investments in quoted instruments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity analysis have been prepared on the basis that the amount of debt, the ratio of fixed to floating interest rates of the debt, derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2022 and 31 March 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Company's exposure to the risk of changes in interest rate primarily relates to the Company's debt obligations with floating interest rates.

The Company is exposed to the interest rate fluctuation in domestic as well as foreign currency borrowing. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2022, after taking into account the effect of interest rate swaps, approximately 83% of the Company's borrowings are at a fixed rate of interest (31 March 2021: 85%).

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Variable rate borrowings	549.05	397.67
Fixed rate borrowings	2,027.04	1,765.26
Total borrowings	**2,576.09**	**2,162.93**

As at the end of the year, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

(₹ in crores)

	31 March 2022		31 March 2021	
	Balance	% of total loans	Balance	% of total loans
Variable rate borrowings	549.05	21%	397.67	18%
Interest rate swaps (notional principal amount)	100.05		73.11	
Net exposure to cash flow interest rate risk	449.00		324.56	

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on borrowings at variable interest rate. With all the other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in crores)

Particulars	Increase/Decrease in Basis Points	Effect on profit before tax / pre-tax equity Decrease/(increase)
31 March 2022		
Base Rate	+50	2.25
Base Rate	-50	(2.25)
31 March 2021		
Base Rate	+50	1.62
Base Rate	-50	(1.62)

Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

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The Company has a policy to keep minimum forex exposure on the books that are likely to occur within a 15-month period for hedges of forecasted sales and purchases. As per the risk management policy, foreign exchange forward contracts are taken to hedge its exposure in the foreign currency risk. During the year ended 31 March 2022 and 2021, the company did not have any hedging instruments with terms which were not aligned with those of the hedged items.

When a derivative is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Out of total foreign currency exposure the Company has hedged the significant exposure as at 31 March 2022 and as at 31 March 2021.

The Company exposure to foreign currency risk at the end of the year expressed in ₹ are as follows

31 March 2022

(₹ in crores)

Financial assets	USD	EUR	GBP	AED
Trade receivable	457.33	125.90	201.17	10.70
Bank balances	-	33.74	11.85	-
Loans	38.49	80.53	102.66	-
Derivative assets				
Foreign exchange forward contracts - sell foreign currency	398.27	120.59	198.15	10.68
Net exposure to foreign currency risk (Assets)	**97.55**	**119.58**	**117.53**	**0.02**

31 March 2022

(₹ in crores)

Financial liabilities	USD	EUR	GBP
Bank loan	126.02	25.36	62.16
Payables for purchase of property, plant & equipments	56.50	38.57	-
Trade payables	118.68	26.27	1.86
Derivative liabilities			
Foreign exchange forward contracts - buy foreign currency	216.10	75.27	12.43
Principal swap - buy foreign currency	37.89	-	-
Net exposure to foreign currency risk (Liabilities)	**47.21**	**14.93**	**51.59**

31 March 2021

(₹ in crores)

Financial assets	USD	EUR	GBP	AED
Trade receivable	174.19	122.28	106.00	4.95
Bank balances	0.01	0.49	11.22	-
Loans	33.80	82.67	1.89	7.19
Derivative assets				
Foreign exchange forward contracts - sell foreign currency	153.44	119.49	106.00	4.19
Net exposure to foreign currency risk (Assets)	**54.56**	**85.95**	**13.11**	**7.95**

31 March 2021

(₹ in crores)

Financial Liabilities	USD	EUR	GBP
Bank loan	139.08	25.38	75.56
Payables for purchase of property, plant & equipments	82.13	133.44	-
Trade payables	109.43	13.40	-
Derivative liabilities			
Foreign exchange forward contracts - buy foreign currency	227.09	165.04	-
Principal swap - buy foreign currency	73.11	-	-
Net exposure to foreign currency risk (Liabilities)	**30.44**	**7.18**	**75.56**

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Company's exposure to foreign currency changes for all other currencies is not material. With all the other variable held constant, the Company's profit before tax is affected through the impact on change of foreign currency rate as follows-

(₹ in crores)

	Change in USD rate	Effect on profit before tax / pre-tax equity	Change in Euro rate	Effect on profit before tax / pre-tax equity	Change in GBP rate	Effect on profit before tax / pre-tax equity
31 March 2022	+5%	2.52/14.89	+5%	5.23/16.86	+5%	6.41/24.36
	-5%	(2.52)/(14.89)	-5%	(5.23)/(16.86)	-5%	(6.41)/(24.36)
31 March 2021	+5%	1.21/2.28	+5%	3.94/16.08	+5%	(3.12)/16.28
	-5%	(1.21)/(2.28)	-5%	(3.94)/(16.08)	-5%	3.12/(16.28)

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of copper cables and therefore require a continuous supply of copper. To meet requirements the company enters into contracts to purchase copper. The prices in these purchase contracts are linked to the price on London Metal Exchange.

The Company has a risk management strategy to mitigate commodity price risk.

Based on a 1 month forecast of the required copper supply, the Company hedges the purchase price using future commodity purchase contracts. The forecast is deemed to be highly probable.

Commodity price sensitivity

As per the Company's policy for commodity price hedging, all the commodity price exposures as on reporting dates are fully hedged. Thus, there are no open unhedged exposures on the reporting dates.

Price risk

The Company's investment in non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors review and approve all equity investment decisions.

The Company also invests into highly liquid mutual funds which are subject to price risk changes. These investments are generally for short duration and therefore impact of price changes is generally not significant. Investment in these funds are made as a part of treasury management activities.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed taking into account its financial position, past experience and other factors, eg. credit rating and individual credit limits are defined in accordance with credit assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit assurance.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The assessment is based on historical information of defaults. The maximum exposure to credit risk at the reporting date is the

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carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. During the period, the company made write-offs of ₹ Nil (31 March 2021: ₹ 0.92 crores) trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The contract assets have substantially the same risk characteristics as trade receivables for same type of contract etc. Therefore management has concluded that the expected loss for trade recievables are at reasonable approximation for loss rates for contract assets.

The Company's customer profile for customer contracts and software services include public sector enterprises, state owned companies and private corporates. Accordingly, the Company's customer credit risk is low. The Company's average network integration project execution cycle ranges from 12 to 36 months based on the nature of contract and scope of services to be provided. General payment terms include mobilisation advance, progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The company provides for expected credit loss based on life-time expected credit losses (simplified approach).

Details of expected credit loss for trade receivables and contract assets is as follows:

(₹ in crores)

Particulars	31 March 2022			31 March 2021		
	less than 365 days	more than 365 days	Total	less than 365 days	more than 365 days	Total
Gross carrying amount	2,747.56	472.95	3,220.51	2,410.50	325.91	2,736.41
Expected credit loss rate	0.44%	30.00%		0.28%	13.00%	
Expected credit loss and provision for doubtful debt	12.10	141.89	153.99	6.76	42.37	49.13
Carrying amount (net of provision)	**2,735.45**	**331.07**	**3,066.52**	**2,403.74**	**283.54**	**2,687.28**

Financial assets and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Other financial assets that are potentially subject to credit risk consists of inter corporate loans. The company assesses the recoverability from these financial assets on regular basis. Factors such as business and financial performance of counterparty, their ability to repay, regulatory changes and overall economic conditions are considered to assess future recoverability. The company charges interest on such loans at arms length rate considering counterparty's credit rating. Based on the assessment performed, the company considers all the outstanding balances of such financial assets to be recoverable as on balance sheet date and appropriate provision for impairment is considered in financial statements.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts of each class of financial assets.

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities which will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 - 180 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(₹ in crores)

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 year to 5 years	> 5 years	Total
As at 31 March 2022						
Borrowings	-	1,310.08	294.47	681.54	290.00	2,576.09
Other financial liabilities	5.10	10.47	53.17	4.18	-	72.92
Trade payables	576.34	1,282.14	444.28	-	-	2,302.76
Payables for purchase of property, plant and equipments	-	-	150.00	-	-	150.00
Derivative instruments	-	-	3.64	0.02	-	3.66
Lease liability	-	5.47	16.07	40.45	24.59	86.58
	581.44	**2,608.16**	**961.63**	**726.19**	**314.59**	**5,192.01**
As at 31 March 2021						
Borrowings	6.66	1,263.21	139.90	463.16	290.00	2,162.93
Other financial liabilities	5.20	3.98	52.38	9.52	-	71.08
Trade payables	250.58	769.56	849.52	-	-	1,869.66
Payables for purchase of property, plant and equipments	-	140.33	287.55	0.56	-	428.44
Derivative instruments	-	-	13.86	-	-	13.86
Lease liability	-	4.58	14.59	36.39	22.72	78.28
	262.44	**2,181.65**	**1,357.80**	**509.63**	**312.72**	**4,624.25**

NOTE 47: FINANCIAL RISK MANAGEMENT

Cash flow hedges

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments for sales and purchases in USD, EUR and GBP. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

The cash flow hedges for such derivative contracts as at 31 March 2022 were assessed to be highly effective and a net unrealised gain of ₹ 1.21 crore, with a deferred tax liability of ₹ 0.30 crore relating to the hedging instruments, is included in OCI. Comparatively, the cash flow hedges as at 31 March 2021 were assessed to be highly effective and an unrealised gain of ₹ 2.03 crore, with a deferred tax liability of ₹ 0.51 crore was included in OCI in respect of these contracts. The amounts retained in OCI at 31 March 2022 are expected to mature and affect the statement of profit and loss during the year ended 31 March 2023 and 31 March 2024.

At 31 March 2022, the company has currency/interest rate swap agreements in place with a notional amount of USD 0.5 crores (₹ 37.89 crores) and GBP 0.63 crores (₹ 62.16 crores) (31 March 2021: USD 1 crores, GBP Nil). The Company receives a variable rate of interest of Libor + 2.70% and pays interest at a fixed rate equal to 10.0425% on the notional amount with USD-INR rate fixed at ₹ 66.3850 per USD for the USD Interest Swap. For the GBP Interest Swap, the company receives a variable rate of interest of Sterling Overnight Index Average and pays ineterst at a fixed rate equal to 1.74% p.a on the notional amount of GBP Loan. The swaps are being used to hedge the exposure to changes in the foreign exchange rates and interest rates.

The cash flow hedges for such derivative contracts as at 31 March 2022 were assessed to be highly effective and a net unrealised loss of ₹ 1.1 crore, with a deferred tax asset of ₹ 0.28 crore relating to the hedging instruments, is included in OCI. Comparatively, the cash flow hedges as at 31 March 2021 were assessed to be highly effective and an unrealised loss of ₹ 3.51 crore, with a deferred tax asset of ₹ 0.88 crore was included in OCI in respect of these contracts. The amounts retained in OCI at 31 March 2022 are expected to mature and affect the statement of profit and loss during the year ended 31 March 2023.

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Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

31 March 2022

(₹ in crores)

Types of hedge and risks	Nominal value	Carrying amount of hedging instruments Assets / (Liabilities)	Maturity date	Hedge ratio*	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts-assets	1,056.46	17.83	April 2022-Jun 2023	1:1	EUR:INR- 87.77, GBP:INR- 102.58, USD:INR- 77.56, AED:INR- 21.66	(0.02)	0.02
(ii) Foreign exchange forward contracts-liabilities	166.31	(0.85)	April 2022 - Jun 2023	1:1	EUR:INR- 86.23, GBP:INR- 105.11, USD:INR- 76.74, AED:INR- 20.68, AUD:INR- 56.92	1.23	(1.23)
(iii) Foreign currency loan	37.89	4.10	3-Jan-23	1:1	USD:INR 66.39	(1.72)	1.72
Interest rate risk							
Interest rate swap	100.05	(0.07)	3-Jan-23	1:1	N/A	0.62	(0.62)

31 March 2021

(₹ in crores)

Types of hedge and risks	Nominal value	Carrying amount of hedging instruments Assets / (Liabilities)	Maturity date	Hedge ratio*	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts-assets	904.50	23.12	April 2021-Feb 2024	1:1	AED:INR- 21.26 AUD:INR- 56.77 EUR:INR- 93.94 GBP:INR- 108.43 USD:INR- 74.14	0.45	(0.45)
(ii) Foreign exchange forward contracts-liabilities	149.13	(2.08)	April 2021-Feb 2024	1:1	AUD:INR- 54.52 EUR:INR- 89.64 GBP:INR- 102.38 USD:INR- 74.36	1.75	(1.75)
(iii) Foreign currency loan	(148.67)	5.82	3-Jan-23	1:1	USD:INR 66.39	(5.54)	5.54
Interest rate risk							
Interest rate swap	(73.11)	(0.69)	3-Jan-23	1:1	N/A	1.86	(1.86)

*The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

The notional amount of interest rate swap is equal to the portion of variable rate loans that is being hedged and therefore the hedge ratio for interest rate swaps is also 1:1.

The entire amount of foreign currency loan (USD) is designated as cash flow hedge and hence the hedge ratio is 1:1.

(b) Disclosure of effects of hedge accounting on financial performance

31 March 2022

(₹ in crores)

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	13.98	-	(14.49)	Revenue and COGS
Interest risk	0.62	-	-	N/A

31 March 2021

(₹ in crores)

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	(0.27)	-	(3.07)	Revenue and COGS
Interest risk	1.86	-	-	N/A

The Company's hedging policy requires for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the company uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale may arise if:

- the critical terms of the hedging instrument and the hedged item differ (i.e., nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- differences arise between the credit risk inherent within the hedged item and the hedging instrument.

Refer note 17 for the details related to movement in cash flow hedging reserve.

NOTE 48: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the shareholders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating, healthy capital ratios in order to support its business and maximise shareholder value and optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt interest bearing loans and borrowings less cash and cash equivalents excluding discontinued operations.

The recent investments by the Company in new businesses, increasing the capacity of existing businesses and increase in working capital due to certain projects has lead to increase in capital requirement. The Company expects to realise the benefits of these investments in near future.

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Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Interest bearing loans and borrowings (including interest accrued but not due)	2,577.50	2,165.95
Less: cash and cash equivalents & current investment*	(384.73)	(306.14)
Net debt	**2,192.77**	**1,859.81**
Equity share capital	79.55	79.33
Other equity	1,763.41	1,747.03
Total capital	**1,842.96**	**1,826.36**
Capital and net debt	**4,035.73**	**3,686.17**
Gearing ratio	54.33%	50.45%

*includes other bank balance of ₹ 110.00 crores (31 March 2021: ₹ 50.00 crores) with respect to fixed deposit excluding deposits held as lien by banks against bank guarantees. These fixed deposits can be encashed by the Company at any time without any major penalties.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

Dividend distribution made and proposed

As a part of Company's capital management policy, dividend distribution is also considered as key element and management ensures that dividend distribution is in accordance with defined policy. Below mentioned are details of dividend distributed and proposed during the year.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 March 2021: ₹ 2.00 per share (31 March 2020: ₹ 3.5 per share)	79.36	138.28
	79.36	**138.28**
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 March 2022: ₹ 0.50 per share (31 March 2021: ₹ 2.0 per share)	19.88	79.31
	19.88	**79.31**

NOTE 49: FAIR VALUES

a) Financial instruments by category

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values as of the year end:

	31 March 2022			31 March 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
Equity instruments	-	-	-	8.53	-	-
Debentures	-	-	-	22.60	-	-
Preference shares	-	-	-	3.74	-	-
Mutual funds	-	-	-	180.00	-	-
Trade receivables	-	-	1,848.91	-	-	1,376.11
Loans	-	-	411.78	-	-	216.22
Cash and cash equivalents	-	-	274.73	-	-	76.14
Other bank balances	-	-	116.71	-	-	55.17
Derivative financial assets	12.77	17.16	-	5.23	28.25	-
Other financials assets	21.45	-	82.73	-	-	30.51
Total financial assets	**34.22**	**17.16**	**2,734.86**	**220.10**	**28.25**	**1,754.15**

	31 March 2022			31 March 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	2,576.09	-	-	2,162.93
Derivative financial liabilities	1.76	1.90	-	11.09	2.77	-
Trade payables	-	-	2,302.76	-	-	1,869.66
Payables for purchase of Property, plant and equipment	-	-	150.00	-	-	428.44
Deposits from vendors	-	-	2.12	-	-	6.32
Other financial liabilities	-	-	70.80	-	-	64.76
Total financial liabilities	**1.76**	**1.90**	**5,101.77**	**11.09**	**2.77**	**4,532.11**

b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

	Fair value measurement using			
	Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets and liabilities measured at fair value - recurring fair value measurements				
Investments in equity shares of joint venture				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	8.53	-	-	8.53
Investments in debentures				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	22.60	-	-	22.60
Investments in preference shares				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	3.74	-	-	3.74
Investments in mutual funds				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	180.00	180.00	-	-
Other financial assets				
As at 31 March 2022	21.45	-	21.45	-
As at 31 March 2021	-	-	-	-
Derivative financial assets - foreign exchange forward contracts				
As at 31 March 2022	25.83	-	25.83	-
As at 31 March 2021	27.66	-	27.66	-
Derivative financial assets - currency/interest rate swaps				
As at 31 March 2022	4.10	-	4.10	-
As at 31 March 2021	5.82	-	5.82	-
Derivative financial liabilities - foreign exchange forward contracts				
As at 31 March 2022	3.59	-	3.59	-
As at 31 March 2021	13.86	-	13.86	-
Derivative financial liabilities - currency/interest rate swaps				
As at 31 March 2022	0.07	-	0.07	-
As at 31 March 2021	-	-	-	-

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Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There have been no transfers among Level 1, Level 2 and Level 3.

c) Valuation technique used to determine fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the quoted mutual funds are based on quoted price at the reporting date.

The fair values of the unquoted equity shares and debentures have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments and debentures.

The Company enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts, interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

d) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2022 and 31 March 2021:

₹ in crores

Particulars	Investments in equity shares of JV	Investments in debentures	Investments in preference share
As at 31 March 2021	8.53	22.60	3.74
Acquisitions	-	-	-
Deletions	(8.53)	(22.60)	(3.74)
As at 31 March 2022	**-**	**-**	**-**

e) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
FVPL assets in unquoted equity shares, preference shares and debentures	DCF method	Terminal growth rate	31 March 2022: NA 31 March 2021: 5.0%	NA (31 March 2021: 1%) increase/ (decrease) in the terminal growth rate would result in increase /(decrease) in fair value by ₹ Nil (31 March 2021: ₹ 3.23/ (2.85) crore)
		WACC (pre-tax)	31 March 2022: NA 31 March 2021: 21.50%	NA (31 March 2021: 1%) increase/ (decrease) in the WACC would result in decrease/(increase) in fair value by ₹ Nil (31 March 2021: ₹ 4.49/ (5.14))
		Long-term operating margin	31 March 2022: NA 31 March 2021: (113.6)% - 32.6%	NA (31 March 2021: 1%) increase/ (decrease) in the margin would result in increase/(decrease) in fair value by ₹ Nil (31 March 2021: ₹ 2.62/ (2.62))

f) Valuation processes

The finance department of the company includes a team that oversees the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

External valuers are involved for valuation of significant assets, such as unquoted financials assets. Involvement of external valuers is decided by the valuation team. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Valuation team decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

The main level 3 inputs for used by the company are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model or based on weighted average cost of capital of counterparty, to calculate a post-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from risk assessment (based on review of financial condition, economic factors) by management.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 3 fair values are analysed at the end of each reporting period during the valuation discussion between the valuation team and external valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown above.

The management assessed that cash and cash equivalents, trade receivables, trade payables, other current assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has further assessed that borrowings availed and loans given approximate their carrying amounts largely due to the interest rates being variable or in case of fixed rate borrowings/loans, movements in interest rates from the recognition of such financial instrument till period end not being material.

NOTE 50: RELATED PARTY TRANSACTIONS

(A) Name of related party and nature of its relationship:

(a) Related parties where control exists

(i) Holding company

Twin Star Overseas Limited, Mauritius (Immediate holding company)
Volcan Investments Limited, Bahamas (Ultimate holding company)

(ii) Subsidiaries

Jiangsu Sterlite Tongguang Fiber Co. Ltd.
Sterlite Global Ventures (Mauritius) Limited
Maharashtra Transmission Communication Infrastructure Limited (upto 29 March 2022)
Sterlite Technologies UK Ventures Limited
Speedon Network Limited
Sterlite Telesystems Limited
Elitecore Technologies (Mauritius) Limited
Elitecore Technologies SDN BHD. (Malaysia)
Sterlite (Shanghai) Trading Company Limited
Sterlite Tech Holding Inc.
Sterlite Technologies Inc.
Metallurgica Bresciana S.p.A
Sterlite Innovative Solutions Limited
STL Digital Limited (earlier “Sterlite Tech Connectivity Solutions Limited”)
Sterlite Tech Cables Solutions Limited

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Impact Data Solutions Limited
Impact Data Soultions B.V.
Vulcan Data Centre Solutions Limited
PT Sterlite Technologies Indonesia
Sterlite Technologies Pty. Ltd
Sterlite Technologies DMCC
STL Optical Interconnect S.p.A.
Optotec S.p.A.
Optotec International S.A.
STL Edge Networks Inc.
STL Networks Limited
STL Tech Solutions Limited, UK (w.e.f 09 August 2021)
STL UK Holdco Limited, UK (w.e.f 03 May 2021)
STL Digital Inc. (USA) (w.e.f 20 January 2022)
Clearcomm Group Limited, UK (w.e.f 27 July 2021)
STL Tech GmbH (w.e.f 17 Februrary 2022)
STL Optical Tech Limited (w.e.f 09 Februrary 2022)
STL Network Services Inc., US (w.e.f 18 October 2021)
STL Solutions Germany GmbH (w.e.f 03 November 2021)

(b) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year

(i) Fellow subsidiaries

Cairn India Holdings Ltd
Sterlite Power Transmission Limited
Twin Star Technologies Limited
Twin Star Display Technologies Limited
Vedanta Limited

(ii) Joint ventures

Sterlite Conduspar Industrial Ltda (50:50 joint venture between Sterlite Technologies UK Ventures Limited and Conduspar Condutores Eletricos Limiteda)
Metis Eduventures Private Limited (Upto 31 October 2021)

(iii) Key management personnel (KMP)

Mr. Pravin Agarwal (Vice Chairman & Whole-time Director)
Dr. Anand Agarwal (CEO & Whole-time Director till 02 December 2021)
Mr. A. R. Narayanaswamy (Non executive & Independent Director till 31 March 2021)
Mr. Arun Todarwal (Non executive & Independent Director till 31 March 2021)
Mr. Sandip Das (Non executive & Independent Director)
Ms. Kumud Srinivasan (Non executive & Independent Director)
Mr. Pratik Agarwal (Non executive Director till 20 January 2021)
Mr. B. J Arun (Non executive & Independent Director w.e.f. 20 January 2021)
Mr. S Madhavan (Non executive & Independent Director w.e.f. 20 January 2021)
Mr. Ankit Agarwal (Whole-time Director from 20 January 2021 till 07 October 2021)
Mr. Ankit Agarwal (Managing Director w.e.f. 08 October 2021)

(iv) Relative of key management personnel (KMP)

Mr. Ankit Agarwal (till 19 January 2021)
Mrs. Jyoti Agarwal
Mrs. Ruchira Agarwal
Mrs. Sonakshi Agarwal
Mr. Navin Agarwal

(v) Entities where key management personnel or relatives of key management personnel have significant influence (EKMP)

Universal Floritech LLP (EKMP)
Sterlite Tech Foundation (EKMP)
Pravin Agarwal Family Trust (EKMP)
Runaya Private Limited (EKMP)

(c) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

(i) Key management personnel (KMP)

Mr. Anupam Jindal (Chief Financial Officer till 11 September 2020)
Mr. Mihir Modi (Chief Financial Officer from 05 October 2020)
Mr. Amit Deshpande (Company Secretary)

(B) The transactions with related parties during the year and their outstanding balances are as follows:-

(₹ in crores)

S. No.	Particulars	Subsidiaries		Joint ventures		Holding company		KMP		Relatives of KMP		Fellow subsidiaries/ EKMP	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
1	Remuneration	-	-	-	-	-	-	30.91	24.79	-	2.47	-	-
2	Sitting fees	-	-	-	-	-	-	0.40	0.51	-	-	-	-
3	Commission	-	-	-	-	-	-	1.58	1.13	-	-	-	-
4	Consultancy	-	-	-	-	-	-	0.60	0.55	-	-	-	-
5	Dividend (received)/paid	-	-	-	-	41.88	73.29	0.23	0.93	0.23	0.42	0.95	1.67
6	Investment during the year	29.93	37.86	-	-	-	-	-	-	-	-	-	-
7	Sale of investments	-	-	-	-	-	-	-	-	-	-	43.00	-
8	Loans and advances given	386.87	160.13	-	-	-	-	-	-	-	-	-	0.85
9	Repayment of loans given	195.64	14.37	-	-	-	-	-	-	-	-	11.00	-
10	Loan repaid	-	-	-	-	-	-	-	-	-	-	9.77	0.08
11	Interest charged on loans	20.49	4.77	-	-	-	-	-	-	-	-	0.30	0.84
12	Interest expense on loans	-	-	-	-	-	-	-	-	-	-	1.35	-
13	Management fees received	0.91	-	-	-	-	-	-	-	-	-	9.66	11.08
14	Reimbursement of expenses	11.22	10.31	-	-	-	-	-	-	-	-	0.27	1.62
15	Corporate guarantee & SBLC commission charged	3.92	2.12	-	-	-	-	-	-	-	-	-	-
16	Sale of property, plant & equipment	32.30	31.16	-	-	-	-	-	-	-	-	-	-
17	Purchase of goods & services	360.65	103.98	-	-	-	-	-	-	-	-	260.69	142.53
18	Sale of goods & services	1,073.38	327.79	12.78	5.19	-	-	-	-	-	-	8.67	16.22
19	Contributions made for CSR	-	-	-	-	-	-	-	-	-	-	11.42	11.60
20	Rental income	-	-	-	-	-	-	-	-	-	-	0.06	0.06
	Outstanding Balances												
1	Loans/advance receivables##	410.12	204.10	-	-	-	-	-	-	-	-	1.40	11.95
2	Loans/advance payables	-	-	-	-	-	-	-	-	-	-	-	6.66
3	Interest payable on loans	-	-	-	-	-	-	-	-	-	-	-	1.27
4	Trade receivables	684.85	220.31	11.49	8.21	-	-	-	-	-	-	-	13.29
5	Other receivables	13.10	8.15	-	-	-	-	-	-	-	-	22.78	-

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(₹ in crores)

S. No.	Particulars	Subsidiaries		Joint ventures		Holding company		KMP		Relatives of KMP		Fellow subsidiaries/ EKMP	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
6	Trade payables	132.04	24.97	-	-	-	-	-	-	-	-	29.96	-
7	Advance to vendors	15.70	-	-	-	-	-	-	-	-	-	-	0.79
8	Investment in equity shares, preference shares & debentures	297.07	288.84	-	34.87	-	-	-	-	-	-	-	-
9	Investments classified as assets held for sale	-	31.52	-	-	-	-	-	-	-	-	-	-
10	Corporate and bank guarantees given and outstanding	3.70	5.78	-	-	-	-	-	-	-	-	114.00[$]	114.00[$]

(C) Disclosure in respect of material related party transaction during the year:

S. No.	Particulars	Relationship	31 March 2022	31 March 2021
1	**Remuneration**			
	Mr. Pravin Agarwal	KMP	10.17	9.96
	Dr. Anand Agarwal	KMP	13.63	10.95
	Mr. Ankit Agarwal	KMP	3.72	0.58
	Mr. Ankit Agarwal	Relatives of KMP	-	2.47
	Mr. Mihir Modi	KMP	2.67	0.86
	Mr. Anupam Jindal	KMP	-	1.73
2	**Sitting fees**			
	Mr. Arun Todarwal	KMP	-	0.14
	Mr. A. R. Narayanaswamy	KMP	-	0.11
	Mr. Sandip Das	KMP	0.10	0.12
	Ms. Kumud Srinivasan	KMP	0.11	0.10
	Mr. S. Madhavan	KMP	0.10	-
	Mr. B J Arun	KMP	0.09	-
3	**Commission**			
	Mr. Arun Todarwal	KMP	0.30	0.23
	Mr. A. R. Narayanaswamy	KMP	0.30	0.23
	Ms. Kumud Srinivasan	KMP	0.30	0.23
	Mr. Sandip Das	KMP	0.30	0.23
	Mr. Pratik Agarwal	KMP	0.23	0.23
4	**Consultancy**			
	Mr. Sandip Das	KMP	0.60	0.55
5	**Dividend (received)/paid**			
	Twin Star Overseas Limited	Holding Company	41.88	73.29
6	**Investment during the year**			
	Sterlite Global Ventures (Mauritius) Limited	Subsidiary	-	31.43
	STL Tech Solutions Limited, UK	Subsidiary	4.13	-
	STL UK HoldCo Limited, UK	Subsidiary	25.75	-
7	**Sale of investments**			
	Sterlite Power Transmission Limited	Fellow Subsidiary	43.00	-
8	**Loans and advances given**			
	Speedon Network Limited	Subsidiary	1.28	3.04
	Sterlite Technologies UK Ventures Limited	Subsidiary	79.45	2.37

S. No.	Particulars	Relationship	31 March 2022	31 March 2021
	Sterlite Tech Holding Inc.	Subsidiary	44.03	24.35
	Sterlite Tech Cables Solutions Limited	Subsidiary	241.38	61.80
	Twinstar Display Technologies Limited.	Fellow Subsidiary	-	0.03
	STL Optical Interconnect S.p.A.	Subsidiary	-	59.70
9	**Repayment of loans given**			
	Speedon Network Limited	Subsidiary	-	1.30
	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	2.19	3.25
	Sterlite Tech Cables Solutions Limited	Subsidiary	154.92	-
	Sterlite Tech Holding Inc.	Subsidiary	38.53	9.82
10	**Loan repaid**			
	Sterlite Power Transmission Limited	Fellow Subsidiary	9.77	0.08
11	**Interest charged on loans**			
	Speedon Network Limited	Subsidiary	2.14	2.00
	Sterlite Technologies UK Ventures Limited	Subsidiary	1.49	0.22
	Sterlite Tech Holding Inc. USA	Subsidiary	0.74	0.44
	Sterlite Tech Cables Solutions Limited	Subsidiary	10.68	1.01
	Twin Star Technologies Limited	Fellow Subsidiary	0.26	0.81
	STL Optical Interconnect S.p.A.	Subsidiary	4.69	1.04
12	**Interest expense on loans**			
	Sterlte Power Transmission Limited	Fellow Subsidiary	1.35	-
13	**Management fees received**			
	Cairn India Holdings Ltd	Fellow Subsidiary	9.66	11.08
14	**Reimbursement of expenses**			
	Cairn India Holdings Ltd	Fellow Subsidiary	-	1.62
	Elitecore Technologies sdn. bhd.	Subsidiary	-	1.51
	Speedon Network Limited	Subsidiary	8.33	7.32
	Sterlite Technologies UK Ventures Limited	Subsidiary	1.58	-
	STL Optical Interconnect S.p.A.	Subsidiary	-	1.48
15	**Corporate guarantee & SBLC commission charged**			
	Jiangsu Sterlite and Tongguang Fiber Co. Limited	Subsidiary	0.69	-
	Metallurgica Bresciana S.p.A	Subsidiary	3.04	2.12
16	**Sale of property, plant & equipment**			
	Sterlite Technologies Inc USA	Subsidiary	17.20	-
	Sterlite Tech Cables Solutions Limited	Subsidiary	15.10	31.16
17	**Purchase of goods & services**			
	Jiangsu Sterlite and Tongguang Fiber Co. Limited	Subsidiary	-	79.23
	Vedanta Limited	Fellow Subsidiary	222.68	142.50
	Sterlite Tech Cables Solutions Limited	Subsidiary	233.82	-
18	**Sale of goods & services**			
	Metallurgica Bresciana S.p.A	Subsidiary	157.50	159.51
	Sterlite Technologies Inc.	Subsidiary	669.84	100.41
	Jiangsu Sterlite and Tongguang Fiber Co. Limited	Subsidiary	-	60.48
	Sterlite Tech Cables Solutions Limited	Subsidiary	226.05	0.54
	Sterlite Power Transmission Limited	Fellow Subsidiary	8.67	16.22
	Sterlite Conduspar Industrial Ltda	Joint Venture	12.78	5.19
19	**Contributions made for CSR**			
	Sterlite Tech Foundation	EKMP	11.42	11.60
20	**Rental income**			
	Universal Floritech LLP	EKMP	0.06	0.06
	STL Digital Limited	Subsidiary	0.23	-

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(D) Compensation of key management personnel of the company

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Short term employee benefits	22.84	22.69
Long term & Post employment benefits	5.26	1.43
Share based payment transaction*	2.81	3.14
Total compensation paid to key management personnel	**30.91**	**27.26**

(E) Terms and conditions

a) Transactions relating to dividends for equity shares were on the same terms and conditions that applied to other shareholders.

b) All other transactions were made on normal commercial terms and conditions and at market rates.

c) All outstanding balances are unsecured and repayable in cash.

##Includes interest & expenses incurred and recoverable.

$ Refer note 37 for details

*Share-based payments include the perquisite value of stock incentives excercised during the year, determined in accordance with the provisions of the Income-tax Act,1961.

NOTE 51: BORROWING SECURED AGAINST CURRENT ASSETS

List of banks to which stock statements are submitted:

Sr No	Bank name
1	ICICI Bank Ltd.
2	State Bank of India
3	Yes Bank Ltd
4	Axis Bank Ltd
5	IDFC FIRST Bank Ltd
6	Indusind Bank Limited
7	Bank of Baroda
8	RBL Bank Ltd.
9	The Federal Bank Limited
10	IDBI Bank Limited
11	Deutsche Bank AG
12	Union Bank of India
13	HDFC Bank Ltd.
14	Export-Import Bank of India
15	Citi Bank
16	Shinhan Bank
17	CTBC Bank Co. Ltd.
18	Qatar National Bank (Q.P.S.C.)
19	Axis Finance Ltd.

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns of statements of current assets filed by the Company with banks are in agreement with the books of accounts, except for the following statements in the table below:-

(₹ in crores)

Quarter ended	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
March, 2022	Trade receivables and contract assets	3,066.52	3,066.52	-	
March, 2022	Inventories	444.61	444.61	-	
December, 2021	Trade receivables and contract assets	2,928.65	3,161.95	(233.30)	The difference is on account of period end closing entries.
December, 2021	Inventories	457.07	348.80	108.27	The difference is on account of period end closing entries.
September, 2021	Trade receivables and contract assets	2,991.15	3,124.31	(133.16)	The difference is on account of period end closing entries ₹ (195.16) crores and non consideration of related party receivable ₹ 62.00 crores
September, 2021	Inventories	373.59	340.76	32.83	The difference is on account of period end closing entries.

(₹ in crores)

Quarter ended	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
June, 2021	Trade receivables and contract assets	3,204.41	3,079.32	125.09	The difference is on account of period end regroupings ₹ 63.09 crores and non consideration of related party receivable ₹ 62.00 crores
June, 2021	Inventories	448.50	351.22	97.28	The difference is on account of period end closing entries.
March, 2021	Trade receivables and contract assets	2,687.28	2,687.28	-	
March, 2021	Inventories	363.36	363.36	-	
December, 2020	Trade receivables and contract assets	2,421.04	2,395.03	26.01	The difference is on account of period end closing entries ₹ (34.99) crores and non consideration of related party receivable ₹ 61.00 crores.
December, 2020	Inventories	315.84	325.28	(9.44)	The difference is on account of period end closing entries.
September, 2020	Trade receivables and contract assets	2,008.14	1,984.40	23.74	The difference is on account of period end closing entries ₹ (24.26) crores and non consideration of related party receivable ₹ 48.00 crores.
September, 2020	Inventories	269.74	261.91	7.83	The difference is on account of period end closing entries.
June, 2020	Trade receivables and contract assets	2,208.18	2,169.59	38.59	The difference is on account of period end closing entries ₹ (1.41) crores and non consideration of related party receivable ₹ 40.00 crores.
June, 2020	Inventories	253.89	216.26	37.63	The difference is on account of period end closing entries.

NOTE 52: SEGMENT REPORTING

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

Geographical information

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
(1) Revenue from external customers		
- Within India	2,596.35	2,780.34
- Outside India	2,424.71	1,361.67
Total revenue as per statement of profit and loss	**5,021.06**	**4,142.01**
The revenue information above is based on the locations of the customers		
(2) Non-current assets		
- Within India	2,213.75	2,350.44
- Outside India	-	-
Total	**2,213.75**	**2,350.44**

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress and intangible assets.

(3) Revenue from external customers

Revenue from two customers in India amounted to ₹ 1,087.59 crores (31 March 2021: ₹ 841.00 crores).

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

NOTE 53: PREVIOUS YEAR FIGURES

Previous year figures have been reclassified to conform to this year's classification.

The Ministry of Corporate Affairs (MCA) through a notification dated 24 March 2021, amended Schedule III of the Companies Act, 2013, applicable for financial years commencing from 1 April 2021. Pursuant to such amendments, security deposits of ₹ 10.36 crores as at 31 March 2021 have been reclassified from 'Loans' to 'Other financial assets' and current maturities of long term debts of ₹ 253.96 crores as at 31 March 2021 have been reclassified from 'Other financial liabilities' to 'Current borrowings'.

As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number:108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

Independent Auditors' Report

To the Members of Sterlite Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Sterlite Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entity (refer Note 36 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entity as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 15 of the Other Matters section below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
a. Revenue Recognition (Refer note 2.3 (e), 3 and 26 to the Consolidated Financial Statements) The Group recognises revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers". This involves application of significant judgements by Management with respect to: • Combination of contracts entered into with the same customer; • Identification of distinct performance obligations; • Total consideration when the contract involves variable consideration; • Allocation of consideration to identified performance obligations; and • Recognition of revenue over a period of time or at a point in time based on timing when control is transferred to customer.	We performed the following procedures: Understood and evaluated the design and tested the operating effectiveness of controls relating to revenue recognition. In respect of a sample of large and complex contracts and certain other contracts, our procedures included, among other things: • Reading of selected contracts to identify significant terms of the contracts; • Assessing appropriateness of management's significant judgements in accounting for identified contracts such as identification of performance obligation and allocation of consideration to identified performance obligation; • Evaluation of the contract terms with respect to assessment of the date of transfer of control; • Testing of timing of recognition of revenue (including procedures related to cut off) in line with the terms of contracts;

Key audit matter	How our audit addressed the key audit matter
Further, for contracts where revenue is recognised over a period of time, the Group makes estimates which impact the revenue recognition. Such estimates include, but are not limited to: • costs to complete, • contract risks, • price variation claims, and • liquidated damages Further, in determining the above estimates for ongoing contracts, Management has also evaluated the estimates, especially those resulting from expected delays in the completion of the performance obligations and available contractual remedies. We focused on this area because a significant portion of the revenue generated requires management to exercise judgement and therefore could be subject to material misstatement due to fraud or error.	• Testing the appropriateness of key assumptions used by Management including the appropriateness and reasonability of Management's conclusion regarding the expected delays in estimated completion of the performance obligations and possible impact on key estimates. Reading of the related contract terms and communications with the customers to assess the likelihood of availability of contractual remedies. • Testing of journal entries for unusual/ irregular revenue transactions, if any; and • Evaluating adequacy of presentation and disclosures in the financial statements. Based on the above procedures, we did not note any significant exceptions in the estimates and judgements applied by the Management in revenue recognition including those relating to presentation and disclosures as required by Ind AS 115.
b. Appropriateness of accounting for business combination (Refer note 47, to the Consolidated Financial Statements) On November 2, 2020, the Group, completed the acquisition of Optotec S.p.A., (Italy) including its subsidiary, Optotec Interconnect S.A., (Switzerland) (together known "Optotec group"). The Group acquired 100% of the Optotec group for a total purchase consideration of ₹ 284.64 crores. Management determined that the acquisition of Optotec group qualifies as a business combination under Ind AS 103 "Business Combinations" (Ind-AS 103). The Management, based on a report of an independent valuer, has determined the fair value of the net identifiable assets acquired at ₹ 184.22 crores (including ₹ 128.92 crores relating to intangible assets), resulting in goodwill of ₹ 95.51 crores. We focused on the identification and valuation of assets, including the intangible assets, arising from the business combination as a significant area of judgement. The valuation methodology to determine the value of identified assets, as well as the inputs and assumptions like discount rate, etc. used in the model, and the related disclosures, also require significant judgement.	Our audit procedures included: • Evaluating management's assessment that the acquisition of Optotec group should be accounted for as a business combination; • Evaluating the design and testing the operating effectiveness of the controls on recognition of assets and liabilities acquired in the business combination; • Assessing the appropriateness and completeness of the identifiable assets acquired and the liabilities assumed at the acquisition date of the acquiree and the terms of the purchase laid out in the agreement by verification of the report on due diligence carried out by management for the purpose of acquisition, assets and liabilities from the financial statements of the acquiree, and involvement of experts for the valuation of the same; • Involving our valuation experts to assess the valuation methodology and underlying assumptions relating to discount rate, etc. used by the independent valuer; • Assessing the appropriateness of the useful life of the identified intangible assets as determined by management; • Re-performing calculation of goodwill arising from the acquisition of Optotec group, being the difference between the total purchase consideration and the fair value of the net identifiable assets; and • Assessed adequacy of the disclosures in the financial statements as required to be made by Management as per Ind AS 103. Based on the above procedures performed, no significant observations were noted on the accounting for the business combination.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the consolidated financial statements and our auditors' report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 15 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associates and jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for assessing the ability of the Group and of its associates and jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entity.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors'

report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associates and jointly controlled entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. We did not audit the financial statements of twenty seven subsidiaries, whose financial statements reflect total assets of ₹ 1,354.25 crores and net assets of ₹ 401.27 crores as at March 31, 2022, total revenue of ₹ 696.75 crores, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 25.55 crores and net cash flows amounting to ₹ 5.92 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of ₹ 4.65 crores and ₹ Nil for the year ended March 31, 2022 as considered in the consolidated financial statements, in respect of two associates and one jointly controlled entity respectively, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and jointly controlled entity and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the aforesaid subsidiaries, associates and joint controlled entity, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

15. The financial statements of five subsidiaries located outside India, included in the consolidated financial statements, which constitute total assets of ₹ 1,158.53 crores and net assets of ₹ 385.84 crores as at March 31, 2022, total revenue of ₹ 891.63 crores, total comprehensive (loss) (comprising of loss and other comprehensive income) of ₹ (51.60) crores and net cash flows amounting to ₹ (0.36) crores for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India

from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

16. The statutory audit reports of subsidiaries of the Holding Company incorporated in India (refer Note 36 to the consolidated financial statements) have not been issued until the date of this report. Accordingly, no comments for the said subsidiaries have been included for the purpose of reporting required by paragraph 3(xxi) of the Companies (Auditors' Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act.

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to prepartion of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entity– Refer Note 22 and 39 to the consolidated financial statements.

    ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2022– Refer (a) Note 20 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and jointly controlled entity and (b) Note 53 to the consolidated financial statements in respect of the Group's share of net profit/loss in respect of its associates and jointly controlled entity.

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year.

iv. (a) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 19 to the consolidated financial statements).

(b) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 19 to the consolidated financial statements); and

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company, is in compliance with Section 123 of the Act.

18. The Holding Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 22108391AHYNMZ4011

Place: Pune
Date: April 28, 2022

Annexure A to Independent Auditors' Report

Referred to in paragraph 17 (f) of the Independent Auditors' Report of even date to the members of Sterlite Technologies Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Sterlite Technologies Limited (hereinafter referred to as "the Holding Company"). The statutory audit reports of subsidiaries of the Holding Company incorporated in India (refer Note 36 to the consolidated financial statements) have not been issued until the date of this report.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

6. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company has in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 22108391AHYNMZ4011

Place: Pune
Date: April 28, 2022

Consolidated Balance Sheet

as at 31 March 2022

	Notes	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
ASSETS			
I. Non-current assets			
Property, plant and equipment	4	2,855.38	2,782.82
Capital work-in-progress	4	142.43	227.19
Goodwill	5,6	296.03	292.08
Intangible assets	5	186.59	99.11
Deferred tax assets (net)	24A	47.96	17.79
Financial assets			
(i) Investments	7	92.08	122.30
(ii) Loans	9	4.19	14.63
(iii) Other non-current financial assets	10	17.53	9.61
Other non-current assets	11	121.50	39.07
Total Non-current Assets		**3,763.69**	**3,604.60**
II. Current assets			
Inventories	12	920.17	626.35
Financial assets			
(i) Investments	13	0.04	180.90
(ii) Trade receivables	8	1,706.46	1,451.42
(iii) Loans	9	0.26	0.17
(iv) Cash and cash equivalents	14	410.68	192.79
(v) Other bank balances	15	118.93	55.58
(vi) Other current financial assets	10	109.59	36.77
Contract assets	11	1,255.29	1,321.46
Other current assets	11	459.78	430.89
		4,981.20	**4,296.33**
Assets classified as held for sale	16	-	171.68
Total Current Assets		**4,981.20**	**4,468.01**
Total Assets		**8,744.89**	**8,072.61**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	79.55	79.33
Other equity	18	1,877.14	1,908.06
Equity attributable to owners of the parent		**1,956.69**	**1,987.39**
Non-controlling interests		85.69	98.07
Total Equity		**2,042.38**	**2,085.46**
Liabilities			
I. Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	1,536.15	1,255.72
(ii) Lease liabilities	4	128.89	78.68
(iii) Other financial liabilities	20	15.85	25.17
Employee benefit obligations	25	50.16	53.42
Provisions	22	0.84	0.74
Deferred tax liabilities (net)	24A	80.15	103.30
Total Non-current Liabilities		**1,812.04**	**1,517.03**
II. Current liabilities			
Financial liabilities			
(i) Borrowings	19	1,775.24	1,583.35
(ii) Lease liabilities	4	35.27	25.90
(iii) Trade payables	21		
(A) total outstanding dues of micro enterprises and small enterprises (refer note 40)		178.38	74.71
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		2,241.59	1,868.95
(iv) Other financial liabilities	20	294.29	559.10
Contract liabilities	23	185.76	71.27
Employee benefit obligations	25	17.19	13.37
Provisions	22	24.45	10.23
Current tax liabilities (Net)	24B	22.24	29.81
Other current liabilities	23	116.06	73.81
		4,890.47	**4,310.50**
Liabilities directly associated with assets classified as held for sale	16	-	159.62
Total Current Liabilities		**4,890.47**	**4,470.12**
Total liabilities		**6,702.51**	**5,987.15**
Total Equity & Liabilities		**8,744.89**	**8,072.61**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number: 108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

	Notes	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Continuing Operations			
INCOME			
Revenue from operations	26	5,754.26	4,825.18
Other income	27	59.32	42.97
Total Income (I)		**5,813.58**	**4,868.15**
EXPENSES			
Cost of raw materials and components consumed	28	3,237.04	2,534.14
Purchase of traded goods		2.49	0.69
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	28	(374.97)	(139.90)
Employee benefit expense	29	870.70	647.42
Other expenses (includes net impairment losses of financial and contract assets of ₹105.04 crores (31 March 2021: ₹4.36 crores)).	30	1,484.18	972.18
Total Expenses (II)		**5,219.44**	**4,014.53**
Earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		**594.14**	**853.62**
Depreciation and amortisation expense	31	325.51	285.26
Finance costs	32	241.35	203.00
Profit before exceptional items, tax and share of profit of associates and joint venture		**27.28**	**365.36**
Share of net profit of associates and joint venture	53	4.65	14.86
Profit before exceptional items and tax		**31.93**	**380.22**
Exceptional items	46	16.23	-
Profit before tax from continuing operations		**48.16**	**380.22**
Tax expense:			
Current tax	33	100.27	93.51
Deferred tax		(85.53)	17.76
Total tax expenses		**14.74**	**111.27**
Profit from continuing operations		**33.42**	**268.95**
Discontinued operation			
Profit / (loss) from discontinued operation after tax	16	13.92	(3.59)
Profit / (loss) from discontinued operation		**13.92**	**(3.59)**
Profit for the year (A)		**47.34**	**265.36**
Other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		1.28	(6.90)
Income tax effect on the above		(0.24)	1.73
Exchange differences on translation of foreign operations		6.32	44.23
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**7.36**	**39.06**
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurements of defined benefits plan		4.44	3.29
Income tax effect on the above		(1.12)	(0.83)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**3.32**	**2.46**
Other comprehensive income for the year, net of tax (B)		**10.68**	**41.52**
Total comprehensive income for the year (A+B)		**58.02**	**306.88**
Profit for the year attributable to:			
Owners of the Parent		61.95	275.47
Non-controlling interests		(14.61)	(10.11)
		47.34	**265.36**
Other comprehensive income attributable to:			
Owners of the Parent		5.57	35.61
Non-controlling interests		5.11	5.91
		10.68	**41.52**
Total comprehensive income attributable to:			
Owners of the Parent		67.52	311.08
Non-controlling interests		(9.50)	(4.20)
		58.02	**306.88**
Total comprehensive income attributable to owners arising from:			
Continuing Operations		58.48	313.44
Discontinued Operation		9.04	(2.36)
		67.52	**311.08**
Earnings/(loss) per equity share to owners of the parent	35		
Basic			
From continuing operations		1.33	6.98
From discontinued operation		0.23	(0.05)
From continuing and discontinued operations		1.56	6.93
Diluted			
From continuing operations		1.32	6.90
From discontinued operation		0.23	(0.05)
From continuing and discontinued operations		1.55	6.85
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number: 108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

Statement of Changes in Equity

for the year ended 31 March 2022

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each (issued, subscribed and fully paid)	Note	No. in crores	Amount
As at 01 April 2020		**40.39**	**80.79**
Changes in equity share capital	17	(0.73)	(1.46)
As at 31 March 2021		**39.66**	**79.33**
Changes in equity share capital	17	0.11	0.22
As at 31 March 2022		**39.77**	**79.55**

B. OTHER EQUITY

	Reserves and surplus							Other reserves				
	Capital reserve	Securities premium	Employee stock option outstanding	Debenture redemption reserve	General reserve	Capital redemption reserve	Retained earnings	Cash flow hedge reserve	Redemption liability reserve	Foreign currency translation reserve	Total	Non-controlling interest
As at 31 March 2020	**0.04**	**51.36**	**26.83**	**56.25**	**131.25**	**-**	**1,577.34**	**4.35**	**(15.22)**	**6.79**	**1,838.99**	**103.18**
Profit for the year	-	-	-	-	-	-	275.47	-	-	-	275.47	(10.11)
Other comprehensive income for the year	-	-	-	-	-	-	2.46	(5.17)	-	38.32	35.61	5.91
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**277.93**	**(5.17)**	**-**	**38.32**	**311.08**	**(4.20)**
Employee stock option exercised*	-	14.83	-	-	-	-	-	-	-	-	14.83	-
Transferred to securities premium account*	-	-	(14.83)	-	-	-	-	-	-	-	(14.83)	-
Employee stock option expense for the year (refer note 34)*	-	-	11.42	-	-	-	-	-	-	-	11.42	-
Amount transferred to general reserve	-	-	-	(18.75)	18.75	-	-	-	-	-	-	-
Equity dividend (refer note 49)*	-	-	-	-	-	-	(138.28)	-	-	-	(138.28)	-
Utilised for buy-back of equity shares*	-	(51.36)	-	-	(48.42)	-	-	-	-	-	(99.78)	
Tax on buy-back of equity shares	-	-	-	-	-	-	(22.16)	-	-	-	(22.16)	
Restatement of redemption liability	-	-	-	-	-	-	-	-	(3.45)	-	(3.45)	
Capital redemption reserve created during the year*	-	-	-	-	-	1.77	-	-	-	-	1.77	
Transferred to statement of profit and loss (net)	-	-	-	-	-	-	-	2.56	-	-	2.56	-
Others	-	-	-	-	-	-	-	-	-	5.91	5.91	-
Non-controlling interest acquired during the year *	-	-	-	-	-	-	-	-	-	-	-	(2.19)
Issue of equity shares*	-	-	-	-	-	-	-	-	-	-	-	1.28
As at 31 March 2021	**0.04**	**14.83**	**23.42**	**37.50**	**101.58**	**1.77**	**1,694.83**	**1.74**	**(18.67)**	**51.01**	**1,908.06**	**98.07**

* Transactions with owners in their capacity as owners

Statement of Changes in Equity

for the year ended 31 March 2022

	Reserves and surplus							Other reserves				
	Capital reserve	Securities premium	Employee stock option outstanding	Debenture redemption reserve	General reserve	Capital redemption reserve	Retained earnings	Cash flow hedge reserve	Redemption liability reserve	Foreign currency translation reserve	Total	Non-controlling interest
As at 31 March 2021	**0.04**	**14.83**	**23.42**	**37.50**	**101.58**	**1.77**	**1,694.83**	**1.74**	**(18.67)**	**51.01**	**1,908.06**	**98.07**
Profit for the year	-	-	-	-	-	-	61.95	-	-	-	61.95	(14.61)
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	3.32	1.04	-	1.21	5.57	5.11
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**65.27**	**1.04**	**-**	**1.21**	**67.52**	**(9.50)**
Employee stock option exercised*	-	10.14	-	-	-	-	-	-	-	-	10.14	-
Transferred to securities premium account*	-	-	(10.14)	-	-	-	-	-	-	-	(10.14)	-
Employee stock option expenses for the year (refer note 34)*	-	-	11.88	-	-	-	-	-	-	-	11.88	-
Amount transferred to general reserve	-	-	-	(37.50)	37.50	-	-	-	-	-	-	-
Equity dividend (refer note 49)*	-	-	-	-	-	-	(79.36)	-	-	-	(79.36)	-
Creation of redemption liability (refer note 47)	-	-	-	-	-	-	-	-	(34.93)	-	(34.93)	-
Restatement of redemption liability	-	-	-	-	-	-	-	-	6.30	-	6.30	-
Transferred to statement of profit and loss (net)	-	-	-	-	-	-	-	(1.34)	-	-	(1.34)	-
Others	-	-	-	-	-	-	-	-	-	(0.98)	(0.98)	-
Non-controlling interest acquired during the year (refer note 47)*	-	-	-	-	-	-	-	-	-	-	-	4.57
Non-controlling interest sold during the year (refer note 16)*	-	-	-	-	-	-	-	-	-	-	-	(7.45)
As at 31 March 2022	**0.04**	**24.97**	**25.16**	**-**	**139.08**	**1.77**	**1,680.74**	**1.44**	**(47.30)**	**51.24**	**1,877.14**	**85.69**

* Transactions with owners in their capacity as owners

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number: 108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

Statement of Cash Flows

for the year ended 31 March 2022

	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
A. Operating activities		
Profit/(Loss) before tax		
From continuing operations	48.16	380.22
From discontinued operation	13.92	(3.59)
	62.08	**376.63**
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and impairment of property, plant & equipment	319.37	255.57
Amortization and impairment of intangible assets	41.52	36.01
Provision for doubtful debts and advances	105.04	4.36
Bad debts / advances written off	-	0.92
(Profit) / loss on sale of property, plant and equipment, net including gain on termination of lease	(67.85)	(2.91)
Profit on sale of investments	(35.58)	-
Rental income	(0.06)	(0.06)
Share of profit from associates and joint venture	(4.65)	(14.86)
Change in fair value of Investment	-	(7.00)
Employee stock option expenses	11.88	11.42
Finance costs (including interest pertaining to Ind AS 116)	241.35	203.00
Finance income	(5.76)	(9.90)
Unrealized exchange difference	(2.74)	(8.97)
	602.52	**467.58**
Operating profit before working capital changes	**664.60**	**844.21**
Working capital adjustments:		
Increase/(decrease) in trade payables	413.58	460.92
Increase/(decrease) in long-term provisions	0.10	(0.69)
Increase/(decrease) in short-term provisions	14.22	0.21
Increase/(decrease) in other current liabilities	32.65	(4.24)
Increase/(decrease) in contract liabilities	113.48	(65.34)
Increase/(decrease) in other current financial liabilities	(10.94)	(50.87)
Increase/(decrease) in other non-current financial liabilities	(7.48)	(4.45)
Increase/(decrease) in current employee benefits obligations	3.93	(1.41)
Increase/(decrease) in non-current employee benefits obligations	1.18	2.89
Decrease/(increase) in trade receivables	(172.08)	180.05
Decrease/(increase) in inventories	(296.53)	(112.56)
Decrease/(increase) in loans given to related parties	10.43	0.10
Decrease/(increase) in short-term loans	(0.09)	0.47
Decrease/(increase) in other current financial assets	(62.28)	26.25
Decrease/(increase) in other non-current financial assets	5.08	15.70
Decrease/(increase) in other current assets	(22.74)	(36.48)
Decrease/(increase) in contract assets	54.98	(577.20)
Decrease/(increase) in other non-current assets	0.57	4.77
Change in working capital	**78.05**	**(161.88)**
Cash generated from operations	**742.66**	**682.33**
Income tax paid (net of refunds)	(168.68)	(43.85)
Net cash inflow from operating activities (A)	**573.98**	**638.48**

Statement of Cash Flows

for the year ended 31 March 2022

	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
B. Investing activities*		
Payment for property, plant and equipment	(668.46)	(446.20)
Receipt of government grant for investment in property, plant & equipment	128.85	-
Purchase of intangible assets	(8.53)	(9.47)
Proceeds from sale of property, plant and equipment	95.00	1.44
Investment in associates and joint venture	-	(31.43)
Investment in subsidiaries, net of cash acquired	(109.95)	(234.13)
Proceeds from assets held for sale	19.96	-
Proceeds from sale of non-current investments	44.87	-
Purchase of current investments	(0.04)	(180.86)
Proceeds from sale of current investments	180.90	233.00
Net movement in other bank balances	(160.02)	39.35
Rental income	0.06	0.06
Interest received	6.19	9.67
Net cash outflow from investing activities (B)	**(471.17)**	**(618.58)**
C. Financing activities*		
Proceeds from long - term borrowings	587.40	838.87
Repayment of long - term borrowings	(298.19)	(331.60)
Proceeds/(repayment) from/of short - term borrowings (net)	166.13	(4.29)
Proceeds from issue of shares against employee stock options	0.22	0.30
Interest paid (including interest pertaining to Ind AS 116)	(240.31)	(202.22)
Principal element of leases payments	(20.64)	(18.15)
Dividend paid on equity shares	(79.36)	(137.77)
Buy-back of equity shares	-	(99.78)
Tax on buy-back	-	(22.16)
Net cash inflow from financing activities (C)	**115.25**	**23.20**
* Non-cash financing and investing activities during the year pertain to acquisition of right to use assets of ₹86.17 crores (31 March 2021: ₹1.25 crores) and creation of redemption liability of ₹34.93 crores (31 March 2021: ₹ Nil).		
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**218.05**	**43.11**
Foreign exchange relating to cash and cash equivalents of foreign operations	(0.16)	3.28
Cash and cash equivalents as at the beginning of the year	192.79	153.48
Cash and cash equivalents as at the year end	**410.68**	**199.87**

Components of cash and cash equivalents:

	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Balances with banks:	410.67	192.76
Cash on hand	0.01	0.03
Total cash and cash equivalents	**410.68**	**192.79**
Cash & cash equivalents from discontinued operation	-	7.08
Total cash and cash equivalents	**410.68**	**199.87**

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number: 108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

1. Corporate information

The consolidated Ind AS financial statements comprise financial statements of Sterlite Technologies Limited (the Parent Company), its subsidiaries, joint ventures and associate companies (collectively, the Group)for the year ended 31 March 2022. The Parent Company is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The registered office of the Parent Company is located at 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1, Pune, Maharashtra- 411001, India. The Group is primarily engaged in the business of Connectivity and Network solutions.

The Group is a global leader in end-to-end data network solutions. The group designs and deploy high-capacity converged fibre and wireless networks. With expertise ranging from optical fibre and cables, hyper-scale network design, and deployment and network software, the group is the industry's leading integrated solutions provider for global data networks. The group partners with global telecom companies, cloud companies, citizen networks and large enterprises to design, build and manage such cloud-native software-defined networks.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The consolidated Ind AS financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value
- Share based payments
- Defined benefit plans- plan assets measured at fair value
- Assets classified as held for sale – measured at fair value less cost to sale.

The consolidated Ind AS financial statements are presented in Indian Rupees crores, except when otherwise indicated.

2.2 Principles of consolidation and equity accounting

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights;
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31 March 2022 When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how goodwill is accounted.

Eliminate in full intragroup assets and liabilities, equity, income, expenses relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Group in preparing its consolidated Ind AS financial statements:

a) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred; liabilities incurred to the former owners of the acquired business; equity interests issued by the Group and fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred; amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Redemption liability

The Group recognises a financial liability at the present value of the redemption amount for its obligation, if any, to pay cash in the future to purchase the shares held by non-controlling interest shareholders. The initial redemption liability and any subsequent adjustment to the liability is reduced from the parent's equity if the risks and rewards of ownership remain with the non-controlling interest and are not transferred to the group.

b) Investment in joint ventures and associate companies

The Group's investment in its joint ventures are accounted for using the equity method. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate companies and joint ventures are recognised as a reduction in the carrying amount of the investment.

Associate companies are all entities over which group has significant influence but not control. Investment in associate companies are accounted for using the equity method of accounting, after initially being recognised at cost.

c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products and services and the time between the acquisitions of assets for processing and their realisation in cash and cash equivalents, the group has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities.

d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (₹the functional currency'). The financial statements are presented in Indian rupee (INR), which is Sterlite Technologies Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on the basis of underlying transactions.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet.
- Income and expenses are translated at average exchange rates
- All resulting exchange differences are recognised in other comprehensive income or profit and loss account.

On consolidation, exchange difference arising from the translation of any net investment in foreign entities, and of borrowing and other financial instruments designated as hedges of such investments are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange difference are classified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rate.

e) Revenue from contracts with customers

Revenue recognition policy

The Group has following streams of revenue:

(i) Revenue from sale of products

(ii) Revenue from sale of services

(iii) Revenue from network integration projects

(iv) Revenue from software products/licenses and implementation activities

The Group accounts for a contract when it has approval and commitment from parties involved, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

The Group identifies distinct performance obligations in each contract. For most of the network integration project contracts, the customer contracts with the Group to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

However, the Group may promise to provide distinct goods or services within a contract, for example when a contract covers multiple promises (e.g., construction of network with its maintenance and support), in which case the Group separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Group allocates the total transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation. In case of cost to obtain a contract, the same is determined as per the terms of contract with the customer and is amortised on a systematic basis that is consistent with the transfer to the customer of the goods and services.

The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Group performs, or

(b) The customer controls the work-in-progress, or

(c) The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date.

If none of the criteria above are met, the Group recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time when control has been transferred.

The Group uses input method to measure the progress for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the input method measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Revenue in respect of operation and maintenance contracts is recognized on a time proportion basis.

Due to the nature of the work required to be performed on performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. It is common for network intergration project contracts to contain liquidated damages on delay in completion/performance, bonus on early completion, or other provisions that can either increase or decrease the transaction price. These variable amounts generally are awarded upon achievement of certain performance metrics, program milestones or cost targets and may be based upon customer discretion.

The Group estimates variable consideration using the most likely amount to which it expects to be entitled. The Group includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Contracts are modified to account for changes in contract specifications and requirements. The Group considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

When estimates of total costs to be incurred exceed total estimates of revenue to be earned on a performance obligation related to a contract, a provision for the entire loss on the performance obligation is recognized in the period.

For fixed price contracts, the customer pays the fixed amount based on the payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognized. If the payment exceed the services rendered, a contract liability is recognised.

Financing components: The Group does not expect to have any material contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Revenue recognised at a point-in-time

For contracts where performance obligation(s) are not satisfied over time, revenue is recognized at a point in time when control is transferred to the customer - based on right to payment, alternative use of goods, legal title to goods, delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above.

f) Other income

1. Interest income

Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in other income in the statement of profit and loss.

2. Dividends

Dividends are recognised in profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

3. Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in the statement of profit and loss.

g) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

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Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are recognised in books by deducting the grant from the carrying amount of the asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

h) Income taxes (Current income tax & deferred tax)

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation in the countries where the parent company and it’s subsidiaries operate and generate taxable income is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax is recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that taxable amounts will be available to utilise those temporary differences and losses

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled.

Current and Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to income taxes levied by same taxation authorities on either same taxable entity or different taxable entities which intend either to settle the current tax assets and tax liabilities on a net basis or to realise the asset and settle the liability simultaneously.

i) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment. Such historical cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected to be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction cost to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The Group, based on technical assessments made by technical experts and management estimates, depreciates the certainitems of tangible assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Table below provides the details of the useful life which are different from useful life prescribed under Schedule II of the Companies Act, 2013:

Asset Category	Useful Life considered#*	Useful life (Schedule II)
Buildings	30-60 Years	30-60 Years
Plant & Machinery	3-25 Years	Continuous process plant -25 Years Others - 15 Years
Furniture and fixtures	7.5-10 Years	10 Years
Data processing equipments	3-5 Years	Servers and networks -6 years and Desktops and laptop etc - 3 Years
Office equipment	4-5 Years	5 Years
Electric fittings	4-10 Years	10 Years
Vehicles	4-5 Years	8 Years

* Considered on the basis of management's estimation, supported by technical advice of management's expert, of the useful lives of the respective assets.

Residual value considered upto 15% on the basis of management's estimation, supported by technical advice.

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted, if appropriate, at the end of each reporting period.

j) Intangible assets

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, or is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern

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of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The Group does not have any intangible assets with indefinite useful lives.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Customer acquisition costs consist of payments made to obtain consents/permissions for laying of fiber cables and other telecom infrastructure in residential and commercial complexes/townships. Such cost is amortized over the period of the consent/permission on a straight line basis.

All intangibles assets (other than Goodwill and Customer Relationships) are amortised on a straight line basis five to six years.

Goodwill on amalgamation is amortised on a straight line basis over a period of five years from the date of amalgamation as per the Court Order.

Customer relationships recognised as a part of business combination are amortised over period of five to ten years.

Research costs are expensed as incurred.

k) Leases

As a lessee:

The group leases various assets which includes land, buildings and plant & machinery. Rental contracts are typically made for fixed periods of 2 to 15 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, and leased assets are not used as security for borrowing purposes

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee’s incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in a number of property and equipment leases across the group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

As a lessor:

Lease income from operating leases where the group is a lessor is recognised in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

l) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

m) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non¬financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

n) Provisions and contingent liabilities

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for privilege leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) Defined benefit plans in the nature of gratuity, and

(b) Defined contribution plans in the nature of provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

p) Share-based payments

The fair value of options granted under the Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions (e.g., the entity's share price)
- Excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

q) Investments and other financial assets

i) Classification & recognition:

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commit to purchase or sell the financial asset.

ii) Measurement:

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in statement of profit and loss using the effective interest rate method. Impairment losses are presented as a separate line item in the financial statements.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses and impairment expenses are presented as separate lines item in the financial statements.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ (expenses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ (expenses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

The Group makes investments in certain joint ventures and associate companies with the objective to generate growth in the medium term and with identified exit strategies. Such investments are managed on a fair value basis. The Group has elected to measure investments in such joint ventures and associate companies in accordance with Ind AS 109.

iii) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instrument, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Lease receivables under Ind AS 116

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

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- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity uses the remaining contractual term of the financial instrument;
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

iv) De-recognition of financial asset

A financial asset is derecognised only when the group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

r) Financial liabilities

Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/(expenses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

s) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counter party.

t) Derivatives and hedging activities

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as ‘held for trading’ for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges). The Group documents at the inception of the hedging transaction the economic

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relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

When forward contracts are used to hedge forecast transactions, the Group designates the full change in fair value of the forward contract as the hedging instrument. The gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When the hedged forecast transaction results in the recognition of a non-financial asset (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

- With respect to gain or loss relating to the effective portion of the of forward contracts, the deferred hedging gains and losses are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in profit or loss within finance costs, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in profit or loss. If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

Derivatives that are not designated as hedges

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in statement of profit and loss.

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

u) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of (i) the amount determined in accordance with the expected credit loss model as per Ind AS 109 and (ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the priciples of Ind AS 115.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be without the guarantee, or the estimated amount that would be payable to the third party for assuming the obligations.

Where the guarantees in relation to the loans or other payables of associate companies are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

v) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Group's cash management.

w) Dividends

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

x) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

y) Presentation of EBITDA

The Group presents Earnings before interest, tax, depreciation and amortisation ('EBITDA') in the statement of profit or loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the group's financial position or performance.

Accordingly, the Group has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Group does not include exceptional items, depreciation and amortization expense, finance costs, share of profit/ loss from associates and joint venture and tax expense.

z) Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless there is significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

aa) Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors has been identified as being the CODM. Refer note 56 for segment information presented.

bb) Non-current assets (or disposal group) held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are

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presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

cc) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated.

dd) Exceptional items

When the items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the period, the nature and amount of such items are disclosed separately as exceptional item by the Group.

2.2 Recent accounting pronouncements

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These changes are applicable for the financial year commencing from 1 April 2022 thus management will evaluate disclosures required and applicable to Financial statements issued in respect of accounting years commencing on or after 1 April 2022.

NOTE 3: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the use of accounting estimates. Management exercises judgement in applying the Group's accounting policies. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reliable and relevant under the circumstances. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Management believes that the estimates are the most likely outcome of future events. Detailed information about each of these estimates and judgements is described below.

Impairment of goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount. The recoverable amount of a cash generating unit (CGU) is determined based on value in use calculations. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate. The key assumptions used to determine the recoverable amount for goodwill including a sensitivity analysis are disclosed and further explained in Note 6.

Revenue recognition on contracts with customers

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the distinct goods/services and the ability of the customer to benefit independently from such goods/services.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, liquidated damages, penalties, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation (allocation of transaction price). The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus reasonable margin approach to allocate the transaction price to each distinct performance obligation.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, timing gap between transfer of control and actual revenue recognition, etc.

Revenue for fixed-price contract is recognised using the input method for measuring progress. The Group uses cost incurred related to total estimated costs to determine the extent of progress towards completion. Judgement is involved to estimate the future cost to complete the contract and to estimate the actual cost incurred basis completion of relevant activities towards fulfilment of performance obligations.

Contract fulfilment costs are generally expensed as incurred except for costs that meet the criteria for capitalisation. Such costs are amortised over the life of the contract.

Uninstalled materials are materials that will be used to satisfy performance obligations in a contract for which the cost incurred does not depict transfer to the customer. The Group excludes cost of uninstalled materials for measuring progress towards satisfying a performance obligation if it involves only provision of a procurement service. In case of uninstalled materials, the Group recognises revenue equal to the cost of the uninstalled materials if the goods are distinct, the customer is expected to obtain control of the goods significantly before services related to the goods are rendered, the cost of the transferred goods is significantly relative to the total expected costs to completely satisfy the performance obligation and the goods are procured from a third party wherein there is no involvement of the Group in designing and manufacturing of the good.

Share-based payments

The Group measures the cost of equity-settled transactions with employees using Black Scholes model and Monte carlo's simulation model to determine the fair value of options. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions relating to vesting of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.

Defined benefit plans

The cost of the defined benefit plan and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increase, employee turnover and expected return on planned assets. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at the year end. Details about employee benefit obligations and related assumptions are given in Note 25.

Business combinations

In accounting for business combinations, judgement is required for valuation of assets and determining whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable asset acquired and liabilities and contingent considerations involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions, such as discount rate, that have been deemed reasonable by management. Changes in these judgements, estimates and assumptions can materially affect the results of operations.

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NOTE 4: PROPERTY, PLANT & EQUIPMENT

(₹ in crores)

	Freehold land	Buildings#	Plant & machinery	Furniture & fixtures	Data processing equipments	Office equipments	Electrical fittings	Vehicles	Right of use asset	Total
Cost										
As at 01 April 2020	**127.00**	**625.73**	**3,149.88**	**28.01**	**71.99**	**20.08**	**64.37**	**13.92**	**152.73**	**4,253.71**
Additions	-	21.95	126.41	2.55	8.19	1.90	4.45	0.75	1.25	167.45
Asset disclosed as asset held for sale	(0.76)	(0.19)	-	-	-	-	-	-	-	(0.95)
Assets acquired under business combination	-	2.14	-	-	-	-	-	-	-	2.14
Translation adjustments	1.93	7.80	38.86	0.16	(0.01)	0.44	0.01	0.27	4.09	53.55
Disposals/adjustments	-	(2.68)	(20.13)	(1.24)	(0.07)	(0.95)	(1.35)	(2.50)	(16.46)	(45.38)
As at 31 March 2021	**128.17**	**654.75**	**3,295.02**	**29.48**	**80.10**	**21.47**	**67.48**	**12.44**	**141.61**	**4,430.52**
Additions	10.27	52.19	189.66	2.65	12.31	3.60	19.99	5.63	86.17	382.47
Assets acquired under business combination (refer note 47)	-	-	7.08	-	-	-	-	-	-	7.08
Translation adjustments	(1.17)	4.03	25.93	0.04	-	(0.08)	-	(0.06)	0.26	28.95
Disposals/adjustments	(4.74)	(2.87)	(39.96)	(1.04)	(0.09)	(1.66)	(0.39)	(1.93)	(1.48)	(54.16)
As at 31 March 2022	**132.53**	**708.10**	**3,477.73**	**31.13**	**92.32**	**23.33**	**87.08**	**16.08**	**226.56**	**4,794.86**
Accumulated Depreciation and Impairment										
As at 01 April 2020	**-**	**106.92**	**1,173.78**	**14.05**	**50.17**	**13.45**	**32.57**	**5.50**	**17.00**	**1,413.44**
Charge for the year	-	28.07	176.80	2.95	10.70	2.77	4.88	1.96	21.12	249.25
Asset disclosed as asset held for sale	-	(0.10)	-	-	-	-	-	-	-	(0.10)
Translation adjustments	-	2.70	16.44	0.11	(0.01)	0.40	0.01	0.26	1.50	21.41
Disposal / adjustments	-	(2.38)	(20.00)	(0.79)	(0.02)	(0.89)	(1.33)	(1.95)	(8.94)	(36.30)
As at 31 March 2021	**-**	**135.21**	**1,347.02**	**16.32**	**60.84**	**15.73**	**36.13**	**5.77**	**30.68**	**1,647.70**
Charge for the year*	-	33.86	202.50	2.83	10.33	3.05	5.17	1.82	26.21	285.77
Impairment loss (refer note 46)	-	-	28.69	-	-	-	-	-	-	28.69
Translation adjustments	-	0.75	4.60	0.02	(0.00)	(0.11)	-	(0.07)	(0.15)	5.04
Disposal/adjustments	-	(1.48)	(21.02)	(0.98)	(0.07)	(1.66)	(0.37)	(0.91)	(1.23)	(27.72)
As at 31 March 2022	**-**	**168.34**	**1,561.79**	**18.19**	**71.10**	**17.01**	**40.93**	**6.61**	**55.51**	**1,939.48**
Net Book Value										
As at 31 March 2022	132.53	539.76	1,915.94	12.94	21.22	6.32	46.15	9.47	171.05	2,855.38
As at 31 March 2021	128.17	519.54	1,948.00	13.16	19.26	5.74	31.35	6.67	110.93	2,782.82

Movement in capital work in progress	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**227.19**	**132.78**
Additions during the year	200.99	257.11
Borrowing cost capitalised during the year (Refer Note 32)	4.92	2.75
Transfers during the year	(290.67)	(165.45)
Closing balance	**142.43**	**227.19**

Capital work in progress mainly comprises amounts pertaining to plant & machinery, building and Data processing equipments.

 # Buildings include those constructed on leasehold land:

	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Gross Block	478.57	428.17
Depreciation for the year	21.51	15.85
Accumulated depreciation	98.47	76.96
Net Block	380.10	351.21

*The charge during the year also include amount of ₹ 1.79 crores (31 March 2021: ₹ Nil) which is capitalised as directly attributable expenditure as per Ind AS 16

Refer note 19 for information on property, plant and equipment pledged as security by the Group.

Refer note 38 for disclosure of capital commitments for the acquisition of property, plant & equipments.

No proceedings have been initiated or are pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Capital work in progress ageing schedule

(₹ in crores)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Fiber cable project	79.95	-	-	-	79.95
Fiber project	10.15	-	-	-	10.15
Wireless solution project	30.00	1.60	-	-	31.60
Others	19.90	0.83	-	-	20.73
	140.00	**2.43**	**-**	**-**	**142.43**

(₹ in crores)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Fiber cable project	88.09	11.55	0.61	-	100.25
Fiber project	82.33	31.10	0.71	0.70	114.84
Wireless solution project	2.21	0.05	-	-	2.26
Others	7.36	1.56	0.70	0.22	9.84
	179.99	**44.26**	**2.02**	**0.92**	**227.19**

There are no material overdues compared to original plans as on 31 March 2022 and 31 March 2021. The reporting for the year ended 31 March 2021 is based on current status of the projects due to revision in the original plan date of the project on account of Covid-19 pandemic.

The group evaluates completion of the projects based on its original plan which includes certain projects relating to research and development monitored on an ongoing basis.

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Details of leases:

The note provides information for leases where the company is a lessee. The company has taken land, various offices and equipments on lease. Rental contracts for offices and equipments are typically made for fixed periods of 2 to 15 years, but have extension options.

(i) Assets recognised in balance sheet

The balance sheet shows the following amount relating to lease:

(₹ in crores)

Particulars	Gross Book Value		Net Book Value	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Right of use assets				
Leasehold land	27.67	22.34	33.08	27.79
Buildings	149.70	70.10	100.89	41.72
Plant & Machinery	49.19	49.18	37.08	41.42
Total	**226.56**	**141.62**	**171.05**	**110.93**

Additions to the right of use assets during the year is ₹ 86.17 crores (31 March 2021: ₹ 1.25 crores).

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Lease liabilities		
Current	35.27	25.90
Non-current	128.89	78.68
Total	**164.16**	**104.58**

Movement of lease liability

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	104.58	129.30
Add: created during the year	86.17	1.25
Less: deleted during the year	(0.29)	(9.46)
Add: interest accrued during the year	10.38	10.01
Less: rent paid during the year	(31.01)	(28.16)
Add/(less): FCTR	(5.67)	1.64
Closing balance	**164.16**	**104.58**

(ii) Amount recognised in the Statement of profit and loss

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Depreciation charge on right of use assets		
Leasehold land	0.66	0.15
Buildings	21.52	16.89
Plant & machinery	4.03	4.08
Total (Note no. 31)	**26.21**	**21.12**

Particulars	Note no.	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Interest expenses (included in finance cost)	32	10.38	10.01
Expenses related to short term leases, low value assets (disclosed as rent in other expenses)	30	11.48	4.41

The total cash outflow for leases for the year ended 31 March 2022 was ₹ 42.49 crores (31 March 2021: ₹ 32.57 crores)

Extension and termination option:

Extension and termination options are included in a number of property and equipment leases held by the group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

NOTE 5: INTANGIBLE ASSETS

(₹ in crores)

	Software/ licenses	Patents	Customer acquisition / Customer Relationships	Non-Compete	Indefeasible right of use	Goodwill (Refer note 6 and note 45)	Total
Cost							
As at 01 April 2020	**65.25**	**9.32**	**73.49**	**1.06**	**1.00**	**255.34**	**405.46**
Additions	14.29	-	2.08	-	-	-	16.37
Assets acquired under business combination	0.05	-	-	-	-	172.98	173.03
Disposals /adjustments	(0.46)	-	-	-	-	4.13	3.67
Translation adjustments	0.52	-	5.71	0.00*	-	7.84	14.07
As at 31 March 2021	**79.65**	**9.32**	**81.28**	**1.06**	**1.00**	**440.29**	**612.60**
Additions	6.56	-	2.39	-	-	-	8.95
Assets acquired under business combination (Refer note 47)	-	36.68	88.38	3.79	-	92.53	221.38
Disposals /adjustments	(0.81)	-	-	-	-	(80.31)	(81.12)
Translation adjustments	0.07	-	(8.82)	-	-	(8.28)	(17.03)
As at 31 March 2022	**85.47**	**46.00**	**163.23**	**4.85**	**1.00**	**444.23**	**744.78**
Accumulated amortization and impairment							
As at 01 April 2020	**27.07**	**9.32**	**15.61**	**0.05**	**0.53**	**133.55**	**186.13**
Charge for the year	9.95	-	11.29	0.05	0.07	14.65	36.01
Disposals /adjustments	(0.02)	-	-	-	-	-	(0.02)
Translation adjustments	(0.74)	-	0.01	0.00*	-	-	(0.73)
As at 31 March 2021	**36.26**	**9.32**	**26.91**	**0.10**	**0.60**	**148.20**	**221.39**
Charge for the year	11.76	4.43	24.00	1.27	0.07	-	41.53
Disposals /adjustments	(0.11)	-	-	-	-	-	(0.11)
Translation adjustments	0.03	-	(0.68)	-	-	-	(0.65)
As at 31 March 2022	**47.94**	**13.75**	**50.23**	**1.37**	**0.67**	**148.20**	**262.16**
Net Book Value							
As at 31 March 2022	37.53	32.25	113.00	3.48	0.33	296.03	482.62
As at 31 March 2021	43.38	-	54.37	0.96	0.39	292.08	391.19

* Amount is below the rounding off norm followed by the Group.

NOTE 6: IMPAIRMENT TESTING OF GOODWILL

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Goodwill (refer note 5)	296.03	292.08

Goodwill is monitored by management at CGU level. The Group has performed its annual impairment test by computing the recoverable amount based on a value in use calculations which require the use of assumptions as given in table below. The calculations use cash flow projections from financial budgets approved by senior management covering a period of five years. The management has not identified any instances that could cause the carrying amount of the CGU's to exceed the recoverable amount.

A CGU level summary of the goodwill allocation is given below

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Connectivity Solutions business in Europe Region	60.11	61.55
Network service Solutions business in Europe Region	57.10	57.55
Optical Inter-connect Solutions business in Europe Region (refer note 47)	89.55	172.98
Network service Solutions business in UK Region (refer note 47)	89.27	-
	296.03	**292.08**

Notes

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Key assumptions used in the value in use calculations

The following table provides the key assumptions for those CGUs that have goodwill allocated to them:

Particulars	31 March 2022	31 March 2021
EBIDTA margins over the budgeted period	9.00%-19.00%	10.00%-19.00%
Long-term terminal growth rate for Connectivity Solutions business	2.00%	2.00%
Long-term terminal growth rate for Network service Solutions in Europe	2.00%	2.00%
Long-term terminal growth rate for Optical Inter-connect Solutions in Europe	0.50%	-
Long-term terminal growth rate for Network service Solutions in UK	3.00%	-
Pre-tax discount rate for Connectivity Solutions business	12.75%	4.21%
Pre-tax discount rate for Network service Solutions in Europe	13.90%	16.00%
Pre-tax discount rate for Optical Inter-connect Solutions in Europe	13.60%	-
Pre-tax discount rate for Network service Solutions in UK	8.99%	-

Management has determined the values assigned to each of the above key assumptions as follows:

Discount rate

Discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and the CGU and is derived from the CGU's weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. CGU specific risk is incorporated by applying individual beta factor. The beta factor is evaluated annually based on publicly available market data.

Growth rate assumptions

The group has considered growth rate to extrapolate cash flows beyond the budget period, consistent with the industry forecasts.

EBITDA margins

EBITDA margins are based on the actual EBITDA of the CGU based on the past trend and future expectations.

Sensitivity to changes in assumptions - Network service solutions business in Europe region

Discount rates

A rise in pre-tax discount rate to 18% would result in impairment.

EBITDA margins - A decreased demand can lead to a decline in EBITDA. A decrease in EBITDA margins below 6% would result in impairment.

Sensitivity to changes in assumptions - Connectivity solutions business in Europe region

Discount rates

A rise in pre-tax discount rate to 21% would result in impairment.

EBITDA margins - A decreased demand can lead to a decline in EBITDA. A decrease in EBITDA margins below 5.25% would result in impairment.

Sensitivity to changes in assumptions - Optical Inter-connect solutions business in Europe region

Discount rates

A rise in pre-tax discount rate to 14.62% would result in impairment.

EBITDA margins - A decreased demand can lead to a decline in EBITDA. A decrease in EBITDA margins below 16.9% would result in impairment.

Sensitivity to changes in assumptions - Network service solutions in UK region

Discount rates

A rise in pre-tax discount rate to 10.00% would result in impairment.

NOTE 7: NON-CURRENT INVESTMENTS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current investments (unquoted)		
Investment in joint venture		
50.00% (31 March 2021: 58.05%) Equity investment in Sterlite Conduspar Industrial Ltda	-*	-*
Investment in joint venture at fair value through P&L		
Nil (31 March 2021: 511) Equity shares of Metis Eduventures Private Limited#	-	8.53
Investments - Other at fair value through OCI		
18,683 (31 March 2021: 18,683) Equity shares of Singularity Healthcare IT	-*	-*
Systems Private Limited of ₹ 10 each fully paid up		
Investment in debentures (unquoted)		
Investment in debentures- joint venture at fair value through P&L		
Nil (31 March 2021: 17,600,000) 0.001% Compulsorily	-	17.60
Convertible Debentures of Metis Eduventures Private Limited#		
Nil (31 March 2021: 5,000,000) 0.01% Cumulative Optionally	-	5.00
Convertible Debentures of Metis Eduventures Private Limited#		
Investment in preference shares - joint venture (at fair value through P&L)		
Nil (31 March 2021: 313) 0.01% Compulsorily Convetible	-	3.74
Preference Shares of Metis Eduventures Private Limited#		
Investment in associate companies		
40% stake in MB Maanshan Special Cable Limited	31.95	27.30
11.70% (31 March 2021: 12.5%) stake in ASOCS Ltd.**	60.13	60.13
Total Investments	**92.08**	**122.30**
Total non-current investments		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	92.08	122.30
Amount of impairment in the value of investments	-	-

* Amount is below the rounding off norm followed by the Group.

**Investment in ASOCS Ltd. is classified as fair value through OCI.

During the year, group has sold the investment in Metis Eduventures Private Limited for ₹ 44.88 crores. The gain on sale of ₹ 10.00 crores is disclosed in other income as profit on sale of investments.

The group has complied with the number of layers prescribed under the Companies Act, 2013.

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

NOTE 8: TRADE RECEIVABLES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current		
Trade receivables	1,813.88	1,435.49
Receivables from related parties (refer note 51)	41.90	74.55
Less: Loss allowance	(149.32)	(58.62)
	1,706.46	**1,451.42**
Break-up for security details		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	1,855.78	1,510.04
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**1,855.78**	**1,510.04**
Less: loss allowance	149.32	58.62
Total current trade receivables	**1,706.46**	**1,451.42**

Notes
to the Consolidated Financial Statements for the year ended 31 March 2022

Trade receivable ageing

31 March 2022

(₹ in crores)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,027.18	145.37	240.83	169.22	153.70	119.48	1,855.78
Total	**1,027.18**	**145.37**	**240.83**	**169.22**	**153.70**	**119.48**	**1,855.78**

31 March 2021

(₹ in crores)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	716.87	347.68	83.55	128.68	233.26	-	1,510.04
Total	**716.87**	**347.68**	**83.55**	**128.68**	**233.26**	**-**	**1,510.04**

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Refer note 19 for information on trade receivables hypothecated as security by the Group.

NOTE 9: LOANS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current (unsecured, considered good)		
Loans to related parties (refer note 51)	4.19	14.63
Total non-current loans	**4.19**	**14.63**
Break-up for security details		
Loans Considered good - secured	-	-
Loans Considered good - unsecured	4.19	14.63
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**4.19**	**14.63**
Less: loss allowance	-	-
Total	**4.19**	**14.63**
Current		
Loans to employees	0.26	0.17
Total current loans	**0.26**	**0.17**

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties:

Type of borrower	Amount outstanding as at 31 March 2022	Percentage to the total loans and advances in the nature of loans
Amounts repayable on demand		
Other Related Parties		
Twin Star Technologies Limited	0.79	18.83%
Twinstar Disply Technologies Limited	0.48	11.48%
Sterlite Conduspar Industrial Ltda	2.79	66.59%
Maharashtra Transmission Communication Infrastructure Limited	0.13	3.10%
Total	**4.19**	**100.00%**

Type of borrower	Amount outstanding as at 31 March 2021	Percentage to the total loans and advances in the nature of loans
Amounts repayable on demand		
Other Related Parties		
Twin Star Technologies Limited	0.45	3.05%
Twinstar Disply Technologies Limited	11.51	78.65%
Sterlite Conduspar Industrial Ltda	2.68	18.30%
Total	**14.64**	**100.00%**

NOTE 10: OTHER FINANCIAL ASSETS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current (unsecured, considered good)		
Derivative instruments		
Foreign exchange forward contracts	0.53	6.83
Others		
Security deposits	3.97	2.53
Others*	13.03	0.25
Total other non-current financial assets	**17.53**	**9.61**

*This amount includes ₹ 11.52 crores receivable from Sterlite Power Transmission Limited with respect to sale of investment in Maharashtra Transmission Communication Infrastructure Limited. (Refer note 16 for further details)

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current (unsecured, considered good)		
Derivative instruments		
Foreign exchange forward contracts	26.48	20.83
Currency/ Interest rate swaps	4.10	5.82
Others		
Security deposits	12.34	9.43
Interest accrued on investments/deposits	0.20	0.63
Government grants receivable	32.64	-
Others*	33.83	0.06
Total other current financial assets	**109.59**	**36.77**

*This includes ₹ 9.93 crores receivable from Sterlite Power Transmission Limited with respect to sale of investment in Maharashtra Transmission Communication Infrastructure Limited. (Refer note 16 for further details)

Refer note 19 for information on financial assets hypothecated as security by the Group.

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

NOTE 11: OTHER ASSETS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current (unsecured, considered good)		
Capital advances	34.59	9.74
Advance income tax, including TDS (net of provision)	58.55	2.19
Prepaid expenses	1.64	2.21
Advance to suppliers	26.72	24.93
Total other non-current assets	**121.50**	**39.07**
Contract assets (unsecured, considered good)	1,266.47	1,321.46
Less: loss allowance	(11.18)	-
Total contract assets	**1,255.29**	**1,321.46**

Significant changes in contract assets

Contract assets have decreased from previous year as entity has provided fewer services ahead of the agreed payment schedules for fixed price contracts.

During the year, loss allowance of ₹ 11.18 crores (31 March 2021: ₹ Nil) has been recognised for the contract assets.

During the year ended 31 March 2022, ₹ 1,156.77 crores (31 March 2021: ₹ 547.68 crores) of opening unbilled revenue has been reclassified to Trade receivables upon billing to customers on completion of milestones.

Refer note 19 for information on other assets hypothecated as security by the Company.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current (unsecured, considered good)		
Prepaid expenses*	49.94	36.37
Balances with Government authorities	324.64	358.35
Advance to suppliers	65.72	23.71
Other advances	19.48	12.46
Total other current assets	**459.78**	**430.89**

* Includes cost to obtain a contract of ₹ 4.63 crores (31 March 2021: ₹ 7.95 crores) which is being amortised to Statement of Profit and Loss on a systematic basis which is consistent with the transfer to the customer of the goods and services. The amount amortised to Statement of Profit and Loss in the current year is ₹ 3.32 crores (31 March 2021: ₹ 1.84 crores).

NOTE 12: INVENTORIES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Raw materials [Includes stock in transit ₹ 11.48 crores (31 March 2021: ₹ 26.14 crores)]	127.16	206.16
Work-in-progress	100.68	87.96
Finished goods	615.38	252.02
[Includes stock in transit ₹ 36.78 crores (31 March 2021: ₹ 21.33 crores)]		
Traded goods	2.91	4.02
Stores, spares, packing materials and others	74.04	76.19
Total	**920.17**	**626.35**

Amount recognised in statement of profit and loss

Write-downs of inventories to net realisable value amounted to ₹ 60.24 crores (31 March 2021: ₹ 34.19 crores). These were recognised as an expense during the year and included in '(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods' in statement of profit and loss of respective year.

Refer note 19 for information on inventories hypothecated as security by the Group.

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

NOTE 13: CURRENT INVESTMENT

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
In mutual funds(at fair value through profit or loss) (quoted)		
Nil (31 March 2021: 248,357.27) units of SBI Liquid fund- Direct Growth Plan	-	80.00
Nil (31 March 2021: 99,370.95) units of Nippon India Liquid Fund - Direct growth plan growth option	-	50.00
Nil (31 March 2021: 1,640,873.05) units of ICICI Prudential Liquid Fund- Direct Plan- Growth Option		
	-	50.00
Investment in other short term liquid funds	**0.04**	**0.90**
Aggregate amount of quoted investments [Market Value: ₹ 0.04 crores (31 March 2021: ₹ 180.90 crores)]	0.04	180.90
Aggregate amount of impairment in the value of investments	-	-

NOTE 14: CASH AND CASH EQUIVALENTS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Balances with banks:		
In current accounts (in INR)	130.27	65.10
In current accounts (in foreign currency)	180.39	127.67
Deposits with maturity of less than 3 months	100.00	-
Cash in hand	0.02	0.02
Total cash and cash equivalents	**410.68**	**192.79**

There are no repatriation restrictions with regards to cash and cash equivalents.

NOTE 15: OTHER BANK BALANCES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Deposits with original maturity of more than 12 months*	1.26	0.47
Deposits with original maturity of more than 3 months but less than 12 months**	113.23	50.44
In unpaid dividend account	4.44	4.67
Total other bank balances	**118.93**	**55.58**

* Includes ₹ 1.26 crores (31 March 2021: ₹ 0.47 crores) held as lien by banks against bank guarantees.

** Includes ₹ 1.40 crores (31 March 2021: ₹ 0.44 crores) held as lien by banks against bank guarantees.

NOTE 16: ASSET CLASSIFIED AS HELD FOR SALE

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Assets classified as held for sale		
Property, plant and equipment	-	81.73
Capital work-in-progress	-	8.64
Intangible assets	-	2.93
Other non-current assets	-	7.68
Trade receivables	-	62.71
Cash and cash equivalents	-	7.08
Other bank balances	-	0.25
Other current assets	-	0.66
Total assets of disposal group held for sale	**-**	**171.68**
Liabilities directly associated with assets classified as held for sale		
Borrowings	-	20.35
Trade payables	-	26.57
Employee benefit obligations	-	0.25
Other financial liabilities	-	1.02
Other liabilities	-	111.43
Total liabilities directly associated with assets classified as held for sale	**-**	**159.62**
Net assets of disposal group held for sale	**-**	**12.06**

Notes

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1. Post demerger of the power business in the financial year ended 31 March 2017, the group has been in the process of obtaining requisite approvals from government authorities to sell its equity interest in its subsidiary, Maharashtra Transmission Communication Infrastructure Limited (referred as disposal group or MTCIL) to Sterlite Power Transmission Limited.

During the year ended 31 March 2022, group has sold the investment in MTCIL. The gain on sale of investment in Maharashtra Transmission Communication Infrastructure Limited of ₹ 25.57 crores is disclosed in other income as profit on sale of subsidiaries.

Financial performance and cash flow information

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Revenue	27.65	10.27
Expenses	(13.73)	(13.86)
Profit / (loss) before income tax	**13.92**	**(3.59)**
Income tax	-	-
Profit / (loss) for the year	**13.92**	**(3.59)**
Other comprehensive income	-	-
Total comprehensive income	**13.92**	**(3.59)**
Net cash inflow / (outflow) from operating activities	111.45	24.38
Net cash inflow / (outflow) from investing activities	(89.31)	(10.95)
Net cash inflow / (outflow) from financing activities	(22.10)	(10.23)
Net (decrease) / increase in cash generated from discontinuing operation	**0.04**	**3.20**

Details of sale of subsidiary:

Particulars	31 March 2022 (₹ in crores)
Consideration received/receivable:	
Cash	41.41
Carrying amount of net assets sold	(15.86)
Gain on sale before income tax	**25.55**
Income tax expense on gain	0.68
Gain on sale after income tax	**24.87**

The carrying amounts of assets and liabilities as at the date of sale (29 March 2022) were as follows:

Particulars	29 March 2022 (₹ in crores)
Property, plant and equipments	85.16
Other non-current assets	6.29
Cash and cash equivalents	7.12
Other bank balances	96.92
Other current assets	40.47
Total assets	**235.96**
Other current liabilities	(7.46)
Contract liabilities	(174.08)
Other liabilities	(31.11)
Total liabilities	**(212.65)**
Non-controlling interest	(7.45)
Carrying value of net assets sold	**15.86**

2. The Group had decided to sell land and building at Hyderabad during the year ended 31 March 2021. Hence it was classified as held for sale during the year ended 31 March 2021 and measured at the lower of its carrying amount and fair value less costs to sell. The fair value of the building was determined using the sales comparison approach. No write down was recognised as fair value of the assets is higher than cost. During the year ended 31 March 2022, company has sold the Land and building at Hyderabad. The gain of ₹ 67.00 crores is recognised as an exceptional item in the statement of profit and loss.

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

NOTE 17: SHARE CAPITAL

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Authorised equity share capital (no. crores)		
75.00 (31 March 2021: 75.00) equity shares of ₹2 each	150.00	150.00
Issued, subscribed and fully paid-up shares (no. crores)		
39.77 (31 March 2021: 39.66) equity shares of ₹ 2 each fully paid - up.	79.55	79.33
Total issued, subscribed and fully paid-up share capital	**79.55**	**79.33**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2022		31 March 2021	
	Nos in crores	₹ in crores	Nos in crores	₹ in crores
At the beginning of the year	39.66	79.33	40.39	80.79
Issued during the year against employee stock options	0.11	0.22	0.16	0.31
Shares bought back during the year	-	-	(0.89)	(1.77)
Outstanding at the end of the year	**39.77**	**79.55**	**39.66**	**79.33**

Buy-back of shares:

On 24 March 2020, the Board of Directors had approved the buyback of Equity Shares for a total amount not exceeding ₹ 145 Crores, 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 31 March 2019. The Company closed the buy back on 27 August 2020. The Company has bought back 88,67,000 shares for ₹ 99.78 crores (excluding taxes).

b. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company and their subsidiaries/associates:

Particulars	31 March 2022		31 March 2021	
	Nos in crores	% holding	Nos in crores	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius (Subsidiary of Volcan Investments Limited, Bahamas [Ultimate holding company])	20.94	52.65%	20.94	52.80%
Vedanta Limited	0.48	1.20%	0.48	1.20%

d. Detail of shareholders holding more than 5% of shares in the company

Particulars	31 March 2022		31 March 2021	
	Nos in crores	% holding	Nos in crores	% holding
Twin Star Overseas Limited, Mauritius (Subsidiary of Volcan Investments Limited, Bahamas [Ultimate holding company])	20.94	52.65%	20.94	52.80%

e. Shares reserved for issue under options

For information relating to employees stock options plan, 2010 including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, refer note 34.

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

f. Details of shareholding of promoters:

Name of the promoter	Number of shares (No. in crores) as at 31 March 2022	Number of shares (No. in crores) as at 31 March 2021	Percentage of total number of shares as at 31 March 2022	Percentage of total number of shares as at 31 March 2021	Percentage of change during the year ended 31 March 2022	Percentage of change during the year ended 31 March 2021
Twin Star Overseas Limited, Mauritius	20.94	20.94	52.65%	52.80%	-0.15%	0.95%

'Promoters' for the purpose of this disclosure means promoters as defined under Section 2(69) of Companies Act, 2013.

NOTE 18: OTHER EQUITY

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
A. Securities premium		
Opening balance	14.83	51.36
Add: Addition on ESOPs exercised	10.14	14.83
Less: Utilised for buy-back of equity shares	-	(51.36)
Closing balance	**24.97**	**14.83**
B. Other reserves		
Capital reserve	0.04	0.04
Redemption liability reserve		
Opening balance	(18.67)	(15.22)
Add: Restatement of redemption liability	6.30	(3.45)
Add: Creation of redemption liability (refer note 47)	(34.93)	-
Closing balance	**(47.30)**	**(18.67)**
Employee stock option outstanding		
Opening balance	23.42	26.83
Add: Employees stock option expenses for the year (refer note 34)	11.88	11.42
Less: Transferred to Securities premium account	(10.14)	(14.83)
Closing balance	**25.16**	**23.42**
Foreign currency translation reserve		
Opening balance	51.02	6.79
Add: Exchange differences on translation of foreign operations for the year	1.21	38.32
Add / (less): Others	(0.98)	5.91
Closing balance	**51.25**	**51.02**
Debenture redemption reserve		
Opening balance	37.50	56.25
Less: Amount transferred to general reserve	(37.50)	(18.75)
Closing balance	**-**	**37.50**
Capital redemption reserve		
Opening balance	1.77	-
Add: Capital redemption reserve created during the year (refer note 17)	-	1.77
Closing balance	**1.77**	**1.77**
General reserve		
Opening balance	101.58	131.25
Add: Amount transferred from debenture redemption reserve	37.50	18.75
Less: Utilised for Buy-back of shares	-	(48.42)
Closing balance	**139.08**	**101.58**
Cash flow hedge reserve		
Opening balance	1.74	4.35
Add / (Less): Cash flow hedge reserve created on currency forward contracts	16.86	(0.32)
Add / (Less): Cash flow hedge reserve on swap contracts	(1.10)	(3.51)
Add / (Less): Amount reclassified to Statement of profit and loss	(14.49)	(3.07)
Add / (Less): Amount transferred to Statement of profit and loss	(1.34)	2.56
Add / (Less): Deferred tax	(0.24)	1.73
Closing balance	**1.43**	**1.74**
Total other reserves	**171.43**	**198.40**

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
C. Retained earnings		
Opening balance	1,694.83	1,577.34
Add: Net profit for the year	61.95	275.47
Add / (Less): Remeasurement & defined employee benefit obligation (Net of tax)	3.32	2.46
Less: Equity dividend (refer note 49)	(79.36)	(138.28)
Less: Tax on Buy-back of shares	-	(22.16)
Total retained earnings	**1,680.74**	**1,694.83**
Total other equity (A+B+C)	**1,877.14**	**1,908.06**

Nature and Purpose of reserves, other than retained earnings

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

General reserve is created out of the amounts transferred from debenture redemption reserve on account of redemption of debentures.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve in equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

Cash flow hedge reserve

The Group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale and inventory purchases and interest rate risk associated with variable interest rate borrowings as described in note 48. For hedging foreign currency risk, the Group uses foreign currency forward contracts which are designated as cash flow hedges. For hedging interest rate risk, the Group uses interest rate swaps which are also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedge reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. sales and interest payments). When the forecast transaction results in the recognition of a non-financial asset (e.g. inventory), the amount recognised in the cash flow hedging reserve is adjusted against the carrying amount of the non financial asset.

Employee stock option outstanding

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under employee stock option plans (ESOP Schemes) approved by shareholders of the Group.

Redemption liability reserve

Redemption liability reserve is created on account of redemption liability pertaining to acquisition of IDS group and Clearcomm Group Limited (Refer note 47).

Capital reserve

Capital reserve is not available for distribution as dividend.

Debenture redemption reserve

The Group had created a debenture redemption reserve (DRR) of 25% of the total oustanding debentures out of the profits which are available for the purpose of redemption of debentures as per provisions of the Companies Act, 2013. The DRR in previous year was carried forward to the extent of outstanding amounts which have been repaid during the year.

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Capital redemption reserve

As per provisions of the Companies Act, 2013, the Company has created a capital redemption reserve (CRR) of ₹ 1.77 crores against face value of equity shares bought back by the Company during the year ended 31 March 2021.

NOTE 19: BORROWINGS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current		
Debentures (secured)		
Nil (31 March 2021:1,500) 8.70% non convertible debentures of ₹ 10 lacs each	-	150.00
2,900 (31 March 2021: 2,900) 8.25% non convertible debentures of ₹ 10 lacs each	290.00	290.00
1,500 (31 March 2021: 1,500) 7.30% non convertible debentures of ₹ 10 lacs each	150.00	150.00
Term loans		
Indian rupee loans from banks (secured)	347.00	249.00
Foreign currency loans from banks (secured)	408.63	521.72
Foreign currency loans from banks (unsecured)	277.16	224.91
Indian rupee loans from NBFC(unsecured)	25.49	19.45
Indian rupee loans from banks (unsecured)	400.00	-
	1,898.28	**1,605.08**
The above amount includes		
Secured borrowings	1,195.63	1,360.72
Unsecured borrowings	702.65	244.36
Total non-current borrowings	**1,898.28**	**1,605.08**
Less: Current maturities of long term borrowings disclosed under the head "Current Borrowings"	362.13	349.36
Net amount	**1,536.15**	**1,255.72**

Notes:

Sterlite Technologies Limited (STL)

a) 8.70% non convertible debentures carry 8.70% rate of interest. Total amount of non-convertible debentures has been repaid in the FY 2021-22. These non-convertible debentures were secured by way of mortgage of immovable fixed assets of the Company located at Aurangabad.

b) 8.25% non convertible debentures carry 8.25% rate of interest. Total amount of non-convertible debentures is due in 4 equal annual installments starting from FY 2027-28 till FY 2030-31. These non-convertible debentures are secured by way of hypothecation on specified movable fixed assets at Shendra plant (project Gaurav) (both present and future).

c) 7.30% non convertible debentures carry 7.30% rate of interest. Total amount of non-convertible debentures is due in the FY 2023-24. These non-convertible debentures are secured by way of mortgage of immovable fixed assets of the Company located at Aurangabad.

d) Foreign currency term loan from bank amounting to ₹ 37.89 crores (31 March 2021: ₹ 73.11 crores) carries interest @ Libor+2.70 % p.a. Loan amount is repayable in 20 quarterly equated instalments of USD 0.13 crores starting from April 2018. The term loan is secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of immovable fixed assets of the Company located at Dadra & Nagar Haveli and Pune.

e) Foreign currency term loan from bank amounting to ₹ 62.16 crores (31 March 2021: ₹ 75.56 crores) carries interest @ GBP Libor+2.60 % p.a. Loan amount is repayable in 6 half yearly equated instalments of GBP 0.13 crores starting from Feb 2022. The term loan is secured by way of first pari passu charge on entire movable fixed assets (both present and future) of the Company.

f) Indian rupee term loan from bank amounting to ₹ 249.00 crores (31 March 2021: ₹ 249.00 crores) carries interest @ One Year MCLR +0.15% p.a. Loan amount is repayable in 12 quarterly instalments from October 21 of ₹ 20.75 crores per Quarter (excluding interest). The term loan is secured by way of first pari passu charge on entire movable fixed assets (both present and future).

g) Unsecured indian rupee term loan from bank amounting to ₹ 200.00 crores carries interest @ one month MCLR. Loan amount is repayable as a bullet repayment in the month of October 2023.

h) Unsecured indian rupee term loan from bank amounting to ₹ 200.00 crores carries interest 6.6% p.a. Loan amount is repayable as a ballooning installments in FY 2022-23 and FY 2023-24.

i) Unsecured indian rupee term loan from NBFC amounting to ₹ 25.49 crores carries interest @ 5.5% p.a. Loan amount is repayable in FY 2022-23 & 2023-24.

Jiangsu Sterlite and Tongguang Optical Fiber Co. Limited (JSTFCL)

a) Foreign currency loan from bank of ₹ 6.21 crores (31 March 2021: ₹ 29.95 crores) carries interest @ 4.72% p.a. This loan is secured by way of hypothecation of Plant and Machinery. Loan amount is repayable in 11 quarterly instalments of USD 0.08 crores per quarter starting from December 2019 (excluding interest)

Metallurgica Bresciana S.p.A.

a) Unsecured foreign currency term loan from bank of ₹ 162.27 crores (31 March 2021: ₹ 185.97 crores) carries interest of EURIBOR + 1.90% p.a. Loan amount is repayable in 10 half yearly instalments starting from September 2020 to March 2025 (excluding interest).

b) Foreign currency term loan from bank of ₹ 100.79 crores (31 March 2021: ₹ 137.25 crores) carries interest of EURIBOR + 1.70% p.a. This loan is backed by SBLC issued by Citi Bank India which is further secured by first charge on entire movable fixed assets and charge on specified immovable fixed assets located at Silvassa of Sterlite Technologies Limited. Loan amount is repayable in 8 half yearly instalments of Euro 0.20 crores starting from July 2020 to January 2023 and thereafter Euro 0.40 crores for the period July 2023 to January 2024 (excluding interest).

c) Unsecured foreign currency loan from bank of ₹ 10.08 crores (31 March 2021: ₹ 13.72 crores) carries interest of EURIBOR + 1.25% p.a. Loan amount is repayable in 1 annual installment and 9 half yearly instalments of Euro 0.02 crores starting from November 2019 to November 2024 (excluding interest).

d) Unsecured foreign currency loan from bank of ₹ 12.60 crores (31 March 2021: ₹ 18.01 crores) carries interest of EURIBOR + 1.25% p.a. Loan amount is repayable in 1 annual installment and 9 half yearly instalments of Euro 0.03 crores starting from August 2019 to August 2024 (excluding interest).

e) Unsecured foreign currency loan from bank of ₹ Nil (31 March 2021: ₹ 5.15 crores) carries interest of EURIBOR + 1.55% p.a. Loan amount has been repaid in FY 2021-22.

f) Unsecured foreign currency loan from bank of ₹ Nil (31 March 2021: ₹ 2.06 crores) carries interest of EURIBOR + 1.25% p.a. Loan amount has been repaid in FY 2021-22.

STL Optical Interconnect S.p.A.

a) Foreign currency loan from bank of ₹ 201.58 crores (31 March 2021: ₹ 205.86 crores) carries interest of 6 months EURIBOR + 1.7% p.a. This loan is backed by SBLC issued by SBI India which is further secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of immovable fixed assets located at Dadra & Nagar Haveli and Pune of Sterlite Technologies Limited. Loan amount is repayable in 9 half yearly instalments of Euro 0.24 crores starting from January 2023 to January 2025 and thereafter Euro 0.30 crores for the period July 2025 to January 2027 (excluding interest).

STL UK Holdco Limited, UK

a) Unsecured foreign currency loan from bank of ₹ 92.21 crores (31 March 2021: Nil) crores carries interest of overnight SONIA + 2.8% p.a. Loan amount is repayable in 2 half yearly instalments of GBP 0.06 crores starting from July 2023 to January 2024 and thereafter GBP 0.11 crores for the period July 2024 to July 2028 (excluding interest).

Sterlite Tech Cables Solutions Limited

a) Indian rupee term loan from bank of ₹ 98.00 crores carries interest of 6.75% p.a. Loan amount is repayable in 11 ballooning half yearly instalments starting from September 2022. This loan is secured by way of first charge on mortgage of leasehold land and building and entire plant and machinery both present and future of the company.

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current borrowings		
Working capital demand loans from banks (secured)	325.00	193.47
Commercial paper from bank (unsecured)	500.00	450.00
Foreign currency loan (unsecured)	51.54	76.94
Current maturities of long term borrowings (secured)	292.00	305.86
Current maturities of long term borrowings (unsecured)	70.13	43.50
Other loan from banks (secured)	423.00	317.68
Other loans (unsecured)	113.57	189.24
Loans from related party (unsecured)	-	6.66
	1,775.24	**1,583.35**
The above amount includes		
Secured borrowings	1,040.00	817.01
Unsecured borrowings	735.24	766.34
Net amount	**1,775.24**	**1,583.35**

Note:

Sterlite Technologies Limited

(i) Working capital demand loan from banks is secured by first pari-passu charge on entire current assets of the parent Company (both present and future) and second pari-passu charge on plant & machinery and other movable fixed assets of the parent Company. Working capital demand loan have been taken for a period of 7 days to 180 days and carries interest @ 4.50 % to 7.00% p.a (31 March 2021: 5.11% to 8.15% p.a).

(ii) Commercial papers are unsecured and are generally taken for a period from 60 days to 180 days and carry interest @ 4.50% to 6.00% p.a (31 March 2021: 4.90% to 6.70% p.a).

(iii) Other loans include buyer's credit arrangements (secured) and export packing credit (secured and unsecured). These secured loans are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables. Export packing credit is taken for a period ranging from 30-180 days. Interest rate for both the products ranges from 4.00% - 6.50% p.a (31 March 2021: 5.00% to 8.11% p.a).

(iv) Loan from related party includes unsecured loan received from Sterlite Power Transmission Limited which is repayable on demand and the same has been repaid during the year.

Jiangsu Sterlite and Tongguang Optical Fiber Co. Limited (JSTFCL)

a) Foreign currency loan from bank of ₹ 36.47 crores (31 March 2021: ₹ 34.72 crores) carries interest @ 3.20% - 4.60% p.a. (31 March 2021: 3.20% - 4.60% p.a.).

Metallurgica Bresciana S.p.A.

a) Foreign currency working capital loan from bank of ₹ 15.07 crores (31 March 2021: ₹ 42.22 crores) carries interest @ EURIBOR + 0.75% - 3.50% p.a. (31 March 2021: EURIBOR + 0.75% - 3.50% p.a.).

Borrowing secured against current assets:

The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts except as disclosed in Note no. 52.

Utilisation of borrowed funds:

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or ;

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or ;

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The borrowings obtained by the company during the year from banks and financial institutions have been applied for the purposes for which such loans were was taken.

The group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Cash and cash equivalents*	410.68	199.87
Current investments **	111.87	230.90
Current borrowings (including interest accrued but not due)***	(1,778.82)	(1,606.24)
Non-current borrowings	(1,536.15)	(1,255.72)
Net debt	**(2,792.42)**	**(2,431.19)**

The amount of net debt considering the amount of lease liability of ₹ 164.16 crores (31 March 2021: ₹ 104.58 crores) and redemption liability of ₹ 47.30 crores (31 March 2021: ₹ 18.67 crores) is ₹ 3,003.88 crores (31 March 2021: ₹ 2,554.44 crores). Refer note 4 and 18 for movement in lease liability and redemption liability.

*Includes cash and cash equivalents of ₹ Nil (31 March 2021: ₹ 7.08 crores) relating to disposal group (MTCIL) classified as discontinued operations (Refer note 16).

** Includes other bank balance of ₹ 111.83 crores (31 March 2021: ₹ 50.00 crores) with respect to fixed deposit excluding deposits held as lien by banks against bank guarantees. These fixed deposits can be encashed by the Group at any time without any major penalties.

*** Includes current maturities of non current borrowing ₹ Nil (31 March 2021: ₹ 20.35 crores) relating to disposal group (MTCIL) classified as discontinued operations (Refer note 16).

Non-current borrowings

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**1,255.72**	**999.27**
Cashflows	289.21	248.79
Interest expense	81.50	55.88
Interest paid	(81.50)	(55.88)
Forex adjustment	(8.78)	7.66
Closing balance	**1,536.15**	**1,255.72**

Current borrowings

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**1,606.24**	**1,480.03**
Cashflows	166.13	124.86
Interest expense	125.47	91.36
Interest paid	(125.70)	(90.01)
Forex adjustment	6.68	-
Closing balance	**1,778.82**	**1,606.24**

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

Cash and cash equivalent

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**199.87**	**153.48**
Forex adjustment	210.81	46.39
Closing balance	**410.68**	**199.87**

Current investments

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening balance	**230.90**	**319.04**
Cashflows	(120.34)	(90.84)
Realised gain on current investments	1.31	2.70
Closing balance	**111.87**	**230.90**

NOTE 20: OTHER FINANCIAL LIABILITIES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current		
Derivative instruments		
Foreign exchange forward contracts	0.02	-
Others		
Payables for purchase of property, plant and equipment	1.19	0.45
Redemption liability (refer note 47)	11.70	18.67
Deposits from vendors	2.94	6.05
Total non-current financial liabilities	**15.85**	**25.17**
Current		
Derivative instruments		
Foreign exchange forward contracts	3.87	13.86
Currency / interest rate swaps	0.07	-
	3.94	**13.86**
Other financial liabilities		
Interest accrued but not due on borrowings	3.58	2.54
Interest payable to related party	-	1.27
Unclaimed dividend*	4.44	4.67
Deposits from customers	0.25	0.26
Deposits from vendors	0.41	0.27
Payables for purchase of property, plant and equipment	163.10	453.04
Employee benefits payable	70.15	50.60
Redemption liability (refer note 47)	35.60	-
Others	12.82	32.59
	290.35	**545.24**
Total current financial liabilities	**294.29**	**559.10**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

NOTE 21: TRADE PAYABLES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Total outstanding dues of micro & small enterprises (refer note 40)	178.38	74.71
Total outstanding dues of creditors other than micro & small enterprises		
Trade payables to related parties (refer note 51)	29.96	-
Acceptances	307.00	153.91
Others	1,904.63	1,715.04
	2,241.59	**1,868.95**
Total trade payables	**2,419.97**	**1,943.66**

31 March 2022

(₹ in crores)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME-undisputed	-	60.46	117.90	-	-	0.02	178.38
(ii) Others-undisputed	619.13	1,223.53	320.75	53.03	8.68	16.47	2,241.59
Total	**619.13**	**1,283.99**	**438.65**	**53.03**	**8.68**	**16.49**	**2,419.97**

31 March 2021

(₹ in crores)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME-undisputed	-	37.62	37.09	-	-	-	74.71
(ii) Others-undisputed	600.44	957.21	256.38	26.75	19.32	8.85	1,868.95
Total	**600.44**	**994.83**	**293.47**	**26.75**	**19.32**	**8.85**	**1,943.66**

NOTE 22: PROVISIONS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non-current		
Provision for warranty	0.84	0.74
Total non-current provision	**0.84**	**0.74**
Current		
Provision for litigations / contingencies	23.75	9.50
Provision for warranty	0.70	0.73
Total current provision	**24.45**	**10.23**

Provision for litigations / contingencies

The provision of ₹ 23.75 crores as at 31 March 2022 (31 March 2021: ₹ 9.50 crores) is towards contingencies in respect of disputed claims against the Company as described in note 39, quantum of outflow and timing of which is presently unascertainable.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
At the beginning of the year	9.50	9.50
Arising during the year	14.25	-
Utilized during the year	-	-
At the end of the year	**23.75**	**9.50**
Current portion	23.75	9.50
Non-current portion	-	-

Provision for warranty

The Group has given warranty on network software and licences sold to customers. The timing of the outflow is expected to be within a period of eighteen months from the date of sale of telecom software products. Movement in provision for warranty is given below:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
At the beginning of the year	1.47	1.41
Arising during the year	0.07	0.06
Utilized during the year	-	-
At the end of the year	**1.54**	**1.47**
Current portion	0.70	0.73
Non-current portion	0.84	0.74

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NOTE 23: OTHER CURRENT LIABILITIES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Contract liabilities		
Unearned revenue	28.41	31.52
Advance from customers	157.35	39.75
Total contract liabilities	**185.76**	**71.27**

Significant changes in contract liabilities

Contract liabilities have increased in current year mainly on account of advance received from customers during the year.

During the year ended 31 March 2022, the group recognized revenue of ₹ 29.09 crores (31 March 2021: ₹ 43.59 crores) arising from opening unearned revenue.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current		
Indirect taxes payable	43.92	5.85
Withholding taxes (TDS) payable	14.94	16.08
Others	57.20	51.88
Total other current liabilities	**116.06**	**73.81**

NOTE 24A: DEFERRED TAX LIABILITIES (NET)

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Deferred tax liability		
Property, plant & equipment and intangible assets: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	169.78	144.16
Impact of fair valuation of Land as at Ind AS transition date	11.44	11.44
Right to use assets	21.64	15.42
Net movement on cash flow hedges	7.10	4.59
Others	3.77	14.43
Total deferred tax liability (A)	**213.73**	**190.04**
Deferred tax assets		
Provision for doubtful debtors and other assets, allowed for tax purpose on payment basis	49.75	17.90
Expenditure allowed for tax purposes on payment basis	27.08	26.09
Provision for inventory	13.94	7.20
Provision for litigations / contingencies	7.01	3.42
Impact of fair valuation of plant & machinery	-	1.33
Lease liability	21.79	19.70
Ind As 116 transition impact	1.40	2.80
Brought forward losses of subsidiaries	46.76	16.69
Others	13.82	9.40
Total deferred tax assets (B)	**181.55**	**104.53**
Net deferred tax liability (A-B)	**32.18**	**85.51**

Reconciliation of deferred tax liability / deferred tax asset

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening deferred tax liability, net	85.51	57.25
Deferred tax (credit) / charge recorded in statement of profit and loss	(85.53)	17.76
Deferred tax (credit) / charge recorded in OCI	1.36	(0.90)
Deferred tax impact on account of business combination (refer note 47)	34.79	-
Others	(3.94)	11.40
Closing deferred tax liability, net	**32.19**	**85.51**

The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Profit or loss section		
Current tax		
Current tax for the year	100.27	93.51
Deferred tax		
Relating to origination and reversal of temporary differences	(85.53)	17.76
Income tax expenses reported in the statement of profit or loss	**14.74**	**111.27**
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
Net (gain)/loss on revaluation of cash flow hedges	0.24	(1.73)
Re-measurement loss of defined employee benefit plans	1.12	0.83
Income tax charged through OCI	**1.36**	**(0.90)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Profit before tax from continuing operations	**48.16**	**380.22**
Tax at India's statutory income tax rate of 25.17% (31 March 2021: 25.17%)	12.12	95.70
Tax at lower tax rate of subsidiaries	(3.15)	(1.86)
Adjustments in respect of income tax of previous years	3.36	1.23
Tax benefits available under various sections of income tax act	-	(2.76)
Income taxed at lower tax rate	(11.25)	-
Tax (DTA) at subsidiaries recognised on losses at lower rate (as per respective statutory tax rate)	12.45	-
Goodwill DTA written off	-	8.85
Other adjustments	1.21	10.11
Income tax expense	**14.74**	**111.27**
Income tax expense reported in the statement of profit and loss	**14.74**	**111.27**

NOTE 24B: CURRENT TAX LIABILITIES (NET)

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Opening current tax liabilities/(assets)	27.62	(22.82)
Add: current tax payable for the year	100.27	93.51
Less: tax paid	(168.68)	(43.85)
Add/(less): other adjustments	4.48	0.78
Total current tax liabilities / (assets)	**(36.31)**	**27.62**
Disclosed as current tax assets in note 11	58.55	2.19
Disclosed as current tax liability	(22.24)	(29.81)

Amounts recognised directly in equity

Amount of ₹ 22.16 crores paid as tax on buy-back of equity shares in the year ended 31 March 2021 was directly recognized in equity.

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NOTE 25: EMPLOYEE BENEFIT OBLIGATIONS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Non current		
Provision for gratuity	21.34	29.03
Provision for employee benefit obligations of Metallurgica Bresciana S.p.A.	4.79	5.10
Provision for employee benefit obligations of Optotec S.p.A.	5.41	-
Provision for compensated absences	18.62	19.29
Total non-current employee benefit obligations	**50.16**	**53.42**
Current		
Provision for gratuity	12.62	10.09
Provision for employee benefit obligations of Metallurgica Bresciana S.p.A.	0.14	0.01
Provision for employee benefit obligations of Optotec S.p.A.	0.01	-
Provision for employee benefit obligations of other subsidiaries	0.08	-
Provision for compensated absences	4.34	3.27
Total current employee benefit obligations	**17.19**	**13.37**

i) Compensated absences

The compensated absences cover the Group's liability for sick and privilege leave. The Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months and accordingly amounts have been classified as current and non current based on actuarial valuation report.

ii) Post employment benefit obligation - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972 (amended). Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to fund managed by Life insurance Corporation of India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimate of expected gratuity payments.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Defined benefit obligation at the beginning of the year	44.16	40.86
Current service cost	6.84	5.84
Interest cost	2.95	2.68
Actuarial (gain)/loss		
'- Due to change in demographic assumptions	0.02	-
- Due to change in financial assumptions	(5.96)	(0.03)
- Due to experience	1.26	(3.43)
Past service cost	-	-
Benefits paid	(11.12)	(1.76)
Defined benefit obligation at the end of the year	**38.15**	**44.16**

Changes in the fair value of plan assets are as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Fair value of plan assets at the beginning of the year	5.04	5.32
Interest Income	0.33	0.35
Contribution by employer	2.08	1.30
Benefits paid	(3.02)	(1.76)
Return on plan assets, excluding interest income	(0.24)	(0.17)
Fair value of plan assets at the end of the year	**4.19**	**5.04**

The parent company expects to contribute ₹ 11.76 crores (31 March 2021: ₹ 2.50 crores) to its gratuity plan in FY 2022-23.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2022 (%)	31 March 2021 (%)
Insurance fund with life insurance corporation of india	100	100

The fair value of planned assets represents the amount as confirmed by the fund.

Details of defined benefit obligation

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Present value of defined benefit obligation	38.15	44.16
Fair value of plan assets	(4.19)	(5.04)
Net defined benefit liability	**33.96**	**39.12**

The net liability disclosed above relates to funded plans are as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Present value of funded obligations	38.15	44.16
Fair value of plan assets	(4.19)	(5.04)
Deficit of funded plan (A)	**33.96**	**39.12**
Unfunded plans (B)	-	-
Total net obligation (A+B)	**33.96**	**39.12**

The Group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Group intends to continue to contribute the defined benefit plans as per the demand from LIC of India.

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current service cost	6.84	5.84
Interest cost	2.95	2.68
Expected return on plan assets	(0.33)	(0.35)
Net benefit expense	**9.46**	**8.17**

Net employee benefit expense recognised in the other comprehensive income (OCI):

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Actuarial (gains)/losses on obligation for the period	(4.68)	(3.46)
Return on plan assets, excluding interest income	0.24	0.17
Net (income)/expense for the year recognized in OCI	(4.44)	(3.29)

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2022	31 March 2021
Discount rate	6.90%	6.57%
Employee turnover	10.00%	10.00%
Expected rate of salary increase	8.00%	10.00%

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

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Sensitivity analysis

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
+1% Change in discount rate	(2.21)	(2.82)
-1% Change in discount rate	2.50	3.22
+1% Change in rate of salary increase	2.45	3.09
-1% Change in rate of salary increase	(2.20)	(2.76)
+1% Change in rate of employee turnover	(0.30)	(0.76)
-1% Change in rate of employee turnover	0.32	0.85

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are maintained with fund manager LIC of India.

The Group's assets are maintained in a trust fund managed by public sector insurance Company via LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The plan asset mix is in compliance with the requirements of the respective local regulations.

Changes in bond yields:

A decrease in bond yields will increase plan liabilities.

Future salary escalation and inflation risk:

Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at managements discretion may lead to uncertainties in estimating this risk.

Life expectancy

Increases in life expectancy of employee will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The weighted average duration of the defined benefit obligation is 8 years (2021 - 8 years). The expected maturity analysis of gratuity is as follows:

Maturity analysis of defined benefit obligation:

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	31 March 2022 (Funded)	31 March 2021 (Funded)
Projected benefits payable in future years from the date of reporting		
Less than 1 year	6.67	5.94
Between 1 to 2 years	2.82	3.24
Between 2 to 5 years	10.09	13.20
Over 5 years	45.76	55.13

(iii) Employee benefit obligations of Metallurgica Bresciana S.p.A. and Optotec S.p.A.

The provision for the staff leaving indemnity were calculated in accordance with the terms of article 2120 of the Italian Civil Code, taking into account legal provisions and the specific nature of the contracts and professional categories, and includes the annual amounts accrued and revaluations performed based on ISTAT coefficients. The amount of the provision is assessed net of advances paid and the amounts used for terminations of employment occurring during the fiscal year and represents the certain payable due to the employees on the fiscal year's closing date.

NOTE 26: REVENUE FROM OPERATIONS

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Revenue from contracts with customers		
Sale of products		
Finished goods	3,481.70	2,554.63
Traded goods	2.33	4.48
Revenue from sale of products	**3,484.03**	**2,559.11**
Revenue from sale of services	82.99	82.39
Revenue from network integration projects	1,978.87	2,028.34
Revenue from software products/licenses and implementation activities	116.41	105.24
	5,662.30	**4,775.08**
Other operating income		
Scrap sales	38.16	25.88
Other operating income	10.35	-
Export incentives	43.45	24.22
Revenue from operation	**5,754.26**	**4,825.18**

Revenue disaggregation in terms of nature of goods and services has been included above.

The total contract price of ₹ 5,687.83 crores (31 March 2021: ₹ 4,808.86 crores) is reduced by the consideration of ₹ 25.53 crores (31 March 2021: ₹ 33.78 crores) towards variable components.

Refer note 2 and 3 for accounting policy and significant judgements respectively.

The group's unsatisfied (or partially satisfied) performance obligations can vary due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates or other relevant economic factors. The aggregate value of unsatisfied (or partially satisfied) performance obligations is ₹ 4,126.76 crores (31 March 2021: ₹ 2,986.59 crores) which is expected to be recognised over a period of one to seven years Amount of unsatisfied (or partially satisfied) performance obligations does not include contracts with original expected duration of one year or less since the Group has applied the practical expedient in Ind AS 115.

During the year ended 31 March 2022, the group has recorded provision of ₹ 64.38 crores based on final settlement with the customer for supplies made in the previous years by an adjustment to revenue from operations.

NOTE 27: OTHER INCOME

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Management fees	9.66	11.08
Rental income	0.06	0.06
Profit on sale of assets, net	0.85	2.57
Profit on sale of subsidiaries and investment in joint venture	35.58	-
Gain on fair value of investment in joint venture (at fair value through profit and loss)	-	7.00
Miscellaneous income	7.41	12.36
	53.56	**33.07**
Interest income on:		
- Bank deposits	4.09	5.61
- Loans to related parties (refer note 51)	0.30	0.84
- Others	0.06	0.75
Income from current investment	1.31	2.70
	5.76	**9.90**
Total other income	**59.32**	**42.97**

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NOTE 28: COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Inventory at the beginning of the year (refer note 12)	206.16	174.57
Adjustment on account of business combination (refer note 47)	1.24	52.46
Add: Purchases	3,156.80	2,513.27
	3,364.20	**2,740.30**
Less: Inventory at the end of the year (refer note 12)	127.16	206.16
Cost of raw material & components consumed	**3,237.04**	**2,534.14**
(Increase)/ decrease in inventories		
Opening inventories		
Traded goods	4.02	2.94
Work-in-progress	87.96	66.05
Finished goods	252.02	135.11
	344.00	**204.10**
Closing inventories		
Traded goods	2.91	4.02
Work-in-progress	100.68	87.96
Finished goods	615.38	252.02
	718.97	**344.00**
(Increase) / decrease in inventories	**(374.97)**	**(139.90)**

NOTE 29: EMPLOYEE BENEFITS EXPENSE

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Salaries, wages and bonus	783.30	571.03
Contribution to provident fund (refer note below)	30.99	28.98
Gratuity expenses (refer note 25)	12.71	12.11
Employees stock option expense (refer note 34)	11.88	11.42
Staff welfare expenses	31.82	23.88
Total employee benefits expense	**870.70**	**647.42**

Defined contribution plans:

The Parent Company and its indian subsidiaries have a provident fund plan which is a defined contribution plan. Contributions are made to provident fund administered by the Government in India for employees at the rate of 12% of basic salary as per local regulations.

Metallurgica Bresciana S.p.A. has a social security fund which is a defined contribution plan. Contributions are made to social security fund administered by Italian Goverment for employees at the rate of 16%-25% of salary as per the local laws present in the country.

The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Group has recognised the following expenses in the Statement of Profit and Loss for the year.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Contribution to employees provident fund	30.99	28.98
Total	**30.99**	**28.98**

NOTE 30: OTHER EXPENSES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Consumption of stores and spares	121.24	119.45
Consumption of packing materials	135.24	90.93
Power, fuel and water	143.11	142.43
Labour charges	88.92	61.41
Repairs and maintenance		
Building	1.96	1.42
Plant & machinery	10.70	16.68
Others	33.34	25.17
Corporate social responsibility (CSR) expenses (refer note 44)	11.57	11.60
Sales commission	50.66	41.84
Sales promotion	1.64	13.78
Carriage outwards	290.86	108.19
Rent	11.48	4.41
Insurance	28.86	23.73
Legal and professional fees	114.63	70.90
Rates and taxes	14.07	11.40
Travelling and conveyance	56.82	23.39
Bad debts / advances written off	-	0.92
Provision for doubtful debts and advances	93.86	4.36
Provision for unbilled Revenue	11.18	-
Directors sitting fee and commission	1.98	1.55
Exchange difference, (net)	0.03	0.01
Payment to auditor	1.72	1.20
Research and development expenses (refer note 41)		
Salaries, wages and bonus	106.11	66.29
Raw materials consumed	1.18	1.06
General expenses	87.04	45.80
Total research and development expenses	**194.33**	**113.15**
Less: amount transferred to individual expense line item	(194.33)	(113.15)
	-	-
Miscellaneous expenses	260.31	197.41
Total other expenses	**1,484.18**	**972.18**

NOTE 31: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Depreciation of property, plant & equipment	257.77	228.13
Depreciation of right of use assets	26.21	21.12
Amortisation of intangible assets	41.53	36.01
Total depreciation and amortisation expense	**325.51**	**285.26**

NOTE 32: FINANCE COST

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Interest on financial liabilities measured at amortised cost*	206.97	147.24
Interest on lease liabilities	10.38	10.01
Bank charges	14.71	29.30
Exchange difference to the extent considered as an adjustment to borrowing costs	9.29	16.45
Total finance cost	**241.35**	**203.00**

* During the year, the Group has capitalised borrowing costs of ₹ 4.92 crores (31 March 2021: ₹ 2.75 crores) incurred on the borrowings specifically availed for expansion of production facilities and general borrowing costs. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's general borrowings, in this case 7.25% p.a. (31 March 2021: 8.26% p.a.).

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NOTE 33: TAX EXPENSE

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current tax*	100.27	93.51
Deferred tax#	(85.53)	17.76
Total tax expense	**14.74**	**111.27**
Unused tax losses for which no deferred tax asset has been recognised	16.23	21.61
Potential tax benefit @ 25.17% (31 March 2021: 25.17%)	4.09	5.44

Certain subsidiaries of the Group have undistributed earnings aggregating to ₹ 384.31 crores (31 March 2021: ₹ 372.12 crores). The Group plans to reinvest these undistributed earnings in the foreseeable future and consequently did not recognise a deferred tax liability on the same.

These undistributed earnings even if distributed by subsidiaries in the form of dividend will be eligible for tax deduction if it is utilised for further distribution of dividend to shareholders of the Parent company within timelines specified and as per the provisions of Income Tax Act, 1961.

* For current year, the current tax expense includes charge of ₹ 8.23 crores (31 March 2021: credit of ₹ 0.42 crores) pertaining to current tax of previous year.

For current year, the deferred tax includes credit of ₹ 4.87 crores (31 March 2021: charge of ₹ 1.65 crores) for adjustment pertaining to deferred tax of previous year.

NOTE 34: EMPLOYEE SHARE BASED PAYMENTS

The Group has established employees stock options plan, 2010 (ESOP Scheme) for its employees pursuant to the special resolution passed by shareholders at the annual general meeting held on July 14, 2010. The employee stock option plan is designed to provide incentives to the employees of the Group to deliver long-term returns and is an equity settled plan. The ESOP Scheme is administered by the Nomination and Remuneration committee. Participation in the plan is at the Nomination and Remuneration committee's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Options granted under ESOP scheme would vest in not less than one year and not more than five years from the date of grant of the options. The Nomination and remuneration committee of the Group has approved multiple grants with related vesting conditions. Vesting of the options would be subject to continuous employment with the Group and hence the options would vest with passage of time. In addition to this, the Nomination and remuneration committee may also specify certain performance parameters subject to which the options would vest. Such options would vest when the performance parameters are met.

Once vested, the options remain exercisable for a period of maximum five year. Options granted under the plan are for no consideration and carry no dividend or voting rights. On exercise, each option is convertible into one equity share. The exercise price is ₹ 2 per option.

The Group has charged ₹ 11.88 crores (31 March 2021: ₹ 11.42 crores) to the statement of profit and loss in respect of options granted under ESOP schemes

a) Set out below is the summary of options granted under the plan.

Particulars	31 March 2022		31 March 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	2	3,568,463	2	3,933,890
Granted during the year	2	1,737,354	2	1,871,240
Exercised during the year	2	(1,128,407)	2	(1,532,391)
Expired/cancelled during the year	2	(1,175,245)	2	(704,276)
Closing balance		**3,002,165**		**3,568,463**
Vested and exercisable		724,205		720,421

Average share price for the year ended 31 March 2022 is ₹ 257.49 (31 March 2021: ₹ 148.49).

Share options outstanding at the end of the year have the following expiry date and exercise prices.

Grant date	Expiry date	Exercise price (₹)	Share options outstanding on 31 March 2022	Share options outstanding on 31 March 2021
30 April 2014	01 June 2024	2	5,750	13,200
30 March 2015	01 June 2025	2	45,750	106,981
13 July 2016	01 June 2025	2	9,302	21,361
25 July 2016	01 August 2026	2	37,160	153,900
19 July 2017	01 August 2027	2	107,950	225,055
16 October 2017	16 October 2027	2	7,180	10,770
17 January 2018	17 January 2028	2	2,280	3,660
19 July 2018	01 August 2028	2	266,355	504,274
24 January 2019	25 January 2027	2	29,325	37,875
24 October 2019	24 October 2029	2	519,062	924,735
22 July 2020	31 July 2030	2	756,692	1,485,412
19 January 2021	19 January 2031	2	38,345	81,240
21 July 2021	31 July 2031	2	227,251	-
21 July 2021	31 July 2031	2	913,662	-
18 January 2022	18 January 2032	2	36,101	-
Total			**3,002,165**	**3,568,463**
Weighted average remaining contractual life of the options outstanding at the end of the period			3.09	3.27

b) Fair value of the options granted during the year-

During the current year remuneration committee has approved three grants. Following are the details of assumptions under individual grant, related vesting conditions and fair valuation model used based on the nature of vesting.

Date of grant- 21 July 2021

The group has granted options under ESOP scheme based on following criteria and related assumptions
Vesting criteria - continuous employment with the company.

Fair valuation method- Black scholes options pricing model

Variables	Vest 1	Vest 2	Vest 3	Vest 4
	01-Aug-22	01-Aug-23	01-Aug-24	01-Aug-25
Share price at grant date	295.80	295.80	295.80	295.80
Volatility	55.50%	55.50%	55.50%	55.50%
Risk free rate	4.35%	4.35%	4.35%	4.35%
Exercise price (₹ per option)	2.00	2.00	2.00	2.00
Life of the option	2.50	2.50	2.50	2.50
Dividend yield	2.36%	2.36%	2.36%	2.36%
Outputs				
Option fair value	276.80	276.80	276.80	276.80
Vesting percentage	25.00%	25.00%	25.00%	25.00%
Fair value of the option (Black scholes model)				**276.80**

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Date of grant- 21 July 2021

The group has granted options under ESOP scheme based on following criteria and related assumptions

1. Vesting criteria - Assured vesting of 30% options in five years subject to continuous employment with the company.

Fair valuation method- Black scholes options pricing model

Variables	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
	01-Aug-22	01-Aug-23	01-Aug-24	01-Aug-25	01-Aug-26
Share price at grant date	295.80	295.80	295.80	295.80	295.80
Volatility	55.80%	55.80%	55.80%	55.80%	55.80%
Risk free rate	4.35%	4.35%	4.35%	4.35%	4.35%
Exercise price (₹ per option)	2.00	2.00	2.00	2.00	2.00
Life of the option	2.10	2.10	2.10	2.10	2.10
Dividend yield	2.36%	2.36%	2.36%	2.36%	2.36%
Outputs					
Option fair value	279.50	279.50	279.50	279.50	279.50
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Fair value of the option (Black scholes model)					**279.50**

The expected price volatility is based on historical volatality (based on remaining life of the options) adjusted for any expected change to future volatility due to publicly available information.

2. Vesting criteria - 30% Vesting based on total Shareholders return based on market performance

Fair valuation method - Monte carlo simulation model

Vesting of these options is dependent on the shareholder return during the performance as compared to comparator group identified by Nomination and Remuneration Committee. The Monte carlo model requires the following information of the group and comparator group companies:

- The historical share price and expected volatility during the performance period
- Risk free interest rate of the country where stock of comparator group is listed
- Dividend yield based on historical dividend payments
- Estimate of correlation coefficients for each pair of company

Assumptions used are as follows:

Variables	
Share price at grant date	295.80
Volatility	37.81%
Risk free rate	5.98%
Exercise price (₹ per option)	2.00
Life of the option	0.82
Dividend yield	2.36%
Fair value of the option	**145.10**

3. Vesting criteria - 40% vesting based on achivement of target EBITDA

Fair valuation method - Monte carlo simulation model

Vesting of these options is dependent on the achivement of target EBITDA during the performance of FY 2021-22 as per the criteria determined by Nomination and Remuneration Committee. The Monte carlo model requires the following information of the group:

- The historical share price and expected volatility during the performance period
- Risk free interest rate of the company
- Dividend yield based on historical dividend payments
- Estimate of EBITDA as per approved business plan

Assumptions used are as follows:

Variables	
Share price at grant date	295.80
Volatility	37.81%
Risk free rate	5.98%
Exercise price (₹ per option)	2.00
Life of the option	0.82
Dividend yield	2.36%
Fair value of the option	**138.00**

Date of Grant- 19 January 2022

Vesting criteria - Continuous employment with the group.

Fair valuation method- Black scholes options pricing model

Variables	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
	19-Jan-23	19-Jan-24	19-Jan-25	19-Jan-26	19-Jan-27
Share price at grant date	269.25	269.25	269.25	269.25	269.25
Expected volatility	49.50%	49.50%	49.50%	49.50%	49.50%
Risk free rate	4.67%	4.67%	4.67%	4.67%	4.67%
Exercise price (₹ per option)	2.00	2.00	2.00	2.00	2.00
Time to maturity (years)	2.10	2.10	2.10	2.10	2.10
Dividend yield	2.50%	2.50%	2.50%	2.50%	2.50%
Outputs					
Option fair value	253.80	253.80	253.80	253.80	253.80
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Fair Value of the option (Black scholes model)					**253.80**

NOTE 35: EARNINGS PER SHARE (EPS)

The following table shows the computation of basic and diluted EPS.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Profit/(Loss) for the year from continuing operations attributable to owners of the company	52.91	277.83
Profit /(Loss) for the year from discountinued operations attributable to owners of the company	9.04	(2.36)
Weighted average number of equity shares in calculating basic EPS	39.71	39.82
Adjustments for classification of diluted EPS:		
Employee stock options outstanding during the year	0.39	0.46
Weighted average number of equity shares in calculating diluted EPS	40.10	40.28
Earnings/(loss) per share		
Basic		
From continuing operations	1.33	6.98
From discontinued operations	0.23	(0.05)
From continuing and discontinued operations	1.56	6.93
Diluted		
From continuing operations	1.32	6.90
From discontinued operations	0.23	(0.05)
From continuing and discontinued operations	1.55	6.85

Options granted to employees under the ESOP Scheme 2010 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 34.

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NOTE 36: THE LIST OF SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES WHICH ARE INCLUDED IN THE CONSOLIDATION AND THE GROUP'S EFFECTIVE HOLDING THEREIN

Name of the group	Effective ownership as on 31 March 2022	Effective ownership as on 31 March 2021	Country of incorporation
List of subsidiaries			
Speedon Network Limited	100%	100%	India
Maharashtra Transmission Communication Infrastructure Limited	0%	64.98%	India
Sterlite Telesystems Limited	100%	100%	India
Sterlite Innovative Solutions Limited	100%	100%	India
STL Digital Limited (Erstwhile "Sterlite Tech Connectivity Solutions Limited")	100%	100%	India
Sterlite Tech Cables Solutions Limited	100%	100%	India
STL Networks Limited	100%	100%	India
Sterlite Global Ventures (Mauritius) Limited	100%	100%	Mauritius
Jiangsu Sterlite and Tongguang Fiber Co. Limited	75%	75%	China
Sterlite (Shanghai) Trading Co. Limited	100%	100%	China
Metallurgica Bresciana S.p.A.	100%	100%	Italy
Elitecore Technologies (Mauritius) Limited	100%	100%	Mauritius
Elitecore Technologies SDN. BHD	100%	100%	Malaysia
Sterlite Technologies UK Ventures Limited	100%	100%	United Kingdom
Sterlite Tech Holding Inc.	100%	100%	USA
Sterlite Technologies Inc.	100%	100%	USA
Impact Data Solutions Limited	80%	80%	United Kingdom
Impact Data Solutions B.V.	80%	80%	Netherlands
Vulcan Data Centre Solutions Limited	80%	80%	United Kingdom
PT Sterlite Technologies Indonesia	100%	100%	Indonesia
Sterlite Technologies DMCC	100%	100%	United Arab Emirates
Sterlite Technologies Pty. Ltd.	100%	100%	Australia
STL Edge Networks Inc.	100%	100%	USA
STL Optical Interconnect S.p.A.	100%	100%	Italy
Optotec S.p.A.	100%	100%	Italy
Optotec International S.A.	100%	100%	Switzerland
STL Tech Solutions Limited, UK	100%	-	United Kingdom
STL Digital Inc. (USA)	100%	-	USA
STL Tech GmbH	100%	-	Germany
STL Optical Tech Limited	100%	-	USA
STL Network Services Inc., US	100%	-	USA
STL Solutions Germany GmbH	100%	-	Germany
STL UK Holdco Limited, UK	100%	-	United Kingdom
Clearcomm Group Limited, UK	80%	-	United Kingdom
List of associate companies			
MB Maanshan Special Cable Limited	40.00%	40.00%	China
ASOCS Ltd.	11.71%	12.50%	Israel
List of joint venture			
Sterlite Conduspar Industries Ltda	50%	58.05%	Brazil

NOTE 37: CODE ON SOCIAL SECURITY, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the group towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The group is 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 rules that are notified become effective.

NOTE 38: CAPITAL AND OTHER COMMITMENTS

a) Estimated amount of contracts remaining to be executed on capital account and not recognized for (net of advances) are ₹ 98.33 crores (31 March 2021: ₹ 129.58 crores)

b) The Group has imported certain machinery under the Export Promotion Capital Goods (EPCG) scheme and accordingly has export obligation as per details below:

Year of Issue	Year upto which export obligation to be fulfilled	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
2017-18	2023-24	-	117.97
2018-19	2024-25	-	13.32
2019-20	2025-26	-	9.78
2020-21	2026-27	5.29	69.44
2021-22	2027-28	1.96	-

In this respect, the Group has given bonds of ₹ 883.29 crores (31 March 2021: ₹ 878.20 crores) to the Commissioner of Customs. The Group expects to fulfil the export obligation within prescribed time.

NOTE 39: CONTINGENT LIABILITIES

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
1. Disputed liabilities		
a) Excise and customs duty	89.97	89.64
b) Goods and Service tax	0.69	0.69
c) Income tax	11.80	11.87
d) Claims lodged by a bank against the Group*	18.87	18.87
e) Claims against the Group not acknowledged as debt$	2.60	20.53

2. The group had issued Corporate guarantees amounting to ₹ 114 crores to the Income tax Authorities in FY 2003-04 on behalf of the Group companies. The matter against which corporate guarantee was paid by STL was decided in favour of the Group companies by both ITAT and HC orders against which the Department has filed an appeal with the Supreme Court. The above corporate guarantee is backed by the corporate guarantee issued by the Volcan Investments Limited (ultimate holding Company) in the favour of the Group.

The group has not provided for disputed liabilities disclosed above arising from disallowances made in assessments which are pending with different appellate authorities for its decision. The Group is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No liability has been accrued in the financial statements for the demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position. In respect of the claims against the Group not acknowledged as debts as above, the management does not expect these claims to succeed. It is not practicable to indicate the uncertainties which may affect the future outcome and estimate the financial effect of the above liabilities.

* In an earlier year, one of the Bankers of the Group had wrongly paid an amount of ₹ 18.87 crores under the letter of credit facility. The letter of credit towards import consignment was not accepted by the Group, owing to discrepancies in the documents. Thereafter, the bank filed claim against the Group in the Debt Recovery Tribunal (DRT). Against the DRT Order dated 28 October 2010, the parties had filed cross appeals before the Debt Recovery Appellate Tribunal. The Debt Recovery Appellate Tribunal vide its Order dated 28 January 2015 has allowed the appeal filed by the Group and has dismissed the appeal filed by the bank. The bank has challenged the said order in WRIT petition before the Bombay High Court. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the financial statements.

$ Claims against the group not acknowledged as debt mainly pertains to an order against the group with respect to claim made by a supplier of ₹ Nil (31 March 2021: ₹ 14.80 crores) and ₹ 2.60 crores (31 March 2021: ₹ 4.62 crores) is related to claim made on one of the subsidiary by it's employees. In the current year, the group has provided for ₹ 14.25 crores in the books of account (refer note 46).

In the current year, the group has received show cause notices with respect to 4 Service tax registrations of ₹ 56.53 crores each demanding service tax on difference between value of services appearing in 26AS (at legal entity level) vis-à-vis respective service tax registrations for the period 2016-17. Management has assessed that the show-cause notice is not required to be disclosed as contingent liability as it is erroneous in nature and the probability of an unfavourable outcome is remote.

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Further, Income tax orders for AY 2013-14, 2014-15 and 2017-18 were received with respect to Elitecore Technologies Private Limited (which is now a non-existent entity in these years since it had merged with the group with effect from 29 September 2016) with a demand of 55.67 crores mainly relating to addition on certain aspects like treatment of purchase of software/hardware. Management has assessed that based on principles arising from judicial precedents, including those passed by the Hon'ble Supreme Court and Jurisdictional Bombay High Court, the notices issued in the name of non-existent entity are not merely an irregularity but also suffer from jurisdictional defect which cannot be cured. On this primary ground and certain other strong grounds, including procedural defects, the group (on behalf of Elitecore Technologies Private Limited) is in the process of filing a writ before the Hon'ble High Court. Hence, management believes that the probability of an unfavourable outcome is remote and the demand is not disclosed as a contingent liability.

NOTE 40: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Particulars		31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
	Principal amount due to supplier*	178.38	74.71
	Interest amount due to supplier	0.96	0.54
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	2.46	1.50
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

Amount due to Micro and Small enterprises are disclosed on the basis of information available with the Company regarding status of the suppliers as Micro and Small enterprises.

NOTE 41: RESEARCH AND DEVELOPMENT EXPENDITURE

STL through its extensive research capabilities, constant innovation and unique capabilities at following R&D centres is able to provide customers end to end solutions from manufacturing of cable to system integration to providing software products required by telecom players:

- Aurangabad – R&D activities to manufacture cable which can cater most bandwidth demand
- Gurgaon - R&D activities to design, build, manage broadband network for global service providers, smart cities, rural broadband etc.
- Ahmedabad – R&D activities to develop innovative telecom software products which can cater demand for business support system and operating support system
- Pune - R&D activities for product engineering towards programmable networking & intelligence

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Capital expenditure		
- Plants and machinery - capitalized during the year	18.11	9.03
- Software - capitalized during the year	7.03	0.42
- IT Equipments - capitalized during the year	3.90	0.63
- Furniture & Fixtures - capitalised during the year	1.23	-
- Office equipments and electrical installation - capitalised during the year	0.71	0.02
- Right of use assets - capitalised during the year	15.42	-
	46.40	**10.10**

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Revenue expenditure		
- Salaries, wages and bonus	106.11	66.29
- Raw materials consumed	1.18	1.06
- General expenses	87.04	45.80
Total	**194.33**	**113.15**

The Group has four Research and Development Centres. Centre wise breakup of expenditure is as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Sterlite Technologies - Aurangabad		
- Capital expenditure	2.83	3.78
- Revenue expenditure	20.02	15.02
	22.85	**18.80**
Sterlite Technologies - Gurgaon		
- Capital expenditure	37.95	6.24
- Revenue expenditure	139.63	48.82
	177.58	**55.06**
Sterlite Technologies - Ahmedabad		
- Capital expenditure	4.19	-
- Revenue expenditure	30.74	20.44
	34.93	**20.44**
Sterlite Technologies - Pune		
- Capital expenditure	1.43	0.07
- Revenue expenditure	3.94	28.87
	5.37	**28.94**

NOTE 42: IMPACT OF COVID-19 PANDEMIC

Management has made an assessment of the impact of COVID 19 in preparation of these financial statements. 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 statements have been identified.

NOTE 43: RELATIONSHIP WITH STRUCK OFF COMPANIES

The Group does not have any transactions with companies struck- off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, except as reported below.

Name of the struck off company	Nature of transaction	Balance as on 31 March 2022	Balance as on 31 March 2021	Relationship with the struck off compay
Airosense india private limited	Payable for services	-	0.10	Not a related party
Curinnov services private limited	Payable for services	0.10	-	Not a related party
Yash medical sciences private limited	Payable for services	0.00	-	Not a related party

NOTE 44: CORPORATE SOCIAL RESPONSIBILITY

The Group has spent an amount of ₹ 11.57 crores (31 March 2021: ₹ 11.60 crores) during the year as required under section 135 of the Companies Act, 2013 in the areas of education, healthcare, women empowerment and environment. The amount was spent by way of contribution to Sterlite Tech Foundation of ₹ 11.42 crores (refer note 51) and other Miscellaneous donations of ₹ 0.15 crores.

Details of CSR expenditure:	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
A. Gross amount required to be spent by the Group	11.57	11.59
B. Amount spent during the year	11.57	11.60
(i) Construction / acquisition of any assets	-	-
(i) On purpose other than (i) above	11.57	11.60

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NOTE 45: AMORTISATION OF RECOGNISED GOODWILL ON ACQUISITION

During the year 2015-16, the Group had acquired 100% of the paid up equity share capital of Elitecore Technologies Private Limited ('ETPL'), a global telecom software product company. ETPL was merged with the Group with the appointed date of 29 September 2015 under a scheme of amalgamation approved by Honourable Bombay High Court and Gujarat High Court (the "Scheme"). Goodwill (excess of purchase consideration over the aggregate book value of the net assets acquired) was being amortised over a period of five years, as per the Scheme. Ind-AS does not allow amortisation of goodwill, which amounted to ₹ Nil (31 March 2021: ₹ 14.65 crores) for the year. The Goodwill attributable to ETPL has been completely amortized by the year ended 31 March 2021.

NOTE 46: EXCEPTIONAL GAIN/(LOSS) DURING THE YEAR

During the year ended 31 March 2022, the amount of ₹ 52.75 crores reported under exceptional items in the financial statements includes profit of ₹ 67 crores recognised on account of transfer of land situated at Hyderabad and provision of ₹14.25 crores with respect to an order against the Company for a claim filed by a vendor for non-fulfilment of certain contractually agreed off take obligations.The amount of exceptional items also includes a charge of ₹ 7.83 crores towards cancellation of a lease agreement by STI US (wholly owned subsidiary) and an impairment charge of ₹ 28.69 crores for the assets of JSTFCL (a subsidiary) basis the assessment of recoverable value of assets performed by Management.

NOTE 47: BUSINESS COMBINATIONS

Summary of acquisition FY 2021-22

The Group has acquired 80% of the shares of Clearcomm Group Limited for a purchase consideration of GBP 10.72 million subject to subsequent adjustment based on actual enterprise value calculated in accordance with the agreement.The purchase price has been allocated to assets and liabilities on a provisional basis as per Ind AS 103 – Business Combinations resulting in provisional goodwill of GBP 8.95 million pending completion of purchase price allocation.

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 Company has recognised the liability with respect to the redemption amount of ₹ 34.93 crores at the acquisition date. The liability outstanding as on 31 March 2022 is ₹ 24.98 crores.

The assets and liabilities recognised as a result of the acquisition are as follows:

Particulars	Book value amount in GBP crores	Book value amount in ₹ crores
Tangible assets	0.07	7.08
Inventories	0.01	1.24
Cash & cash equivalents	0.05	4.90
Trade receivables	0.39	40.82
Other assets	0.11	11.81
Borrowings	(0.02)	(2.07)
Trade and other payables	(0.36)	(36.58)
Other liabilities	(0.04)	(4.34)
Net identifiable asset required	**0.21**	**22.86**
Non-controlling interest	0.04	4.57
Net identifiable asset required	**0.17**	**18.29**

Calculation of goodwill	Amount GBP in crores	Amount ₹ in crores
Consideration transferred for investment	1.07	110.82
Less: Net identifiable assets required	(0.17)	(18.29)
Goodwill	**0.90**	**92.53**

The goodwill is attributable to the synergies from combining operations with group and workforce.

Revenue and profit contribution:

If the acquisitions had occurred on 1 April 2021, consolidated pro-forma revenue and profit for the year ended 31 March 2022 would have been ₹ 5,834.05 crores and ₹ 44.47 crores respectively. These amounts have been calculated using the subsidiary's results.

Calculation of goodwill	Revenue (₹ in crores)	Profit (₹ in crores)
Total revenue and profit of group excluding Clearcomm Group	5,649.90	59.38
Revenue and profit of Clearcomm Group	184.15	(14.91)
Total	**5,834.05**	**44.47**

Purchase consideration - cash outflow

The cash outflow for acquisition of Clearcomm is ₹ 109.95 crores, net of cash acquired including amount of ₹ 4.02 crores given as loan to Clearcomm Group Limited at the time of acquisition. Accordingly net cash outflow for investment is ₹ 105.93 crores.

Acquisition related costs

Acquisition related costs of ₹ 4.36 crores is included in other expenses in Statement of profit and loss.

Measurement period

Considering para 45 of Ind AS 103, management will complete the measurement of acquisition before 1 year from the date of acquisition or when the information required for computing the business combination accounting is obtained completely, whichever is earlier and accordingly has considered provisional amounts in the books of accounts as at 31 March 2022.

Summary of acquisition FY 2020-21

The Group, through its subsidiary Sterlite Optical Interconnect S.p.A. has acquired 100% of the shares of Optotec S.p.A. including its wholly owned subsidiary, Optotec International S.A for a purchase consideration of EUR 31.77 million (₹ 279.73 crores) as per share purchase agreement dated 02 November 2020 as amended on 08 January 2021 and recognised a provisional goodwill of EUR 18.8 million (₹ 172.98 crores) in FY 2020-21 pending completion of purchase price allocation. During the year ended 31 March 2022, the Company has completed the allocation of purchase price to identified assets and liabilities as given below as at acquisition date fair value as per Ind AS 103 – Business Combinations. Accordingly, amount of goodwill has reduced to EUR 10.66 million (₹ 95.51 crores) on account of increase in the value of tangible assets, inventories and identified intangible assets in consolidated balance sheet.
During the year, company has also paid additional consideration of EUR 1.25 million (₹ 11.55 crores) based on post closing adjustment basis share purchase agreement.
The profit of Optotec S.p.A. including its wholly owned subsidiary, Optotec International S.A consolidated for the current year is for 12 months whereas for the last year was from 08 January 2021 to 31 March 2021.

The measurement period adjustments were as follows:

Particulars	Provisional amount as at 31 March 2021 (Euro in crores)	Provisional amount as at 31 March 2021 (₹ in crores)	Measurement period adjustment (Euro in crores)	Measurement period adjustment (₹ in crores)	As at 31 March 2022 (Euro in crores)	As at 31 March 2022 (₹ in crores)
Tangible assets	0.02	2.14	-	-	0.02	2.14
Intangible assets	0.00	0.05	-	-	0.00	0.05
Intangible assets: customer relationships & contracts	-	-	0.99	88.39	0.99	88.39
Intangible assets: patents	-	-	0.41	36.68	0.41	36.68
Intangible assets: Non-compete	-	-	0.04	3.79	0.04	3.79
Inventories	0.61	52.46	(0.03)	(3.28)	0.58	49.18
Current investment	0.01	0.86	-	-	0.01	0.86
Cash & cash equivalents	0.38	32.59	-	-	0.38	32.59
Trade receivables	0.49	41.85	(0.02)	(1.77)	0.47	40.06
Other assets	0.23	20.15	-	-	0.23	20.15

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Particulars	Provisional amount as at 31 March 2021 (Euro in crores)	Provisional amount as at 31 March 2021 (₹ in crores)	Measurement period adjustment (Euro in crores)	Measurement period adjustment (₹ in crores)	As at 31 March 2022 (Euro in crores)	As at 31 March 2022 (₹ in crores)
Deferred tax liabilities	-	-	(0.39)	(34.79)	(0.39)	(34.79)
Borrowings	(0.04)	(3.38)	-	-	(0.04)	(3.38)
Trade and other payables	(0.48)	(41.29)	-	-	(0.48)	(41.29)
Other liabilities	(0.11)	(10.23)	-	-	(0.11)	(10.23)
Net identifiable asset required	**1.11**	**95.20**	**1.01**	**89.02**	**2.12**	**184.22**
Non-controlling interest	-	-	-	-	-	-
Net identifiable asset required	**1.11**	**95.20**	**1.01**	**89.02**	**2.12**	**184.22**

Calculation of goodwill	Provisional amount as at 31 March 2021 (Euro in crores)	Provisional amount as at 31 March 2021 (₹ in crores)	Measurement period adjustment (Euro in crores)	Measurement period adjustment (₹ in crores)	As at 31 March 2022 (Euro in crores)	As at 31 March 2022 (₹ in crores)
Consideration transferred	2.99	268.18	0.19	11.55	3.18	279.73
Less: Net identifiable assets required	(1.11)	(95.20)	(1.01)	(89.02)	(2.12)	(184.22)
Goodwill	**1.88**	**172.98**	**(0.82)**	**(77.47)**	**1.06**	**95.51**

NOTE 48: FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities, comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include Investments, loans, trade and other receivables, cash and short-term deposits and other financial assets that arise directly from its operations. The Group also enters into derivative transactions.

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's senior management oversees the activities to manage of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes should be undertaken.

The Risk management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are approved and reviewed regularly by the Board to reflect changes in market conditions and the Group's activities.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework. The risks to which Group is exposed and related risk management policies are summarised below -

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, price risk such as equity price risk and commodity risk. Financial instruments affected by market risk mainly including loans given and borrowings, financial assets and liabilities in foreign currency, quoted investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity analysis have been prepared on the basis that the amount of debt, the ratio of fixed to floating interest rates of the debt, derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2022 and 31 March 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Group's exposure to the risk of changes in interest rate primarily relates to the Group's debt obligations with floating interest rates.

The Group is exposed to the interest rate fluctuation in domestic as well as foreign currency borrowing. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2022, after taking into account the effect of interest rate swaps, approximately 68% of the Group's borrowings are at a fixed rate of interest (31 March 2021: 67%).

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Variable rate borrowings	1,143.65	1,007.90
Fixed rate borrowings	2,167.75	1,831.17
Total borrowings	**3,311.39**	**2,839.07**

As at the end of the year, the group had the following variable rate borrowings and interest rate swap contracts outstanding:

(₹ in crores)

	31 March 2022		31 March 2021	
	Balance	% of total loans	Balance	% of total loans
Variable rate borrowings	1,143.65	35%	1,007.90	36%
Interest rate swaps (notional principal amount)	100.05		73.11	
Net exposure to cash flow interest rate risk	1,043.60		934.79	

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates borrowings at variable interest rate. With all the other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in crores)

Particulars	Increase/Decrease in Basis Points	Effect on profit before tax / pre-tax equity Decrease/(increase)
31 March 2022		
Base Rate	+50	5.22
Base Rate	-50	(5.22)
31 March 2021		
Base Rate	+50	4.67
Base Rate	-50	(4.67)

Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO, GBP and Chinese renminbi (RMB). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Group has a policy to keep minimum forex exposure on the books that are likely to occur within a maximum 15-month period for hedges of forecasted sales and purchases. As per the risk management policy, foreign exchange forward contracts are taken to hedge its exposure in foreign currency risk. During the years ended 31 March 2022 and 2021, the Group did not have any hedging instruments with terms which were not aligned with those of the hedged items.

When a derivative is entered into for the purpose of hedge, the Group negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

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Out of total foreign currency exposure the Group has hedged significant exposure as at 31 March 2022 and as at 31 March 2021. The Group's foreign currency exposure at the year end is as follows

31 March 2022

(₹ in crores)

Financial assets	USD	EUR	GBP	AED
Trade receivable	10.70	78.38	221.63	10.70
Bank balances	1.47	33.74	16.34	-
Loans	-	-	2.79	-
Derivative assets				
Foreign exchange forward contracts - sell foreign currency*	525.43	120.59	218.87	10.68
Net exposure to foreign currency risk (assets)	**(513.26)**	**(8.47)**	**21.89**	**0.02**

*Includes forward contracts of ₹ 525.43 crores (for USD currency risk) and ₹ 51.07 crores (for EUR currency risk) on intragroup monetary items which result in exposure to foreign exchange rate gains or losses that are not fully eliminated on consolidation.

31 March 2022

(₹ in crores)

Financials liabilities	USD	EUR	GBP	AED
Foreign currency				
Bank loan	132.23	25.36	62.16	-
Payables for purchase of property, plant & equipments	90.42	38.57	-	-
Trade payables	109.79	33.61	1.86	-
Derivative liabilities				
Foreign exchange forward contracts - buy foreign currency	236.02	75.61	12.43	-
Principal swap - buy foreign currency	37.89	-	-	-
Net exposure to foreign currency risk (liabilities)	**58.53**	**21.93**	**51.59**	**-**

31 March 2021

(₹ in crores)

Financial assets	USD	EUR	GBP	AED
Trade receivable	142.65	90.63	111.04	4.95
Bank balances	9.66	7.39	15.76	-
Loans	-	-	2.68	-
Derivative assets				
Foreign exchange forward contracts - sell foreign currency	85.92	78.83	106.00	4.19
Net exposure to foreign currency risk (Assets)	**66.39**	**19.18**	**23.48**	**0.76**

31 March 2021

(₹ in crores)

Financials liabilities	USD	EUR	GBP	AED
Foreign currency				
Bank loan	189.79	25.38	75.56	-
Payables for purchase of property, plant & equipments	82.13	133.44	-	-
Trade payables	111.96	12.16	0.19	-
Derivative liabilities				
Foreign exchange forward contracts - buy foreign currency	227.09	165.04	-	-
Principal swap - buy foreign currency	73.11	-	-	-
Net exposure to foreign currency risk (liabilities)	**83.68**	**5.94**	**75.75**	**-**

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Group's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Group's exposure to foreign currency changes for all other currencies is not material. With all the other variable held constant, the Group's profit before tax is affected through the impact on change of foreign currency rate as follows-

(₹ in crores)

	Change in USD rate	Effect on profit before tax / pre-tax equity	Change in Euro rate	Effect on profit before tax / pre-tax equity	Change in GBP rate	Effect on profit before tax / pre-tax equity
31 March 2022	+5%	0.37/15.03	+5%	1.03/12.67	+5%	(1.47)/20.06
	-5%	(0.37)/(15.03)	-5%	(1.03)/(12.67)	-5%	1.47/(20.06)
31 March 2021	+5%	(0.86)/0.21	+5%	0.66/12.80	+5%	(2.61)/16.78
	-5%	0.86/(0.21)	-5%	(0.66)/(12.80)	-5%	2.61/(16.78)

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of copper cables and therefore require a continuous supply of copper. To meet these requirements the Group enters into contracts to purchase copper. The prices in these purchase contracts are linked to the price on London Metal Exchange.

The Group has risk management strategy to mitigate commodity price risk.

Based on a 1 month forecast of the required copper supply, the Group hedges the purchase price using future commodity purchase contracts. The forecast is deemed to be highly probable.

Commodity price sensitivity

As per the Group's policy for commodity price hedging, all the commodity price exposures as on reporting dates are fully hedged. Thus, there are no open unhedged exposures on the reporting dates.

Price risk

The Group's investment in non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors review and approve all equity investment decisions.

At the reporting date, the exposure to unlisted equity securities (other than investments in subsidiaries) at fair value was ₹ 92.08 crores (31 March 2021: ₹ 122.30 crores).

The group invests into highly liquid funds which are subject to price risk changes. These investments are generally for short durations and therefore impact of price change is generally not significant

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed taking into account its financial position, past experience and other factors, eg. credit rating and individual credit limits are defined in accordance with credit assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit assurance.

An impairment analysis is performed at each reporting date on an individual basis for major customers In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The assessment is based on historical information of defaults. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions

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and operate in largely independent markets. During the period, the group made write-offs of Nil (31 March 2021: ₹ 0.92 crores) trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The contract assets have substantially the same risk characteristics as trade receivables for same type of contract etc. Therefore management has concluded that the expected loss for trade recievables are at reasonable approximation for loss rates for contract assets

The Group's customer profile for customer contracts and software services include public sector enterprises, state owned companies and private corporates. Accordingly, the group's customer credit risk is low. The group's average network integration project execution cycle ranges from 12 to 36 months based on the nature of contract and scope of services to be provided. General payment terms include mobilisation advance, progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The group provides for expected credit loss based on life-time expected credit losses (simplified approach).

Details of expected credit loss for trade receivables and contract assets is as follows:

(₹ in crores)

Particulars	31 March 2022			31 March 2021		
	less than 365 days	more than 365 days	Total	less than 365 days	more than 365 days	Total
Gross carrying amount	2,668.68	442.39	3,111.07	2,469.56	361.94	2,831.50
Expected credit loss rate	1.04%	30.00%		0.47%	13.00%	
Expected credit loss provision	27.78	132.72	160.50	11.57	47.05	58.62
Carrying amount (net of provision)	**2,640.90**	**309.67**	**2,950.57**	**2,457.99**	**314.89**	**2,772.88**

Financial assets and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Other financial assets that are potentially subject to credit risk consists of inter corporate loans. The Group assesses the recoverability from these financial assets on regular basis. Factors such as business and financial performance of counterparty, their ability to repay, regulatory changes and overall economic conditions are considered to assess future recoverability. The Group charges interest on such loans at arms length rate considering countparty's credit rating. Based on the assessment performed, the Group considers all the outstanding balances of such financial assets to be recoverable as on balance sheet date and no provision for impairment is considered necessary.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts of each class of financial assets.

(c) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 - 180 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

(₹ in crores)

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 year to 5 years	> 5 years	Total
As at 31 March 2022						
Borrowings	0.46	1,330.90	443.88	1,215.45	320.70	3,311.39
Other financial liabilities	5.10	30.83	55.69	50.27	-	141.89
Trade payables	642.82	1,273.81	503.34	-	-	2,419.97
Payables for purchase of Property, plant and equipments	-	13.10	150.03	1.16	-	164.29
Derivatives	-	0.30	3.64	0.02	-	3.96
Lease liability	-	8.77	26.50	80.61	48.28	164.16
	648.38	**2,657.71**	**1,183.08**	**1,347.51**	**368.98**	**6,205.66**
As at 31 March 2021						
Borrowings	13.62	1,296.89	272.83	914.27	341.47	2,839.07
Other financial liabilities	5.20	42.26	44.74	24.72	-	116.92
Trade payables	263.17	788.02	892.47	-	-	1,943.66
Payables for purchase of Property, plant and equipments	-	165.48	287.56	0.45	-	453.49
Derivatives	-	-	13.86	-	-	13.86
Lease liability	-	6.26	19.64	50.70	27.98	104.58
	281.99	**2,298.91**	**1,531.10**	**990.14**	**369.45**	**5,471.58**

NOTE 48: FINANCIAL RISK MANAGEMENT

Cash flow hedges

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments for sales and purchases in USD, EUR and GBP. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, no hedge ineffectiveness arose requiring recognition through profit or loss as on 31 March 2022 and 31 March 2021.

The cash flow hedges for such derivative contracts as at 31 March 2022 were assessed to be highly effective and a net unrealised gain of ₹ 1.50 crore, with a deferred tax liability of ₹ 0.38 crore relating to the hedging instruments, is included in OCI. Comparatively, the cash flow hedges as at 31 March 2021 were assessed to be highly effective and an unrealised gain of ₹ 2.03 crore, with a deferred tax liability of ₹ 0.51 crore was included in OCI in respect of these contracts. The amounts retained in OCI at 31 March 2022 are expected to mature and affect the statement of profit and loss during the year ended 31 March 2023 and 31 March 2024.

At 31 March 2022, the Group has currency/interest rate swap agreements in place with a notional amount of USD 0.5 crores (₹ 37.89 crores) and GBP 0.63 (₹ 62.16 crores) crores (31 March 2021: USD 1 crores, GBP Nil). The Group receives a variable rate of interest of Libor + 2.70% and pays interest at a fixed rate equal to 10.0425% on the notional amount with USD-INR rate fixed at ₹ 66.3850 per USD. The swaps are being used to hedge the exposure to changes in the foreign exchange rates and interest rates.

The cash flow hedges for such derivative contracts as at 31 March 2022 were assessed to be highly effective and a net unrealised gain of ₹ 1.10 crore, with a deferred tax liability of ₹ 0.28 crore relating to the hedging instruments, is included in OCI. Comparatively, the cash flow hedges as at 31 March 2021 were assessed to be highly effective and an unrealised loss of ₹ 3.51 crore, with a deferred tax asset of ₹ 0.88 crore was included in OCI in respect of these contracts. The amounts retained in OCI at 31 March 2022 are expected to mature and affect the statement of profit and loss during the year ended 31 March 2023.

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Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

31 March 2022

(₹ in crores)

Types of hedge and risks	Nominal value	Carrying amount of hedging instruments Assets / (Liabilities)	Maturity date	Hedge ratio*	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts- assets	1,108.22	18.13	April 2022- Jun 2023	1:1	EUR:INR- 87.76, GBP:INR- 102.59, USD:INR- 77.53, AED:INR- 21.66	0.28	(0.28)
(ii) Foreign exchange forward contracts- liabilities	171.19	(0.86)	April 2022 - Jun 2023	1:1	EUR:INR- 86.23, GBP:INR- 101.82, USD:INR- 76.73, AED:INR- 20.68, AUD:INR- 56.92	1.22	(1.22)
(iii) Foreign currency loan	100.05	(0.45)	3-Jan-23	1:1	USD:INR 66.39 GBP:INR 99.69	(0.85)	0.85
Interest rate risk							
Interest rate swap	100.05	(0.07)	3-Jan-23	1:1	N/A	0.62	(0.62)

31 March 2021

(₹ in crores)

Types of hedge and risks	Nominal value	Carrying amount of hedging instruments Assets / (Liabilities)	Maturity date	Hedge ratio*	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts- assets	904.50	23.12	April 2021- Feb 2024	1:1	AED:INR- 21.26 AUD:INR- 56.77 EUR:INR- 93.94 GBP:INR- 108.43 USD:INR- 74.14	0.45	(0.45)
(ii) Foreign exchange forward contracts- liabilities	149.13	(2.08)	April 2021- Feb 2024	1:1	AUD:INR- 54.52 EUR:INR- 89.64 GBP:INR- 102.38 USD:INR- 74.36	1.75	(1.75)
(iii) Foreign currency loan	(148.67)	0.40	3-Jan-23	1:1	USD:INR 66.39	(10.96)	10.96
Interest rate risk							
Interest rate swap	(73.11)	(0.69)	3-Jan-23	1:1	N/A	1.86	(1.86)

*The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

The notional amount of interest rate swap is equal to the portion of variable rate loans that is being hedged and therefore the hedge ratio for interest rate swaps is also 1:1.

The entire amount of foreign currency loan (USD) is designated as cash flow hedge and hence the hedge ratio is 1:1.

(b) Disclosure of effects of hedge accounting on financial performance

31 March 2022

(₹ in crores)

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	15.15	-	(14.49)	Revenue and COGS
Interest risk	0.62	-	-	N/A

31 March 2021

(₹ in crores)

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	(5.69)	-	(3.07)	Revenue and COGS
Interest risk	1.86	-	-	N/A

The Group's hedging policy requires for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale may arise if:

- the critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- differences arise between the credit risk inherent within the hedged item and the hedging instrument.

Refer note 18 for the details related to movement in cash flow hedging reserve.

NOTE 49: CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the shareholders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating, healthy capital ratios in order to support its business and maximise shareholder value and optimal capital structure to reduce cost of capital.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and/or the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents excluding discontinued operations.

The recent investments by the Company in new businesses, increasing the capacity of existing businesses and increase in working capital due to certain projects has lead to increase in capital requirement. The Company expects to realise the benefits of these investments in near future.

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Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Interest bearing loans and borrowings	3,314.97	2,861.96
Less: Cash and cash equivalents & current investment*	(522.55)	(430.77)
Net debt	**2,792.42**	**2,431.19**
Equity share capital	79.55	79.33
Other equity	1,877.14	1,908.06
Total capital	**1,956.69**	**1,987.39**
Capital and net debt	**4,749.11**	**4,418.58**
Gearing ratio	58.80%	55.02%

*includes other bank balance of ₹ 111.83 crores (31 March 2021: ₹ 50.00 crores) with respect to fixed deposit excluding deposits held as lien by banks against bank guarantees. These fixed deposits can be encashed by the Company at any time without any major penalties.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

Dividend distribution made and proposed

As a part of Group's capital management policy, dividend distribution is also considered as key element and management ensures that dividend distribution is in accordance with defined policy. Below mentioned are details of dividend distributed and proposed during the year.

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Sterlite Technologies Limited		
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 March 2021: ₹ 2.00 per share (31 March 2020: ₹ 3.5 per share)	79.36	138.28
	79.36	**138.28**
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 March 2022: ₹ 0.50 per share (31 March 2021: ₹ 2.0 per share)	19.88	79.31
	19.88	**79.31**

NOTE 50: FAIR VALUES

a) Financial Instruments by Category

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values as of 31 March 2022:

	31 March 2022			31 March 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
Equity instruments	-	60.13	-	8.53	60.13	-
Debentures	-	-	-	22.60	-	-
Preference shares	-	-	-	3.74	-	-
Mutual funds	0.04	-	-	180.90	-	-
Trade receivables	-	-	1,706.46	-	-	1,451.42
Loans	-	-	4.45	-	-	14.80
Cash and cash equivalents	-	-	410.68	-	-	192.79
Other bank balances	-	-	118.93	-	-	55.58

	31 March 2022			31 March 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Derivative financial assets	13.95	17.16	-	5.23	28.25	-
Other financials assets	21.45	-	74.56	-	-	12.90
Total financial assets	**35.44**	**77.29**	**2,315.08**	**221.00**	**88.38**	**1,727.49**
Financial liabilities						
Borrowings	-	-	3,311.39	-	-	2,839.07
Trade payables	-	-	2,419.97	-	-	1,943.66
Derivative financial liabilities	2.06	1.90	-	11.09	2.77	-
Payables for purchase of Property, plant and equipment's	-	-	164.29	-	-	453.49
Deposits from vendors	-	-	3.35	-	-	6.32
Other financial liabilities	-	-	138.54	-	-	110.60
Total financial liabilities	**2.06**	**1.90**	**6,037.54**	**11.09**	**2.77**	**5,353.14**

b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Fair value measurement using			
	Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments in equity shares of joint venture				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	8.53	-	-	8.53
Investments in equity shares of associates				
As at 31 March 2022	60.13	-	-	60.13
As at 31 March 2021	60.13	-	-	60.13
Investments in debentures				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	22.60	-	-	22.60
Investments in preference shares				
As at 31 March 2022	-	-	-	-
As at 31 March 2021	3.74	-	-	3.74
Investments in mutual funds				
As at 31 March 2022	0.04	0.04	-	-
As at 31 March 2021	180.90	180.90	-	-
Other financial assets				
As at 31 March 2022	21.45	-	21.45	-
As at 31 March 2021	-	-	-	-
Derivative financial assets - foreign exchange forward contracts				
As at 31 March 2022	13.95	-	13.95	-
As at 31 March 2021	5.23	-	5.23	-
Derivative financial assets - currency/Interest rate swaps				
As at 31 March 2022	17.16	-	17.16	-
As at 31 March 2021	28.25	-	28.25	-
Derivative financial Liabilities - foreign exchange forward contracts				
As at 31 March 2022	2.06	-	2.06	-
As at 31 March 2021	11.09	-	11.09	-
Derivative financial Liabilities - currency/interest rate swaps				
As at 31 March 2022	1.90	-	1.90	-
As at 31 March 2021	2.77	-	2.77	-

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Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There have been no transfers among Level 1, Level 2 and Level 3.

c) Valuation technique used to determine fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the quoted mutual funds are based on quoted price at the reporting date.

The fair values of the unquoted equity shares and debentures have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments and debentures.

The Group enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts, interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

d) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2022 and 31 March 2021:

₹ in crores

Particulars	Investments in equity shares of associate	Investments in equity shares of JV	Investments in debentures	Investments in preference share
As at 31 March 2021	60.13	8.53	22.60	3.74
Acquisitions	-	-	-	-
Deletions	-	(8.53)	(22.60)	(3.74)
As at 31 March 2022	**60.13**	**-**	**-**	**-**

e) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
FVOCI assets in unquoted equity shares (31 March 2022)	Transaction multiple approach	Revenue multiple considered	31 March 2022: 3.6	5% increase/ (decrease) in the revenue multiple would result in increase /(decrease) in fair value by ₹ 3.86/ (3.86) crore
FVPL assets in unquoted equity shares, preference shares and debentures	DCF method	Terminal growth rate	31 March 2022: NA 31 March 2021: 5.0%	NA (31 March 2021: 1%) increase/ (decrease) in the terminal growth rate would result in increase /(decrease) in fair value by ₹ Nil (31 March 2021: ₹ 3.23/ (2.85) crore)
		WACC (pre-tax)	31 March 2022: NA 31 March 2021: 21.50%	NA (31 March 2021: 1%) increase/ (decrease) in the WACC would result in decrease/(increase) in fair value by ₹ Nil (31 March 2021: ₹ 4.49/ (5.14))
		Long-term operating margin	31 March 2022: NA 31 March 2021: (113.6)% - 32.6%	NA (31 March 2021: 1%) increase/ (decrease) in the margin would result in increase/(decrease) in fair value by ₹ Nil (31 March 2021: ₹ 2.62/ (2.62))

Particulars	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
FVOCI assets in unquoted equity shares (31 March 2021)	DCF method	Terminal growth rate	31 March 2021: 2.0%	1% increase/ (decrease) in the terminal growth rate would result in increase /(decrease) in fair value by ₹ 2.87/ (2.57) crore
		WACC (pre-tax)	31 March 2021: 20.00%	1% increase/ (decrease) in the WACC would result in decrease/(increase) in fair value by ₹ 4.18/ (4.70) crore
		Long-term operating margin	31 March 2021: (78%)-52.5%	1% increase/ (decrease) in the margin would result in increase/(decrease) in fair value by ₹ 2.62/ (2.62) crore

*There were no significant inter-relationships between unobservable inputs that materially affect fair values.

f) Valuation processes

The finance department of the Group includes a team that oversees the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

External valuers are involved for valuation of significant assets, such as unquoted financials assets. Involvement of external valuers is decided by the valuation team. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Valuation team decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

The main level 3 inputs for used by the Group are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model or based on weighted average cost of capital of counterparty, to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from risk assessment (based on review of financial condition, economic factors) by management.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 3 fair values are analysed at the end of each reporting period during the valuation discussion between the valuation team and external valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown above.

The management assessed that cash and cash equivalents, trade receivables, trade payables, other current assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.The management has further assessed that borrowings availed and loans given approximate their carrying amounts largely due to the interest rates being variable or in case of fixed rate borrowings/loans, movements in interest rates from the recognition of such financial instrument till period end not being material.

NOTE 51: RELATED PARTY TRANSACTIONS

(A) Name of related party and nature of its relationship:

(a) Related parties where control exists

(i) Holding company

Twin Star Overseas Limited, Mauritius (Immediate holding company)
Volcan Investments Limited, Bahamas (Ultimate holding company)

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(b) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year

(i) Fellow subsidiaries

Cairn India Holdings Ltd
Sterlite Power Transmission Limited
Twin Star Technologies Limited
Twin Star Display Technologies Limited
Vedanta Limited

(ii) Joint ventures

Sterlite Conduspar Industrial Ltda (50:50 joint venture between Sterlite Technologies UK Ventures Limited and Conduspar Condutores Eletricos Limiteda)
Metis Eduventures Private Limited (Upto October 31, 2021)

(iii) Key management personnel (KMP)

Mr. Pravin Agarwal (Vice Chairman & Whole-time Director)
Dr. Anand Agarwal (CEO & Whole-time Director till December 02, 2021)
Mr. A. R. Narayanaswamy (Non executive & Independent Director till 31 March 2021)
Mr. Arun Todarwal (Non executive & Independent Director till 31 March 2021)
Mr. Sandip Das (Non executive & Independent Director)
Ms. Kumud Srinivasan (Non executive & Independent Director)
Mr. Pratik Agarwal (Non executive Director till 20 January 2021)
Mr. B. J Arun (Non executive & Independent Director w.e.f. 20 January 2021)
Mr. S Madhavan (Non executive & Independent Director w.e.f. 20 January 2021)
Mr. Ankit Agarwal (Whole-time Director from 20 January 2021 till 07 October 2021)
Mr. Ankit Agarwal (Managing Director w.e.f. 08 October 2021)

(iv) Relative of key management personnel (KMP)

Mr. Ankit Agarwal (till 19 January 2021)
Mrs. Jyoti Agarwal
Mrs. Ruchira Agarwal
Mrs. Sonakshi Agarwal
Mr. Navin Agarwal

(v) Entities where key management personnel or relatives of key management personnel have significant influence (EKMP)

Universal Floritech LLP (EKMP)
Sterlite Tech Foundation (EKMP)
Pravin Agarwal Family Trust (EKMP)
Runaya Private Limited

(vi) Associates

M.B Maanshan Special Cables Co. Ltd
ASOCS Ltd.

(c) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

(i) Key management personnel (KMP)

Mr. Anupam Jindal (Chief Financial Officer till 11 September 2020)
Mr. Mihir Modi (Chief Financial Officer from 05 October 2020)
Mr. Amit Deshpande (Company Secretary)

(B) The transactions with related parties during the year and their outstanding balances are as follows:-

(₹ in crores)

S. No.	Particulars	Joint ventures		Holding company		KMP		Relatives of KMP		Fellow subsidiaries/ EKMP	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
1	Remuneration	-	-	-	-	30.91	24.79	-	2.47	-	-
2	Sitting fees	-	-	-	-	0.40	0.51	-	-	-	-
3	Commission	-	-	-	-	1.58	1.13	-	-	-	-
4	Consultancy	-	-	-	-	0.60	0.55	-	-	-	-
5	Dividend (received)/paid	-	-	41.88	73.29	0.23	0.93	0.23	0.42	0.95	1.67
6	Sale of investments	-	-	-	-	-	-	-	-	43.00	-
7	Loans and advances given	0.13	0.28	-	-	-	-	-	-	-	0.85
8	Repayment of loans given	-	-	-	-	-	-	-	-	11.00	-
9	Loan repaid	-	-	-	-	-	-	-	-	9.77	0.08
10	Interest charged on loans	-	-	-	-	-	-	-	-	0.30	0.84
11	Interest expense on loans	-	-	-	-	-	-	-	-	1.35	-
12	Management fees received	-	-	-	-	-	-	-	-	9.66	11.08
13	Reimbursement of expenses	-	-	-	-	-	-	-	-	0.27	1.62
14	Purchase of goods & services	-	-	-	-	-	-	-	-	260.69	142.53
15	Sale of goods & services	12.88	26.18	-	-	-	-	-	-	8.67	16.22
16	Contributions made for CSR	-	-	-	-	-	-	-	-	11.42	11.60
17	Rental income	-	-	-	-	-	-	-	-	0.06	0.06
	Outstanding balances										
1	Loans/advance receivables[##]	2.79	2.68	-	-	-	-	-	-	1.40	11.95
2	Loans/advance payables	-	-	-	-	-	-	-	-	-	6.66
3	Interest payable on loans	-	-	-	-	-	-	-	-	-	1.27
4	Trade receivables	41.90	61.26	-	-	-	-	-	-	-	13.29
5	Other receivables	-	-	-	-	-	-	-	-	22.78	-
6	Trade payables	-	-	-	-	-	-	-	-	29.96	-
7	Advance to vendors	-	-	-	-	-	-	-	-	-	0.79
8	Investment in equity shares,preference shares & debentures	92.08	122.30	-	-	-	-	-	-	-	-
9	Corporate and bank guarantees given and outstanding	-	-	-	-	-	-	-	-	114.00	114.00

(C) Disclosure in respect of material related party transaction during the year:

S. No.	Particulars	Relationship	31 March 2022	31 March 2021
1	**Remuneration**			
	Mr. Pravin Agarwal	KMP	10.17	9.96
	Dr. Anand Agarwal	KMP	13.63	10.95
	Mr. Ankit Agarwal	KMP	3.72	0.58
	Mr. Ankit Agarwal	Relatives of KMP	-	2.47
	Mr. Mihir Modi	KMP	2.67	0.86
	Mr. Anupam Jindal	KMP	-	1.73
2	**Sitting fees**			
	Mr. Arun Todarwal	KMP	-	0.14
	Mr. A. R. Narayanaswamy	KMP	-	0.11
	Mr. Sandip Das	KMP	0.10	0.12
	Ms. Kumud Srinivasan	KMP	0.11	0.10
	Mr. S. Madhavan	KMP	0.10	-
	Mr. B J Arun	KMP	0.09	-

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S. No.	Particulars	Relationship	31 March 2022	31 March 2021
3	**Commission**			
	Mr. Arun Todarwal	KMP	0.30	0.23
	Mr. A. R. Narayanaswamy	KMP	0.30	0.23
	Ms. Kumud Srinivasan	KMP	0.30	0.23
	Mr. Sandip Das	KMP	0.30	0.23
	Mr. Pratik Agarwal	KMP	0.23	0.23
4	**Consultancy**			
	Mr. Sandip Das	KMP	0.60	0.55
5	**Dividend (received)/paid**			
	Twin Star Overseas Limited	Holding Company	41.88	73.29
6	**Sale of investments**			
	Sterlite Power Transmission Limited	Fellow Subsidiary	43.00	-
7	**Loans and advances given**			
	Twinstar Display Technologies Limited.	Fellow Subsidiary	-	0.03
	Twin Star Technologies Ltd	Fellow Subsidiary	-	0.82
	Sterlite Conduspar Industrial Ltda	Joint Venture	0.13	0.28
8	**Repayment of loans given**			
	Twinstar Display Technologies Limited	Fellow Subsidiary	11.00	-
	Twin Star Technologies Ltd	Fellow Subsidiary	-	-
9	**Loan repaid**			
	Sterlite Power Transmission Limited	Fellow Subsidiary	9.77	0.08
10	**Interest charged on loans**			
	Twin Star Display Technologies Limited	Fellow Subsidiary	0.03	0.03
	Twin Star Technologies Ltd	Fellow Subsidiary	0.26	0.81
11	**Interest expense on loans**			
	Sterlte Power Transmission Limited	Fellow Subsidiary	1.35	-
12	**Management fees received**			
	Cairn India Holdings Ltd	Fellow Subsidiary	9.66	11.08
13	**Reimbursement of expenses**			
	Cairn India Holdings Ltd	Fellow Subsidiary	-	1.62
	Sterlite Power Transmission Limited	Fellow Subsidiary	0.27	-
14	**Purchase of goods & services**			
	Vedanta Limited	Fellow Subsidiary	222.68	142.50
	Runaya Private Limited	EKMP	37.98	-
15	**Sale of goods & services**			
	Sterlite Power Transmission Limited	Fellow Subsidiary	8.67	16.22
	Sterlite Conduspar Industrial Ltda	Joint Venture	12.78	17.19
	M.B Maanshan Special Cables Co. Ltd	Associate	0.11	8.99
16	**Contributions made for CSR**			
	Sterlite Tech Foundation	EKMP	11.42	11.60
17	**Rental income**			
	Universal Floritech LLP	EKMP	0.06	0.06

(D) Compensation of Key mangement personnel of the company

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Short term employee benefits	22.84	22.69
Long term & post employment benefits	5.26	1.43
Share based payment transaction*	2.81	3.14
Total compensation paid to key management personnel	**30.91**	**27.26**

(E) Terms and conditions

a) Transactions relating to dividends for equity shares were on the same terms and conditions that applied to other shareholders.

b) All other transactions were made on normal commercial terms and conditions and at market rates.

c) All outstanding balances are unsecured and repayable in cash.

Includes interest & expenses incurred and recoverable.

$ Refer note 39 for details

* Share-based payments include the perquisite value of stock incentives excercised during the year,determined in accordance with the provisions of the Income-tax Act,1961.

Note 52: Borrowing secured against current assets

List of banks to which stock statements are submitted:

S No	Bank name
1	ICICI Bank Ltd.
2	State Bank of India
3	Yes Bank Ltd
4	Axis Bank Ltd
5	IDFC FIRST Bank Ltd
6	Indusind Bank Limited
7	Bank of Baroda
8	RBL Bank Ltd.
9	The Federal Bank Limited
10	IDBI Bank Limited
11	Deutsche Bank AG
12	Union Bank of India
13	HDFC Bank Ltd.
14	Export-Import Bank of India
15	Citi Bank
16	Shinhan Bank
17	CTBC Bank Co. Ltd.
18	Qatar National Bank (Q.P.S.C.)
19	Axis Finance Ltd.

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns of statements of current assets filed by the Company with banks are in agreement with the books of accounts, except for the following statements in the table below:-

(₹ in crores)

Quarter ended	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
March, 2022	Trade receivables and contract assets	3,066.52	3,066.52	-	
March, 2022	Inventories	444.61	444.61	-	
December, 2021	Trade receivables and contract assets	2,928.65	3,161.95	(233.30)	The difference is on account of period end closing entries.
December, 2021	Inventories	457.07	348.80	108.27	The difference is on account of period end closing entries.
September, 2021	Trade receivables and contract assets	2,991.15	3,124.31	(133.16)	The difference is on account of period end closing entries ₹ (195.16) crores and non consideration of related party receivable ₹ 62.00 crores
September, 2021	Inventories	373.59	340.76	32.83	The difference is on account of period end closing entries.

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(₹ in crores)

Quarter ended	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
June, 2021	Trade receivables and contract assets	3,204.41	3,079.32	125.09	The difference is on account of period end regroupings ₹ 63.09 crores and non consideration of related party receivable ₹ 62.00 crores
June, 2021	Inventories	448.50	351.22	97.28	The difference is on account of period end closing entries.
March, 2021	Trade receivables and contract assets	2,687.28	2,687.28	-	
March, 2021	Inventories	363.36	363.36	-	
December, 2020	Trade receivables and contract assets	2,421.04	2,395.03	26.01	The difference is on account of period end closing entries ₹ (34.99) crores and non consideration of related party receivable ₹ 61.00 crores.
December, 2020	Inventories	315.84	325.28	(9.44)	The difference is on account of period end closing entries.
September, 2020	Trade receivables and contract assets	2,008.14	1,984.40	23.74	The difference is on account of period end closing entries ₹ (24.26) crores and non consideration of related party receivable ₹ 48.00 crores.
September, 2020	Inventories	269.74	261.91	7.83	The difference is on account of period end closing entries.
June, 2020	Trade receivables and contract assets	2,208.18	2,169.59	38.59	The difference is on account of period end closing entries ₹ (1.41) crores and non consideration of related party receivable ₹ 40.00 crores.
June, 2020	Inventories	253.89	216.26	37.63	The difference is on account of period end closing entries.

NOTE 53: INTERESTS IN JOINT VENTURE AND ASSOCIATES

Joint venture - Sterlite Conduspar Industrial Ltda

Set out below are the details of Joint venture of the Group which in the opinion of management are material to the Group. The Group has a 50.00% (31 March 2021: 58.05%) interest in Sterlite Conduspar Industrial Ltda, a joint venture engaged in the manufacturing of optical fibre cables of some of the Group's main product lines in Brazil. The Group's interest in Sterlite Conduspar Industrial Ltda ('Joint Venture') is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Current assets	36.59	32.92
Non-current assets	9.98	6.92
Total asset (A)	**46.57**	**39.84**
Current liabilities	12.22	10.53
Non-current liabilities	45.26	34.79
Total liabilities (B)	**57.48**	**45.32**
Net assets (A+B)	**(10.91)**	**(5.48)**
Proportion of the group's ownership	50.00%	58.05%
Carrying amount of the investment	-	-

Summarised statement of profit and loss of the Joint Venture:

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Revenue	56.37	65.80
Other income	0.09	0.20
Cost of raw material and components consumed	39.16	44.25
Depreciation & amortization	0.93	0.96
Finance cost	2.00	1.00
Employee benefit	5.98	4.75
Other expense	9.62	12.46
Loss before tax	**(1.23)**	**2.58**
Income tax expense	-	-
Loss for the year	**(1.23)**	**2.58**
Other comprehensive income	**-**	**-**
Total comprehensive income for the year	**(1.23)**	**2.58**
Group's share of loss for the year	**(0.72)**	**1.50**
Unrecognised share of profit / (loss) of joint venture	**(0.51)**	**1.08**

As per paragraph 39 of Ind AS 28, the group has not recongnised the share of loss of joint venture, as the equity investment in joint venture is reduced to zero. The group will resume recognising its share of profits in the joint venture only after its share of the profits equals the share of losses not recognised.

The group had no contingent liabilities or capital commitments relating to its interest in joint venture as at 31 March 2022 and 31 March 2021.

Associate company - M.B Maanshan Special Cables Co. Ltd

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
Aggregate carrying amount	31.95	27.30
Aggregate amounts of the group's share of:		
Profit/(loss) from continuing operations	4.65	14.86
Post-tax profit or loss from discontinued operations	-	-
Other comprehensive income	-	-
Total comprehensive income	**4.65**	**14.86**

NOTE 54: DISCLOSURE FOR NON-CONTROLLING INTERESTS

This information is based on amounts before inter-company eliminations.
Financial information of subsidiaries that have material non-controlling interests is provided below.
Proportion of equity interest held by non-controlling interests:

Name of the company	Principal activity	Effective ownership as on 31 March 2022	Effective ownership as on 31 March 2021	Country of incorporation
Maharashtra Transmission Communication Infrastructure Limited (MTCIL) (refer note 16)	Data Transmission	-	35.02%	India
Jiangsu Sterlite and Tongguang Fiber Co. Limited (JSTFCL)	Manufacturing of Optical Fibre	25.00%	25.00%	China
Impact Data Solutions Limited*	Data centre network infrastructure design and deployment	20.00%	20.00%	United Kingdom
Impact Data Solutions B.V.*		20.00%	20.00%	Netherlands
Vulcan Data Centre Solutions Limited*		20.00%	20.00%	United Kingdom
Clearcomm Group Limited#	Network integration services	20.00%	-	United Kingdom

*collectively referred as "IDS Group" and disclosed below.

#The numbers for Clearcomm Group Limited for the year ended 31 March 2022 are reported from the acquisition date to balance sheet date.

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Summarised statement of profit and loss for the year ended 31 March 2022:

	31 March 2022				31 March 2021		
	MTCIL	Clearcomm	JSTFCL	IDS Group	MTCIL	JSTFCL	IDS Group
	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)
Revenue	27.65	104.36	-	132.98	10.27	221.69	114.54
Profit / (loss) for the year	**13.92**	**(12.04)**	**(73.74)**	**6.78**	**(3.59)**	**(42.45)**	**10.57**
Total comprehensive income	**13.92**	**(12.63)**	**(52.15)**	**5.73**	**(3.59)**	**(25.66)**	**19.01**
Attributable to non-controlling interests	4.88	(2.53)	(13.04)	1.18	(1.23)	(6.42)	3.45
Dividends paid to non-controlling interests	-	-	-	-	-	-	-

Summarised balance sheet as at 31 March 2022 and 31 March 2021:

	31 March 2022				31 March 2021		
	MTCIL	Clearcomm	JSTFCL	IDS Group	MTCIL	JSTFCL	IDS Group
	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)
Non current assets	-	12.30	418.94	44.69	100.12	445.82	54.24
Current assets	-	56.62	41.26	75.92	70.70	72.76	56.71
Total asset (A)	**-**	**68.92**	**460.20**	**120.61**	**170.82**	**518.58**	**110.95**
Non current liability	-	(24.33)	12.80	(13.08)	(54.07)	(4.89)	(19.06)
Current liability	-	(34.40)	(198.37)	(32.55)	(105.55)	(186.90)	(22.88)
Total liability (B)	**-**	**(58.73)**	**(185.57)**	**(45.63)**	**(159.62)**	**(191.79)**	**(41.94)**
Net assets (A+B)	**-**	**10.19**	**274.63**	**74.99**	**11.20**	**326.79**	**69.01**
Accumulated NCI	**-**	**2.04**	**68.66**	**15.00**	**2.57**	**81.70**	**13.80**

Summarised cash flows

	31 March 2022				31 March 2021		
	MTCIL	Clearcomm	JSTFCL	IDS Group	MTCIL	JSTFCL	IDS Group
	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)
Cash inflow / (outflow) from operating activities	111.45	(0.02)	29.65	10.18	24.38	59.10	9.78
Cash inflow / (outflow) from investing activities	(89.31)	(4.77)	(8.54)	(0.37)	(10.95)	(0.40)	(1.75)
Cash inflow / (outflow) from financing activities	(22.10)	1.66	(24.58)	(8.16)	(10.23)	(71.13)	(1.66)
Net increase /(decrease) in cash and cash equivalents	**0.04**	**(3.13)**	**(3.47)**	**1.65**	**3.20**	**(12.43)**	**6.37**

NOTE 55: STATUTORY GROUP INFORMATION

Name of the Entity in the group	Net Assets, i.e total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crores	As % of consolidated profit and loss	₹ Crores	As % of consolidated other comprehensive income	₹ Crores	As % of total comprehensive income	₹ Crores
Parent								
Sterlite Technologies Limited								
Balance as at 31 March 2022	59.10%	1,206.97	149.10%	70.57	-116.01%	(12.40)	100.26%	58.17
Balance as at 31 March 2021	59.97%	1,250.66	94.59%	251.01	26.35%	10.94	85.36%	261.95
Subsidiaries								
Indian								
1. Speedon Network limited								
Balance as at 31 March 2022	-0.70%	(14.32)	-20.73%	(9.81)	0.00%	-	-16.91%	(9.81)
Balance as at 31 March 2021	-0.22%	(4.51)	-3.02%	(8.02)	0.00%	-	-2.61%	(8.02)

Name of the Entity in the group	Net Assets, i.e total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crores	As % of consolidated profit and loss	₹ Crores	As % of consolidated other comprehensive income	₹ Crores	As % of total comprehensive income	₹ Crores
2. Maharashtra Transmission Communication Infrastructure Limited*								
Balance as at 31 March 2022	0.00%	-	19.10%	9.04	0.00%	-	15.58%	9.04
Balance as at 31 March 2021	0.33%	6.79	-0.89%	(2.36)	0.00%	-	-0.77%	(2.36)
3. Sterlite Telesystems Limited								
Balance as at 31 March 2022	-0.01%	(0.21)	-0.13%	(0.06)	0.00%	-	-0.10%	(0.06)
Balance as at 31 March 2021	-0.01%	(0.16)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
4. STL Digital Limited (earlier "Sterlite Tech Connectivity Solutions Limited")								
Balance as at 31 March 2022	-0.01%	(0.30)	-0.68%	(0.32)	0.00%	-	-0.55%	(0.32)
Balance as at 31 March 2021	0.00%	0.02	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
5. Sterlite Innovative Solutions Limited								
Balance as at 31 March 2022	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2021	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
6. Sterlite Tech Cables Solutions Limited								
Balance as at 31 March 2022	0.85%	17.28	39.53%	18.71	2.99%	0.32	32.80%	19.03
Balance as at 31 March 2021	-0.08%	(1.75)	-0.67%	(1.79)	0.00%	-	-0.58%	(1.79)
7. STL Networks Limited								
Balance as at 31 March 2022	0.00%	0.05	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign								
1. Sterlite Global Ventures (Mauritius) Limited								
Balance as at 31 March 2022	13.30%	271.63	-3.00%	(1.42)	0.00%	-	-2.45%	(1.42)
Balance as at 31 March 2021	13.09%	273.05	-0.11%	(0.30)	0.00%	-	-0.10%	(0.30)
2. Jiangsu Sterlite and Tongguang Fibre Co. Ltd.								
Balance as at 31 March 2022	10.09%	205.98	-116.85%	(55.31)	151.50%	16.19	-67.41%	(39.11)
Balance as at 31 March 2021	11.75%	245.10	-12.00%	(31.84)	30.33%	12.59	-6.27%	(19.25)
3. Sterlite (Shanghai) Trading Company Limited								
Balance as at 31 March 2022	0.16%	3.26	6.27%	2.97	0.00%	-	5.12%	2.97
Balance as at 31 March 2021	0.01%	0.30	0.86%	2.29	0.00%	-	0.75%	2.29
4. Metallurgica Bresciana S.p.A (Italy)								
Balance as at 31 March 2022	3.37%	68.90	46.37%	21.95	-9.08%	(0.97)	36.16%	20.98
Balance as at 31 March 2021	3.13%	65.33	13.65%	36.21	6.57%	2.73	12.69%	38.94
5. Sterlite Technologies UK Ventures Limited								
Balance as at 31 March 2022	-2.14%	(43.76)	-81.28%	(38.47)	0.00%	-	-66.30%	(38.47)
Balance as at 31 March 2021	-0.25%	(5.28)	-1.25%	(3.33)	0.00%	-	-1.09%	(3.33)

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

Name of the Entity in the group	Net Assets, i.e total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crores	As % of consolidated profit and loss	₹ Crores	As % of consolidated other comprehensive income	₹ Crores	As % of total comprehensive income	₹ Crores
6. Elitecore Technologies (Mauritius) Limited								
Balance as at 31 March 2022	0.04%	0.76	0.17%	0.08	0.00%	-	0.14%	0.08
Balance as at 31 March 2021	0.03%	0.68	0.01%	0.02	0.00%	-	0.01%	0.02
7. Elitecore Technologies Sdn Bhd.								
Balance as at 31 March 2022	0.33%	6.83	3.68%	1.74	0.00%	-	3.00%	1.74
Balance as at 31 March 2021	0.24%	5.09	0.67%	1.79	0.00%	-	0.58%	1.79
8. Sterlite Tech Holding Inc.								
Balance as at 31 March 2022	-0.12%	(2.44)	-1.16%	(0.55)	0.00%	-	-0.95%	(0.55)
Balance as at 31 March 2021	-0.09%	(1.89)	-0.18%	(0.49)	0.00%	-	-0.16%	(0.49)
9. Sterlite Technologies Inc								
Balance as at 31 March 2022	0.87%	17.67	56.54%	26.76	0.00%	-	46.12%	26.76
Balance as at 31 March 2021	-0.44%	(9.09)	1.84%	4.88	0.00%	-	1.59%	4.88
10. Impact Data Solutions Limited								
Balance as at 31 March 2022	1.77%	36.16	23.33%	11.04	-5.17%	(0.55)	18.08%	10.49
Balance as at 31 March 2021	1.23%	25.67	4.41%	11.70	0.52%	0.69	4.04%	12.39
11. Vulcan Data Centre Solutions Limited								
Balance as at 31 March 2022	0.00%	0.03	-4.58%	(2.17)	0.15%	0.02	-3.71%	(2.15)
Balance as at 31 March 2021	0.10%	2.18	-0.06%	(0.15)	1.53%	0.16	0.00%	0.01
12. PT Sterlite Technologies Indonesia								
Balance as at 31 March 2022	0.05%	1.09	-2.87%	(1.36)	1.03%	0.11	-2.15%	(1.25)
Balance as at 31 March 2021	0.11%	2.34	0.09%	0.24	-0.29%	(0.12)	0.04%	0.12
13. Sterlite Technologies Pty. Ltd								
Balance as at 31 March 2022	0.05%	0.97	1.82%	0.86	0.00%	-	1.48%	0.86
Balance as at 31 March 2021	0.01%	0.11	0.05%	0.12	-0.02%	(0.01)	0.04%	0.11
14. Sterlite Technologies DMCC								
Balance as at 31 March 2022	0.02%	0.43	6.23%	2.95	0.94%	0.10	5.26%	3.05
Balance as at 31 March 2021	-0.13%	(2.61)	-1.08%	(2.86)	0.36%	0.15	-0.88%	(2.71)
15. STL Optical Interconnect S.p.A.								
Balance as at 31 March 2022	0.05%	1.10	-17.64%	(8.35)	26.57%	2.84	-9.50%	(5.51)
Balance as at 31 March 2021	0.32%	6.61	-1.06%	(2.80)	20.57%	8.54	1.87%	5.74
16. Optotec S.p.A.$								
Balance as at 31 March 2022	5.29%	107.99	43.35%	20.52	-23.20%	(2.48)	31.09%	18.04
Balance as at 31 March 2021	4.87%	101.46	2.39%	6.33	-0.14%	(0.06)	2.04%	6.27
17. Optotec International S.A.$								
Balance as at 31 March 2022	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
18. STL Edge Networks Inc.								
Balance as at 31 March 2022	0.08%	1.56	3.30%	1.56	0.00%	-	2.69%	1.56
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
19. STL Tech UK								
Balance as at 31 March 2022	0.19%	3.89	0.00%	-	-2.25%	(0.24)	-0.41%	(0.24)
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
20. STL UK Holdco Limited, UK								
Balance as at 31 March 2022	1.28%	26.12	-5.73%	(2.71)	28.82%	3.08	0.64%	0.37
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-

Name of the Entity in the group	Net Assets, i.e total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ Crores	As % of consolidated profit and loss	₹ Crores	As % of consolidated other comprehensive income	₹ Crores	As % of total comprehensive income	₹ Crores
21. Clearcomm Group Limited, UK#								
Balance as at 31 March 2022	0.40%	8.15	-20.35%	(9.63)	-4.42%	(0.47)	-17.41%	(10.10)
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22. STL Network Services Inc., US								
Balance as at 31 March 2022	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
23. STL Solutions Germany GmbH								
Balance as at 31 March 2022	-0.05%	(1.05)	-2.75%	(1.30)	0.28%	0.03	-2.19%	(1.27)
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
24. Share of profit of Joint Venture/ Associate Company								
Balance as at 31 March 2022	1.56%	31.95	9.82%	4.65	0.00%	-	8.01%	4.65
Balance as at 31 March 2021	1.31%	27.30	5.60%	14.86	0.00%	-	4.84%	14.86
Non controlling interest in all subsidiaries								
Balance as at 31 March 2022	4.20%	85.68	-30.87%	(14.61)	47.81%	5.11	-16.37%	(9.50)
Balance as at 31 March 2021	4.70%	98.07	-3.81%	(10.11)	14.23%	5.91	-1.37%	(4.20)
Total								
Balance as at 31 March 2022	**100.00%**	**2,042.37**	**100.01%**	**47.33**	**100.00%**	**10.69**	**100.00%**	**58.02**
Balance as at 31 March 2021	**100.00%**	**2,085.47**	**100.00%**	**265.37**	**100.00%**	**41.52**	**100.00%**	**306.89**

All eliminations and adjustments are netted off against balances of parent company for disclosure purpose

The numbers for the year ended 31 March 2022 are reported from the acquisition date to balance sheet date.

$ The numbers for the year ended 31 March 2021 are reported from the acquisition date to balance sheet date.

* Refer note 16 for sale of investment in Maharashtra Transmission Communication Infrastructure Limited

ASOCS Ltd. (Associate company) is not considered for consolidation as the operations of the associate company is insignificant for the Group.

NOTE 56: SEGMENT REPORTING

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

Geographical information

Particulars	31 March 2022 (₹ in crores)	31 March 2021 (₹ in crores)
(1) Revenue from external customers		
- Within India	2,431.43	2,791.90
- Outside India	3,322.83	2,033.28
Total revenue as per statement of profit and loss	**5,754.26**	**4,825.18**
(2) Non-current assets		
- Within India	2,350.64	2,442.49
- Outside India	1,129.79	958.71
Total	**3,480.43**	**3,401.20**

(3) Revenue from external customers

Revenue from two customers in India amounted to ₹ 761.68 crores (31 March 2021: ₹ 841.00 crores).

Notes
to the Consolidated Financial Statements for the year ended 31 March 2022

NOTE 57: PREVIOUS YEAR FIGURES

Further, previous year figures have been reclassified to conform to this year's classification.

The Ministry of Corporate Affairs (MCA) through a notification dated March 24, 2021, amended Schedule III of the Companies Act, 2013, applicable for financial years commencing from April 1, 2021. Pursuant to such amendments, security deposits of ₹ 11.96 crores as at March 31, 2021 have been reclassified from 'Loans' to 'Other financial assets' and current maturities of long term debts of ₹ 349.36 crores as at March 31, 2021 have been reclassified from 'Other financial liabilities' to 'Current borrowings'.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Neeraj Sharma
Partner
Membership Number: 108391

Place: Pune
Date: 28 April 2022

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

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN: 00022096

Ankit Agarwal
Managing Director
DIN: 03344202

Mihir Modi
Chief Financial Officer

Amit Deshpande
Company Secretary

Place: Mumbai
Date: 28 April 2022

FORM AOC-1 - PART A

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES AS PER COMPANIES ACT , 2013

(₹ In Crores)

S. No.	Name of Company	Country of Incorporation	Reporting currency	Exchange rate (INR)	Share Capital	Reserve & Surplus	Total Liabilities	Total Assets	Investment	Turnover (Gross Revenue)	Profit / (loss) before taxation	Provision for taxation	Profit / (loss) after taxation	Proposed dividend	% of Holding
1	Speedon Network Limited	India	INR	NA	1.55	(15.87)	45.49	31.17	0.02	9.32	(9.81)	-	(9.81)	-	100.00
2	Sterlite Telesystems Limited	India	INR	NA	0.02	(0.23)	0.25	0.04	-	-	(0.06)	-	(0.06)	-	100.00
3	Elitecore Technologies (Mauritius) Limited	Mauritius	MUR	1.67	0.14	0.62	0.13	0.89	-	1.38	0.10	0.02	0.08	-	100.00
4	Elitecore Technologies Sdn Bhd.	Malaysia	MYR	18.04	-	6.83	3.31	10.14	-	10.39	3.29	1.55	1.74	-	100.00
5	Sterlite Global Ventures (Mauritius) Limited	Mauritius	USD	75.90	218.17	53.47	0.38	272.02	266.05	-	(1.42)	-	(1.42)	-	100.00
6	Jiangsu Sterlite Tongguang Fiber Co. Limited	China	RMB	11.94	154.52	120.12	185.56	460.20	-	-	(86.75)	(13.01)	(73.74)	-	75.00
7	Sterlite Technologies UK Ventures Limited	UK	GBP	99.69	0.04	(43.80)	115.04	71.28	19.36	31.97	(47.63)	(9.16)	(38.47)	-	100.00
8	Sterlite Tech Holding Inc.	America	USD	75.90	-	(2.44)	38.14	35.70	-	-	(0.55)	-	(0.55)	-	100.00
9	Sterlite Technologies Inc	America	USD	75.90	-	17.67	716.36	734.03	-	596.32	32.86	6.10	26.76	-	100.00
10	Sterlite Conduspar Industrial Ltda	Brazil	BRL	16.01	19.14	(30.05)	57.48	46.57	-	56.37	(1.23)	-	(1.23)	-	50.00
11	Sterlite (Shanghai) Trading Co. Limited	China	RMB	11.94	1.53	1.73	5.28	8.54	-	17.91	2.99	0.03	2.96	-	100.00
12	Sterlite Innovative Solutions Limited	India	INR	NA	0.05	(0.05)	0.01	0.01	-	-	-	-	-	-	100.00
13	STL Digital Limited	India	INR	NA	0.05	(0.35)	3.08	2.78	-	-	(0.32)	-	(0.32)	-	100.00
14	Sterlite Tech Cables Solutions Limited	India	INR	NA	0.05	17.23	403.51	420.79	-	386.27	22.56	3.85	18.71	-	100.00
15	Impact Data Solutions Limited	UK	GBP	99.69	0.02	51.12	35.94	87.08	-	132.98	15.52	2.58	12.94	-	80.00
16	Impact Data Solutions B.V.	Netherlands	EUR	NA											80.00
17	Vulcan Data Centre Solutions Limited	UK	GBP	99.69	-	0.04	0.05	0.09	0.01	-	(2.71)	-	(2.71)	-	80.00
18	Metallurgica Bresciana S.P.A.	Italy	EUR	83.99	56.18	25.15	430.63	511.96	12.46	653.85	31.34	9.38	21.96	-	100.00
19	PT Sterlite Technologies Indonesia	Indonesia	IDR	0.01	2.22	(1.12)	(0.01)	1.09	-	2.37	(1.36)	-	(1.36)	-	100.00
20	Sterlite Technologies DMCC	United Arab Emirates	AED	20.66	0.10	0.33	18.75	19.18	-	23.01	2.95	-	2.95	-	100.00
21	Sterlite Technologies Pty. Ltd.	Australia	AUD	56.77	-	0.97	8.45	9.42	-	8.76	1.22	0.37	0.85	-	100.00
22	STL Optical Interconnect S.p.A.	Italy	EUR	83.99	0.87	0.23	268.10	269.20	264.05	-	(11.20)	(2.84)	(8.36)	-	100.00
23	Optotec S.p.A.	Italy	EUR	83.99	31.31	76.68	62.83	170.82	0.01	205.81	29.76	9.24	20.52	-	100.00
24	Optotec International S.A.	Switzerland	CHF	NA											100.00
25	STL Edge Networks Inc.	America	USD	75.90	-	1.56	10.57	12.13	-	-	1.56	-	1.56	-	100.00
26	STL Networks Limited	India	INR	NA	0.05	-	-	0.05	-	-	-	-	-	-	100.00
27	STL Tech Solutions Limited, UK	UK	GBP	99.69	4.13	(0.24)	1.90	5.79	-	-	-	-	-	-	100.00
28	STL Digital Inc. (USA)$	America	USD	75.90	-	-	-	-	-	-	-	-	-	-	100.00
29	STL Tech GmbH$	Germany	EUR	83.99	-	-	-	-	-	-	-	-	-	-	100.00
30	STL Optical Tech Limited$	America	USD	75.90	-	-	-	-	-	-	-	-	-	-	100.00
31	STL Network Services Inc., US$	America	USD	75.90	-	-	-	-	-	-	-	-	-	-	100.00
32	STL Solutions Germany GmbH	Germany	EUR	83.99	0.22	(1.27)	1.90	0.85	-	-	(1.54)	(0.24)	(1.30)	-	100.00
33	STL UK Holdco Limited, UK	UK	GBP	99.69	25.75	0.37	106.34	132.46	110.82	-	(3.30)	(0.59)	(2.71)	-	100.00
34	Clearcomm Group Limited, UK	UK	GBP	99.69	-	10.19	58.73	68.92	-	104.36	(15.02)	(2.99)	(12.03)	-	80.00
35	ASOCS$	Israel	USD	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	11.71%
36	MB Maanshan Special Cable Limited	China	RMB	NA	NA	NA	NA	NA	NA	NA	NA	NA	4.65	NA	40.00%

$ These entities are not considered for consolidation as there are no transactions or are immaterial.

FORM AOC-1 - PART B

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

S. No.	Name of Associate / Joint Ventures	Sterlite Conduspar Industrial Ltda	MB Maanshan Special Cable Limited
1	Latest Balance Sheet date	31-03-2022	31-12-2021
2	Shares of Associate/Joint Ventures held by the Company on the year end		
a	Number	NA	NA
b	Amount of investment (At face value)	19.14	12.44
c	% of holding	50.00	40.00
3	Description of how there is significant influence	By way of onwership	By way of onwership
4	Reason why the associate / joint venture is not consolidated	Equity Method Of Accounting (Refer IND AS 28)	Equity Method Of Accounting (Refer IND AS 28)
5	Networth attributable to shareholding as per latest Balance sheet	(10.91)	NA
6	Profit/Loss for the year	(1.23)	11.63
a	Considered in consolidation	(0.72)	4.65
b	Not considered in consolidation	(0.51)	6.98

1. Names of associate or joint ventures which are yet to comemnce operations :- Nil
2. Names of associate or joint ventures which have been liquidated or sold during the year :- Nil

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

Pravin Agarwal	**Ankit Agarwal**	**Mihir Modi**	**Amit Deshpande**
Vice Chairman & Whole-time Director	Managing Director	Chief Financial Officer	Company Secretary

Place : Mumbai
Date : 28 April 2022

Notes

Corporate information

Board of Directors

Anil Agarwal

Pravin Agarwal

Sandip Das

Kumud Srinivasan

S. Madhavan

B.J. Arun

Ankit Agarwal

Chief Financial Officer

Mihir Modi

Company Secretary

Amit Deshpande

Leadership Team

Ankit Agarwal
Managing Director

Mihir Modi
Group Chief Financial Officer

Paul Atkinson
CEO- Optical Network Business

KS Rao
Chief Corporate Officer

Chris Rice
CEO - Access Solutions Business

Praveen Cherian
CEO- Global Services Business

Raman Venkatraman
CEO – STL Digital

Dr. Badri Gomatam
Group Chief Technology Officer

Anjali Byce
Chief Human Resources Officer

Manish Sinha
Chief Marketing Officer

Manuj Desai
Chief Information Officer

Akanksha Sharma
Head CSR and Sustainability

Bankers

ABSA Bank
Axis Bank Ltd.
Bank of Baroda
Citi Bank
CTBC Bank Co. Ltd.
Deutsche Bank
Export-Import Bank of India
HDFC Bank Ltd.
ICICI Bank Ltd.
HSBC Bank
IDBI Bank Ltd.
IDFC First Bank Ltd.
IndusInd Bank Limited
Qatar National Bank
RBL Bank Ltd.
Shinhan Bank
State Bank of India
The Federal Bank Limited
Union Bank of India
Yes Bank Ltd.
UNICREDIT, Italy
Banca Nazionale del Lavoro, Italy
UBI BANCA, Italy
Banca Popolare di Sondrio, Italy

Registered Office

4th Floor, Godrej Millennium,
Koregaon Road 9, STS 12/1,
Pune-411001, Maharashtra

Locations

Australia, Belgium, Brazil, China, Columbia,France, Germany, India, Italy, Ivory Coast, Malaysia,Netherlands, Philippines, Russia, SEA, South Africa, Singapore,Spain,Sweden, UAE, UK, USA

Registrar and Transfer agents

Kfin Technologies Limited,
(Unit – Sterlite Technologies Limited)
Selenium Tower B, Plot Nos. 31 & 32,
Financial District, Gachibowli,
Nanakramguda, Serilingampally,
Hyderabad 500 032, India
Toll Free No. 1800 309 4001
E-mail: einward.ris@karvy.com

Imprints

Editorial
Khushboo Chawla, Shaily Rai Sinha, Geetanjali Negi

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Manish Sinha, Amit Jaurwal, Khushboo Chawla, Shaily Rai Sinha

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Financials
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Project Sponsors
Ankit Agarwal, Mihir Modi, Manish Sinha

Sterlite Technologies Limited
Godrej Millenium 9, Koregaon
Road, Pune - 411 001 Maharashtra, India
Phone +91 20 30514000
www.stl.tech

/Concept, content and design at AICL (hello@aicl.in)

STERLITE TECHNOLOGIES LIMITED

CIN - L31300PN2000PLC202408
Regd. Office: 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1,
Pune - 411001 Maharashtra, India
Email: secretarial@stl.tech; Website: www.stl.tech;
Phone: +91 20 30514000; Fax: +91 20 30514113

Notice

NOTICE is hereby given that the Twenty Third Annual General Meeting ("AGM") of the members of Sterlite Technologies Limited will be held on Friday, August 26, 2022 at 9.00 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. a) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and the Auditors thereon.

b) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the Report of the Auditors thereon.

2. To declare Dividend of ₹ 0.50/- per Equity Share of the face value of Rs. 2 each for the financial year ended March 31, 2022.

3. To appoint a Director in place of **Mr. Pravin Agarwal** (DIN 00022096), who retires by rotation and being eligible, offers himself for re-appointment.

4. To re-appoint statutory auditors of the Company and fix their remuneration for a second term of Five consecutive years.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED** that pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) ('PWC') be and are hereby appointed as the statutory auditors of the Company for a second term of 5 (five) consecutive years to hold office from the conclusion of this (23rd) annual general meeting until the conclusion of the 28th annual general meeting of the Company.

RESOLVED FURTHER the Board of Directors and/or the Audit Committee be and are hereby authorized to determine the remuneration payable to the Statutory Auditors and do all acts, matters, deeds and things as may be necessary, desirable and expedient to give effect to this resolution."

SPECIAL BUSINESS:

5. Appointment of Mr. Ankit Agarwal as Managing Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, Mr. Ankit Agarwal (DIN 03344202), who was holding position of Whole-Time Director was appointed by the Board of Directors as Managing Director and Key Managerial Personnel (KMP) with effect from October 08, 2021, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Managing Director and KMP of the Company, liable to retire by rotation, for a period of 5 (five) consecutive years with effect from October 08, 2021 upto October 07, 2026, on the terms and conditions including remuneration, as contained in the draft of the Agreement to be entered into between the Company and Mr. Ankit Agarwal, material terms of which are set out in the explanatory statement attached hereto, with liberty to the Board of Directors (hereinafter referred to as "the Board", which term shall include the Nomination and Remuneration Committee of the Board constituted for the purpose) to alter and vary from time to time, the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Ankit Agarwal, subject to the same not exceeding the applicable limits as specified in

Section 197 read with Schedule V to the Act or any statutory modification(s) or re-enactment thereto.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Re-appointment of Mr. Sandip Das as an Independent Director

To consider and, if thought fit, to pass the following resolution, as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and the Rules made there under, read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment thereof, for the time being in force], Mr. Sandip Das (DIN 00116303), in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 2(two) consecutive years with effect from October 16, 2022 upto October 15, 2024.

RESOLVED FURTHER THAT any Director of the Company and the Company Secretary be and are hereby severally authorised to file the necessary forms with the Registrar of Companies and to do all such acts, deeds, things, as may be necessary to give effect to this resolution."

7. Ratification of remuneration of Cost Auditor

To consider and, if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof, for the time being in force], approval of the Company be and is hereby accorded for ratification of remuneration of ₹ 110,000/- plus applicable taxes, and reimbursement of actual travel and out-of-pocket expenses, if any, to Mr. Kiran Naik, Cost Accountant (Registration Number 10927) for conducting the audit of the cost records of the Company for the Financial Year 2022-23.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Audit Committee be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. Raising of the funds through Qualified Institutional Placement (QIP) / External Commercial Borrowings (ECBs) with rights of conversion into Shares / Foreign Currency Convertible Bonds (FCCBs) / American Depository Receipts (ADRs) / Global Depository Receipts (GDRs) /Optionally or Compulsorily Convertible Redeemable Preference Shares (OCPs/CCPs) etc. pursuant to Section 62 of Companies Act, 2013

To consider and, if thought fit, to pass the following resolution, as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(a), 62(1)(c), 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 (**"Companies Act"**), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof), the provisions of the Memorandum of Association and the Articles of Association of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**"SEBI ICDR Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI Listing Regulations"**), the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (**"Stock Exchanges"**) on which the equity shares having face value of ₹ 2/- each of the Company (**"Equity Shares"**) are listed, the provisions of the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, as amended (the **"FEMA"**), including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, Foreign Exchange Management (Debt Instruments) Rules, 2019, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, as amended, the extant Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, (the **"Debt Listing Regulations"**), the Reserve Bank of India Master Directions on Foreign Investment in India, 2018 and subject to other applicable rules, regulations and guidelines issued by the Ministry of Corporate Affairs (**"MCA"**), the relevant Registrar of Companies, Securities and Exchange Board of India (**"SEBI"**), Reserve Bank of India (**"RBI"**), Government of India (**"GoI"**), Stock Exchanges and / or any competent statutory, regulatory, governmental or any other authorities, whether in India or abroad (herein referred to as **"Applicable Regulatory Authorities**"), from time to time and to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary or required from the Applicable Regulatory Authorities in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any or all of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **"Board"**, which term shall include any committee thereof which the Board may duly have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this resolution), consent, authority and approval of the Members of the Company, be and is hereby accorded to the Board and the Board be and is hereby authorised to create, offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, or such part of issue and for such categories of persons, including employees, as may be permitted) with or without green show option, such number of Equity Shares and equity linked instruments, including convertible preference shares, non-convertible debt instruments along with warrants, fully convertible debentures, partly convertible debentures, and/or any other securities convertible into Equity Shares (including warrants or otherwise), Global Depository Receipts (**"GDRs"**), American Depository Receipts (**"ADRs"**), Foreign Currency Convertible Bonds (**"FCCBs"**), (all of which are hereinafter collectively referred to as **"Securities"**) or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in one or more foreign currencies in the course of international and / or domestic offerings, in one or more foreign markets and/or domestic markets, through public and/ or private offerings and/or rights offering and/ or by way of Qualified Institutions Placement (**"QIP"**), or any combination thereof, through issue of prospectus and/or preliminary placement document, placement document and/or other permissible/ requisite offer documents to any eligible person, including Qualified Institutional Buyers (**"QIBs"**) as defined under the SEBI ICDR Regulations in accordance with Chapter VI of the SEBI Regulations, or otherwise, including foreign/ resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, stabilizing agents, pension funds and/ or any other categories of investors, whether they be holders of Securities of the Company or not (collectively called the **"Investors"**), as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an aggregate consideration of up to ₹ **1,000 crores** (Rupees One Thousand Crores only) (inclusive of such premium as may be fixed on such Securities) at such time or times, at such price or prices, at a discount or premium to market price or prices, as permitted under applicable laws and in such manner and on such terms and conditions including security, rate of interest etc. and any other matters incidental thereto as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Securities shall be made to the exclusion of other categories of Investors at the time of such creation, offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with book running lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and/or to be appointed by the Board, in foreign currency and/ or equivalent Indian Rupees as may be determined by the Board, or in any convertible foreign currency, as the Board in its absolute discretion may deem fit and appropriate (the **"Issue"**).

RESOLVED FURTHER THAT if any issue of Securities is made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations:

(a) the allotment of the Securities, or any combination of Securities as may be decided by the Board, shall be completed within 365 days from the date of passing of the special resolution by the Members or such other time as may be allowed under the SEBI ICDR Regulations from time to time;

(b) the Securities shall not be eligible to be sold by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted under the SEBI ICDR Regulations;

(c) the relevant date for the purpose of pricing of the Securities shall be the date of the meeting in which the Board decides to open the QIP and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations;

(d) no single allotee shall be allotted more than 50% of the proposed QIP size and the minimum number of allottees shall not be less than two, where the issue size is less than or equal to ₹ 250 crores and five, where the issue size is greater than ₹ 250 crores, in accordance with Chapter VI of the SEBI ICDR Regulations;

(e) in the event that convertible securities and/or warrants which are convertible into Equity Shares of the Company are issued along with non-convertible debentures to QIBs under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board (or relevant committee thereof) decides to open the issue of such convertible securities and/or warrants simultaneously with non-convertible debentures or any other date in accordance with applicable law and such Securities shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations; and

(f) the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a rights issue to the existing shareholders of the Company as on a record date to be determined, including reservation of Equity Shares in favour of holders of outstanding convertible debt instruments, if any, as on a record date to be determined, in terms of Chapter III of the SEBI ICDR Regulations (**"Rights Issue"**), the same shall be on such other terms and conditions as may be mentioned in the draft letter of offer and letter of offer to be issued by the Company in respect of the Rights Issue, including:

(a) rights to the existing shareholders to whom the offer is made to renounce, the Equity Shares being offered, in favour of any other person(s);

(b) the persons to whom the Equity Shares are being issued shall be entitled to apply for additional Equity Shares in the Rights Issue;

(c) the manner in which allotment of the additional Equity Shares, if any, shall be made in the proportion to be decided by the Board at its discretion;

(d) the Equity Shares so created, offered, issued, and allotted shall rank pari passu in all respects with the existing Equity Shares of the Company except for payment of dividend which will be pro-rata from the date of allotment and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company;

(e) the Board may dispose of the unsubscribed portion in such manner as it may think most beneficial to the Company;

(f) all monies received out of Rights Issue shall be transferred to a separate bank account maintained by the Company for the purpose of the Rights Issue;

(g) the Company shall utilize the monies received pursuant to the Rights Issue upon a confirmation from the lead manager(s) to the bankers by way of copies of listing and trading approvals that all formalities in connection with the issue have been completed, in accordance with the provisions of the SEBI ICDR Regulations and other applicable laws;

(h) details of all monies utilised out of the Rights Issue referred to in (g) hereinabove shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilized, or in any other manner as may be required under the applicable laws; and

(i) details of all unutilised monies out of the Rights Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilised monies have been invested, or in any other manner as may be required under the applicable laws.

RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

(a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event the Company is making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, if and as required, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolution the Equity Shares that may be issued by the Company (including issuance of the Equity Shares pursuant to conversion of any Securities, as the case may be in accordance with the terms of the offering) shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Depository Receipts Scheme, 2014 (including any amendment or replacement/ substitution thereof) and other applicable pricing provisions issued by the Ministry of Finance.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993 (including any amendment or replacement/substitution thereof) and other applicable pricing provisions issued by the Ministry of Finance.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

(a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company; and

(b) the Securities to be created, offered, issued and allotted in terms of this Resolution (including issuance of the Equity Shares pursuant to conversion of any Securities as the case may be in accordance with the terms of the offering), shall rank pari passu in all respects with the existing Securities of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue or allotment of Equity Shares and/ or Securities or instruments representing the same, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities, on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to negotiate, modify, sign, execute, register, deliver including sign any declarations required in connection with the private placement offer letter, information memorandum, draft prospectus, prospectus, the draft offer document, abridged prospectus, offer letter, offer document, offer circular, preliminary placement document or placement document for issue of the Securities, term sheet, issue agreement, registrar agreement, escrow agreement, underwriting agreement, placement agreement, consortium agreement, trustee agreement, trust deed, subscription agreement, purchase agreement, agency agreement, agreements with the depositories, security documents, and other necessary agreements, memorandum of understanding, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any) (the **"Transaction Documents"**) (whether before or after execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the **"Ancillary Documents"**) as may be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/or dispatched by it under or in connection with the documents to which it is a party as well as to accept and execute any amendments to the Transaction Documents and the Ancillary Documents and further to do all such other acts, deeds mentioned herein as they may deem necessary in connection with the issue of the Securities in one or more tranches from time to time and matters connected therewith.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint lead managers, underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, escrow agents and all such agencies as are or may be required to be appointed, involved or concerned in the issue and allotment of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies.

RESOLVED FURTHER THAT the Board of Directors or person(s) as may be authorized by the Board, be and is/are hereby severally authorized to do all such acts, deeds, matters and things as it may be considered necessary, desirable or expedient including to resolve and settle any questions and difficulties that may arise in connection with the proposed creation, offer, issue and allotment of the Securities (including in relation to the issue of such Securities in one or more tranches from time to time) and the utilization of the issue proceeds in such manner as may be determined by the Board, subject however, to applicable laws, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the Board may suo moto decide in its absolute discretion in the best interests of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to a committee of the Board or any such persons as it may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the issue(s) and settle any questions or difficulties that may arise in regard to the issue(s)."

By order of the Board of Directors
of **Sterlite Technologies Limited**

Place: Mumbai
Date: April 28, 2022

Amit Deshpande
Corporate General Counsel &
Company Secretary

NOTES:

1. In view of the continuing Covid-19 pandemic, social distancing norms to be followed and pursuant to General Circular numbers 14/2020, 17/2020, 20/2020 02/2021, 21/2021 and 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022 respectively, issued by the Ministry of Corporate Affairs and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/DDHS/DDHS/CIR/P/2021/21 dated February 26, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 respectively issued by the Securities and Exchange Board of India (hereinafter collectively referred to as "Applicable Circulars"), the AGM of the Company is being conducted through VC/OAVM and does not require physical presence of members at a common venue.

2. In terms of the Circulars, since physical attendance of Members has been dispensed with the facility for appointment of proxies by the Members is not be available for this AGM. However, Corporate Members are entitled to appoint authorised representatives under section 113 of the Companies Act 2013 ("Act"), to attend and participate at the AGM through VC/OAVM and cast their votes both by way of remote e-voting and voting electronically at the meeting.

3. The Company has availed the services of KFin Technologies Limited, ("KFintech") Registrar and Transfer Agent of the Company, as the authorized agency for conducting of the AGM through VC/OAVM and providing e-voting facility. Detailed instructions for e-voting and procedure for joining the AGM through VC / OAVM are annexed to this Notice.

4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. In compliance with the aforesaid circulars, the Notice of the AGM and Annual Report are being sent only through electronic mode to the Members whose e-mail addresses are registered with the Company or the Depository Participant(s). The Notice and Annual Report 2021-22 will also be available on the Company's website www.stl.tech, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFintech at https://evoting.kfintech.com.

6. The deemed venue for the 23rd AGM shall be the Registered Office of the Company at 4th Floor, Godrej Millennium, Koregaon Road 9, STS 12/1,Pune - 411001.

7. Shareholders who have not registered their e-mail address or registered an incorrect email address and in consequence Notice of the AGM and Annual Report could not be serviced, may also temporarily get their email address and mobile number provided with KFintech, by clicking the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx for sending the same. Alternatively, member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via e-mail at the e-mail id einward.ris@kfintech.com for obtaining the Notice of the AGM and Annual Report by email/physical copy.

8. The Register of Members and Share Transfer Books will remain closed from Wednesday, August 24, 2022 to Friday, August 26, 2022 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

9. If Dividend on Equity Shares as recommended by the Board of Directors for the financial year ended March 31, 2022 is approved at the AGM, payment of such dividend will be made within a period of 30 days from the date of declaration as under –

    a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on Tuesday, August 23, 2022.

    b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Tuesday, August 23, 2022.

10. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be despatched to the registered address of the members who have not updated their bank account details, at the earliest once the normalcy is restored.

    In order to receive dividend/s in a timely manner, Members are requested to register / update their complete bank details:

a) with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and

b) with KFintech, if shares are held in physical mode, by submitting duly filled in Form ISR-1 along with the (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf.

11. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or on the portal of KFintech, which can be accessed at https://ris.kfintech.com/form15. For details, Members may refer to the "Communication on TDS on Dividend Distribution" being sent with this Notice of AGM.

12. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, NECS, ECS mandates, power of attorney, change of address/name/email address(es), etc. to their Depository Participant only and not to the Company's Registrar and Share Transfer Agent. Changes intimated to the Depository Participant will automatically get reflected in the Company's records which will help the Company and its Registrar and Share Transfer Agent to provide efficient and better service to the Members. Members holding shares in physical form are requested to advice such changes, if any, to KFintech.

13. MCA and SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. except in case of request received for transmission or transposition and relodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are advised to avail of the facility of dematerialization by contacting a Depository Participant of their choice.

14. Pursuant to section 72 of the Act read with SEBI circular dated November 03, 2021 and clarification circular dated December 14, 2021, members holding shares in physical form are advised to update their nomination details in prescribed form SH-13, SH-14 (Cancellation or variation of nomination) or Form ISR-3 (Declaration to opt out). These forms can be downloaded from the website of the Company or KFintech.

15. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. SEBI has also emphasized the need to make payment of dividend through e-payment and made it mandatory to print Bank Account details on Dividend Warrant. In view of the same, Members holding shares in electronic form are requested to submit their PAN and Bank Account details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to KFintech.

16. Non-Resident Indian Members are requested to inform KFintech, immediately of:

    a) Change in their residential status on return to India for permanent settlement.

    b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

17. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to Investor Education and Protection Fund ("IEPF") of the Central Government, established under Section 125 of the Act. Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all the shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority.

    The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2013-14, from time to time to IEPF. The Company has been sending reminders to Members before transfer of such dividend(s) to IEPF.

The details of unpaid and unclaimed dividends lying with the Company as on March 31, 2022 are uploaded on the website of the Company and can be accessed through the link https://www.stl.tech/latest_disclosure.html. Members who have not so far encashed their dividend warrants for the years from 2014-15 to 2021-22 may approach KFintech, for payment thereof, to avoid transfer as per the dates mentioned below:

Dividend for the year	Due Date for Transfer to IEPF
2014 – 15	September 9, 2022
2015 – 16	October 6, 2023
2016 – 17 (Interim)	December 9, 2023
2016-17	August 10, 2024
2017-18	August 2, 2025
2018-19	August 23, 2026
2019-20	October 7, 2027
2020-21	October 2, 2028
2021-22	October 2, 2029

Members whose shares have been transferred to IEPF may claim the shares by making an application in Form IEPF-5. Detailed procedure and the required documentation for claiming the shares/dividend refund can be accessed at www.iepf.gov.in.

18. An Explanatory Statement pursuant to Section 102 (1) of the Act, relating to the Special Businesses to be transacted at the meeting is annexed hereto.

19. As required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), and Secretarial Standard 2 on General Meetings, details in respect of Directors seeking re-appointment at the AGM, are separately annexed hereto.

20. All documents referred to in the above Notice and Explanatory Statement will be available electronically for inspection for Members between 2.00 p.m. and 5.00 p.m. on all working days (except Saturdays, Sundays and Holidays) up to the date of announcement of the voting results. Members seeking to inspect such documents can send an e-mail to secretarial@stl.tech

21. Since the AGM being held through VC/OAVM, the Route Map, Attendance Slip and proxy form are not attached to this Notice.

By order of the Board of Directors
of **Sterlite Technologies Limited**

Place: Mumbai
Date: April 28, 2022

Amit Deshpande
Corporate General Counsel &
Company Secretary

DETAILS OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE AGM

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings

(Particulars as on April 1, 2022)

Name of the Director	Mr. Pravin Agarwal	Mr. Ankit Agarwal	Mr. Sandip Das
Age	67 Years	38 Years	64 Years
DIN	00022096	03344202	00116303
Date of Birth	October 16,1954	December 1,1983	January 11,1958
Date of first appointment on the Board	October 30, 2006	January 20, 2021	October 16, 2017
Experience including expertise in specific functional area)/Brief Resume	Pravin Agarwal is the Vice Chairman and Whole-time Director of STL, and the Non-Executive Chairman of Sterlite Power Transmission Limited. He has been closely involved with Sterlite Group's operations in India since its inception in 1979. He has been the driving force behind the expansion of Sterlite Group's telecom and power businesses into multiple markets and the Company's continued growth momentum. He is an astute businessman and a leader with almost four decades of experience.	A deep believer in innovation and a customer-first approach, Ankit is a thought leader in the evolving optical and radio digital network space. As the Managing Director of STL, he guides the strategic roadmap of the Company. He played a crucial role in STL's global expansion, helping establish the Company's presence in over 100 countries. He executed strategic joint ventures, M&As and greenfield projects across Brazil, China and Italy. An Economic Times '40 under Forty' business leader, he is committed to D&I and environmental sustainability. Under his stewardship, STL became 'zero waste to landfill' certified and is now on its way to becoming a net zero emissions company by 2030. Prior to STL, Ankit led the Corporate Strategy of Vedanta Resources and played a key role in Vedanta's strategic transactions, including its US$8.6 billion acquisition of Cairn India, and US$2.6 billion bid for ASARCO. During his time at Deutsche Bank (London), he played a significant role in cross-border transactions such as Tata Steel's acquisition of Corus for US$12 billion and Eurasian Natural Resources' US$2.7 billion IPO. He holds a Bachelor's degree from the University of Southern California and an MBA degree from London Business School.	Sandip Das is one of Asia's most respected telecommunications professionals and an acclaimed Chief Executive. He was listed among the top 100 Globally Most Powerful Leaders in Telecom by Global Telecom magazine for four years. He is currently an Independent Board Director for Greenlam Industries, Senior Advisor to Analysys Mason, Advisor to a high-profile, UK-based advisory company and on the Advisory Board of reputation management firm Astrum. He also holds positions like Mentor to C suite executives, and is a Member National Board Council (Russell Reynolds), besides consulting for investment companies. He was formerly the MD, CEO & Board Director of Reliance Jio , Group CEO and Executive Director of Maxis Communications Berhad, Malaysia and CEO & Board Director of Hutchison Essar Telecom, India (Orange, Hutch). He holds a BE degree in Mechanical Engineering from NIT Rourkela, an MBA from the Faculty of Management Studies (FMS), University of Delhi and is an Advanced Management Program alumni from Harvard Business School.
Justification for choosing for appointment as Independent Director	NA	NA	Based on the skills, experience, knowledge and report of his performance evaluation
Remuneration last drawn	As mentioned in the Corporate Governance Report		
Remuneration proposed to be paid **	As per Item No 3 of the Notice of this meeting, he is proposed to be reappointed as director liable to retire by rotation	As per Item No. 5 of the Notice of this meeting read with explanatory statement	As per Item No.6 of the Notice of this meeting read with explanatory statement
Terms and Conditions of Appointment/ Re-appointment	As per Item No. 3 of the Notice of this meeting read with explanatory statement, he is proposed to be re-appointed as Whole-time Director, liable to retire by rotation.	As per Item No 5 of the Notice of this meeting, he is proposed to be appointed as Managing Director of the Company for a period of 5 (five) years commencing October 08, 2021, liable to retire by rotation	As per Item No 6 of the Notice of this meeting read with explanatory statement, he is proposed to be re-appointed as Independent Director for a period of 2 years from October 16, 2022, not liable to retire by rotation

Name of the Director	Mr. Pravin Agarwal	Mr. Ankit Agarwal	Mr. Sandip Das
Directorships in other Companies (Excluding Foreign Companies)	1. Twin Star Display Technologies Limited 2. Sterlite Power Transmission Limited	1. STL Optical Tech Limited 2. STL Digital Limited 3. STL Networks Limited 4. Twin Star Display Technologies Limited 5. Sterlite Innovative Solutions Limited 6. Sterlite Tech Cables Solutions Limited	1. Greenlam Industries Limited
Resignation during past 3 years from listed companies	Nil	Nil	Nil
Memberships / Chairmanships of other companies	Nil	Nil	Greenlam Industries Limited Audit Committee- Member Nomination & Remuneration Committee- Chairman
No. of shares held in the Company (including as a beneficial owner for non-executive director)	50,000	8,38,676	8,290
Relationship with other Directors/KMPs	Father of Mr. Ankit Agarwal, Managing Director	Son of Mr. Pravin Agarwal	Nil
No. of Board Meetings attended during the year	06	06	06

**Excluding sitting fees for attending meetings

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013 ('the Act')]

ITEM 4

M/s Price Waterhouse Chartered Accountants LLP ('PWC') were appointed as the Statutory Auditors of the Company at the 18th Annual General Meeting held on July 04, 2017 till the conclusion of the 23rd Annual General Meeting of the Company to be held for Financial Year 2022 covering one term of five consecutive years.

Accordingly, the first term of five years of PWC will expire at the conclusion of ensuing Annual General Meeting. PWC are eligible for re-appointment for a further period of five years. PWC have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. PWC have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As confirmed to Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company and its subsidiary according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit. PWC is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Firm was established in the year 1991 and was converted into a limited liability partnership in the year 2014. The registered office of the Firm is at Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi - 110 002 and has ten branch offices in various cities in India. The Firm is primarily engaged in providing auditing and other assurance services to its clients and is a member firm of Price Waterhouse & Affiliates, a network of firms registered with the Institute of Chartered Accountants of India having Network Registration No. NRN/E/14. Price Waterhouse & Affiliates is a network of eleven separate, distinct and independent Indian chartered accountant firms, each of which is registered with the Institute of Chartered Accountants of India. The Firm has more than 75 Assurance Partners as at April 1, 2022. It has a valid peer review certificate and audits various companies listed on stock exchanges in India.

Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint PWC having registration No. 012754N/N500016 as an auditors of the Company for the second term of five consecutive years from the conclusion of 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting of the Financial Year 2027 on such terms and conditions as may be mutually agreed. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors. It is proposed to pay fees of around ₹129.8 Lacs for statutory audit and Limited Review for FY 23.

The Board recommends the resolution set out in Item No. 4 of the Notice for the approval of the members of the Company by way of ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

ITEM 5

The Company had appointed Mr. Ankit Agarwal as Whole-time Director of the Company effective January 20, 2021 at the 22nd Annual General Meeting held on August 26, 2021.

Upon recommendation of Nomination and Remuneration Committee, Board of Directors approved appointment of Mr. Ankit Agarwal as Managing Director and Key Managerial Personnel of the Company for a period of 5 (five) consecutive years with effect from October 08, 2021 upto October 07, 2026, in accordance with the provisions of Sections 196, 197 and 203 and Schedule V to the Act. All the other terms of appointment of Mr. Ankit Agarwal including the remuneration remains the same as approved by the Members in the Annual General Meeting held on August 26, 2021.

Brief profile of Mr. Ankit Agarwal is given as a part of the Annual Report. Relevant details under the Listing Regulations and SS-2, issued by the Institute of Company Secretaries of India, have been also provided elsewhere in this Notice. Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Ankit Agarwal has been received by the Company.

The terms of appointment of Mr. Ankit Agarwal are as under:

I. Period of Appointment: October 08, 2021 to October 07, 2026

II. Remuneration:

1. Salary and Personal Allowance:

   Basic Salary and Personal Allowance payable to Mr. Ankit Agarwal shall be subject to a maximum limit of ₹ 10,00,00,000/- (Rupees Ten Crores only) per annum, as may be determined by the Board from time to time.

2. Perquisites:

   In addition to salary and personal allowance as above, Mr. Ankit Agarwal will be entitled to perquisites including House Rent Allowance (or Company owned/leased accommodation in lieu thereof as per Company's rules), medical reimbursement, bonus, credit card and annual club membership fees, medical/accident insurance, servants and other benefits as per the rules of the Company and such perquisites as may be recommended by the NRC and approved by Board of Directors from time to time.

3. Reimbursement of expenses incurred for travelling, boarding and lodging including for spouse and attendant(s) during business trip(s), provision of car for use on the Company's Business, telephone expenses at residence and club membership shall be reimbursed and not considered as perquisites.

4. Mr. Ankit Agarwal will be entitled to a performance based incentive as may be recommended by the NRC and approved by the Board of Directors every financial year.

5. Company's contribution to Provident Fund, Superannuation or annuity Fund, Gratuity and Encashment of Leave as per the rules of the Company shall be in addition to the remuneration mentioned above.

6. The Nomination and Remuneration Committee of the Board of Directors may, at its discretion pay to Mr. Ankit Agarwal any remuneration within the limits here in above stipulated and revise or restructure the same from time to time, within these limits. The valuation of perquisites will be done at cost to the Company.

The remuneration limits are proposed for approval considering five years horizon. Current remuneration of Mr. Ankit Agarwal is ₹ 3.72 Crores which is in line with Industry peers. The Nomination and Remuneration Committee while approving the actual remuneration considers all aspects [Company performance, Growth, Benchmarking etc.].

The total remuneration shall be restricted to the limits as prescribed in Section 197 read with Schedule V to the Act.

For purposes of leave accumulation, gratuity, provident fund, superannuation and other benefits, the services of Mr. Ankit Agarwal will be considered as continuous and re-appointment on account of retirement of rotation will not be considered as any break in service.

In the event of loss or inadequacy of profits, the aforesaid remuneration will be paid as minimum remuneration in accordance with provisions of Schedule V to the Act and subject to applicable laws and such sanctions and approvals as may be required.

Other Terms

a. The Managing Director shall be entitled to compensation for loss of office as provided in Section 202 of the Act.

b. No sitting fees shall be paid to the Managing Director for attending meetings of the Board of Directors or any Committee of the Board.

c. The contract of appointment of Mr. Ankit Agarwal is terminable by either the Board of Directors or by Mr. Ankit Agarwal giving to the other 90 days' notice in writing.

d. In order to comply with the provision of Section 152 of the Act, regarding number of Directors liable to retire by rotation, Mr. Ankit Agarwal will be considered to be liable to retire by rotation.

e. The Managing Director will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

f. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.

g. The Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

Mr. Ankit Agarwal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

In view of the provisions of Sections 196, 197 and any other applicable provisions of the Act, the Board believes that the Company continues to grow extensively under the guidance of Mr. Ankit Agarwal and that he possesses the necessary expertise and experience to accelerate the Company's operations and achieve its vision and hence recommends the resolution appearing at Item No. 5 of the Notice for your approval.

The draft service agreement proposed to be entered into between the Company and Mr. Ankit Agarwal is available for inspection by the members in the manner provided in the Notes to this Notice of AGM.

Mr. Ankit Agarwal is interested in his appointment. In addition, Mr. Pravin Agarwal being father of Mr. Ankit Agarwal, may be deemed to be interested in this resolution. None of the Directors except as stated above and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the proposed Special Resolution as set out in Item No. 5 of this Notice.

ITEM 6

Members of the Company, in the AGM held on June 26, 2018 had approved appointment of Mr. Sandip Das as Independent Director for a period of five years from October 16, 2017 upto October 15, 2022. Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on April 28, 2022, approved the re-appointment of Mr. Sandip Das as an Independent Director of the Company for a second term of two consecutive years with effect from October 16, 2022 to October 15, 2024 based on the skills, experience, knowledge and report of his performance evaluation. The re-appointment is subject to the approval of the shareholders at this AGM by way of a Special Resolution. He will not be liable to retire by rotation.

Mr. Das has given consent to act as a Director on the Board of the Company. The Company has received a notice in writing from a member proposing candidature of Mr. Das for the office of Independent Director, to be appointed as such under Section 149 of the Act. The Company has received a declaration from Mr. Das to the effect that he meets the criteria of independence as provided in the Act and the Listing Regulations and that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

A brief profile of Mr. Das is given as a part of the Annual Report.

The Board is of the opinion that Mr. Sandip Das possesses the requisite skills, experience and knowledge relevant to the Company's business. Considering the significant benefits reaped by the Company from his experience, expertise and mature advice to the business of the Company during his tenure as an independent director, it would be of immense benefit to the Company to continue to have his association with the Company as an independent director of the Company. The Board recommends continuation of appointment of Mr. Sandip Das as an independent director of the Company for a further period of 2 years from October 16, 2022.

In the opinion of the Board, Mr. Sandip Das fulfills the conditions specified in the Act and the Rules thereunder and the Listing Regulations and is independent of the Management. Copy of the draft letter for his appointment setting out the terms and conditions, is available for inspection by members at the Registered Office of the Company and also displayed on the website of the Company, https://www.stl.tech/

The Board recommends the appointment Mr. Das as an Independent Director as set out in Item No. 6 for the approval of the shareholders.

Except for Mr. Das, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the proposed Resolution.

ITEM 7

Upon the recommendation of the Audit Committee, the Board of Directors has approved appointment of Mr. Kiran Naik, Cost Accountant as Cost Auditor to conduct of the audit of cost records of the Company for the Financial Year 2022-23, at a remuneration of ₹ 110,000 plus taxes as applicable and reimbursement of actual travel and out of pocket expenses.

In terms of Section 148 of the Act read with Rule 14 of Companies (Audit and Auditors) Rules 2014, as amended from time to time, remuneration payable to the Cost Auditor is required to be approved by the shareholders. Accordingly, approval of the members is sought for the resolution at Item No. 7 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives have any concern or interest, financially or otherwise, in the proposed resolution.

ITEM 8

In view of the future outlook of the Company, its growth targets and prospects, the Company requires additional funding. While it is expected that the internal generation of funds would partially finance the need for capital and debt raising would be another source of funds, it is thought prudent for the Company to have enabling approvals to raise a part of the funding requirements for the said purposes through the issue of appropriate securities as mentioned below.

In order to enable the Company to raise funds through a public issue and/or private offering and/or rights offering and/or qualified institutions placement or any combination thereof, the approval of the Members is hereby sought for the proposal to create, offer, issue and allot equity shares of the Company of face value of ₹ 2/- each ("Equity Shares") and equity linked instruments, including convertible preference shares, non-convertible debt instruments along with warrants, fully convertible debentures, partly convertible debentures, and/or any other securities convertible into equity shares (including warrants or otherwise), global depository receipts ("GDRs"), American depository receipts ("ADRs"), foreign currency convertible bonds ("FCCBs") (all of which are hereinafter collectively referred to as "Securities") or any combination of Securities, in one or more tranches, to eligible investors, whether they be holders of Equity Shares or not, as may be decided by the Board in its discretion and permitted under applicable laws, for an aggregate consideration of up to ₹ 1,000 Crores (Rupees One Thousand Crores only) or equivalent thereof, in one or more foreign currency(ies).

As the issue may result in the issue of Equity Shares of the Company to investor(s) who may or may not be members of the Company, consent of the members is being sought pursuant to Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and any other law for the time being in force and being applicable.

In case of issuance of securities through a qualified institutions placement ("QIP"), in terms of Chapter VI of the SEBI ICDR Regulations, an issue of securities pursuant to a QIP shall be made at a price not less than the average of the weekly high and low of the closing prices of the equity shares of the same class quoted on the stock exchange during the two weeks preceding the "relevant date." The relevant date for the purpose of pricing of the securities shall be the date of the meeting in which the Board decides to open the QIP and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI Regulations. In case of a QIP, the special resolution has a validity period of 365 within which allotments under the authority of said resolution should be completed.

In case of issuance of ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Depository Receipts

Scheme, 2014 and other applicable pricing provisions issued by the Ministry of Finance.

In case of issuance of FCCBs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and other applicable pricing provisions issued by the Ministry of Finance.

The issue / allotment / conversion would be subject to the receipt by the Company of regulatory approvals, if any. The conversion of Securities held by foreign investors, into Equity Shares would be subject to the applicable foreign investment cap.

The proceeds of the proposed issue of Equity Shares shall be utilized for incurring capital expenditure on expansion projects, payment of outstanding dues, repayment or prepayment of borrowings, funding inorganic growth opportunities, and other general corporate purposes including working capital requirements, brand building and strengthening of our existing manufacturing capabilities, including expenses and maintenance of plants and machineries and research and development, as may be required.

The proceeds of the proposed issue of Equity Shares shall be utilized for any of the aforementioned purposes to the extent permitted by law.

The Resolution at Item No. 8 is an enabling resolution conferring authority on the Board to do all acts and deeds, which may be required to issue/offer Securities of appropriate nature at appropriate time, including the size, structure, price and timing of the issue(s) /offer(s) at the appropriate time(s). The detailed terms and conditions for the domestic/international offering will be determined in consultation with the lead managers, merchant bankers, global business coordinators, guarantors, consultants, advisors, underwriters and/or such other intermediaries as may be appointed for the issue/offer. Wherever necessary and applicable, the pricing of the issue/offer will be finalized in accordance with applicable guidelines in force. As and when the Board takes a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the SEBI Listing Regulations.

The Promoter of the Company and any person related to the Promoter will not subscribe to the issue, if made under Chapter VI of SEBI ICDR Regulations.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives are concerned or interested, financially or otherwise, in the proposed resolution except to the extent of his/her holding of Equity Shares and to the extent of his/her subscribing to Equity Shares if and when issued as also to the extent of subscription by a financial institution/ company/body corporate in which the KMPs, Director or his/her relative may be directly or indirectly interested.

The Directors accordingly recommend this special resolution at Item No. 8 of the accompanying Notice for the approval of the Members of the Company.

By order of the Board of Directors
of **Sterlite Technologies Limited**

Place: Mumbai
Date: April 28, 2022

Amit Deshpande
Corporate General Counsel &
Company Secretary

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC / OAVM AND E-VOTING

i. Pursuant to Section 108 and other applicable provisions of the Companies Act, 2013 ("Act"), read with the Companies (Management & Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI Listing Regulations. Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by KFintech on all resolutions set forth in this Notice.

   Further, the facility for voting through electronic voting system will also be made available at the Meeting (“Insta Poll”) and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

ii. In terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The members who have cast their vote by remote e-voting may also attend the Meeting through VC/ OAVM but shall not be entitled to cast their vote again at the Meeting (Insta Poll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

v. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

The remote e-voting facility will be available during the following voting period:

- Commencement of remote e-voting : 10:00 a.m. on Tuesday, August 23, 2022.
- End of remote e-voting: 5:00 p.m. on Thursday, August 25, 2022.

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFintech upon expiry of the aforesaid period.

vi. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date being Friday, August 19, 2022. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Friday, August 19, 2022 only shall be entitled to avail the facility of remote e-voting / e-voting during the meeting.

vii. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

viii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

ix. The Board of Directors has appointed Mr. B Narasimhan, Proprietor BN & Associates, Practicing Company Secretary (Membership No. FCS 1303 and Certificate of Practice No. 10440), as a Scrutinizer to scrutinize the remote e-voting and Insta Poll process in a fair and transparent manner.

x. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorized by him. The result of e-voting will be declared within two working days of the conclusion of the AGM and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: www.stl.tech and on the website of KFintech at: https://evoting.kfintech.com. The result will simultaneously be communicated to the stock exchanges.

xi. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.

INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING:

i. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1 : Access to Depositories e-Voting system incaseofindividualshareholdersholdingsharesin demat mode.

Step 2 : Access to KFintech e-Voting system in caseofshareholdersholdingsharesinphysicalandnon-individual shareholders in demat mode.

Step 3 : Access to join virtual meetings(e-AGM) of the Company on KFintech system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** Visit URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** To register click on link: https://eservices.nsdl.com Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields. Follow steps given in points 1. **3. Alternatively by directly accessing the e-Voting website of NSDL** Open URL: https://www.evoting.nsdl.com/ Click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com I. Click on New System Myeasi II. Login with your registered user id and password. III. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. IV. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** Visit URL: www.cdslindia.com Provide your demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP, i.e **KFintech** where the e-Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option.Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – **Kfintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800 1020 990** and **1800 22 44 30**
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022- 23058738** or **022-23058542-43**

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id narasimhan.b8@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

ii Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC/ OAVM shall open atleast 15 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vi. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

vii. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.

viii. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will opened from Saturday August 20, 2022 to Monday, August 22, 2022. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM as appropriate for smooth conduct of the AGM.

Notice contd.

II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from Saturday August 20, 2022 to Monday, August 22, 2022.

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, August 19, 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

   1. Example for NSDL:
   2. MYEPWD <SPACE> IN12345612345678
   3. Example for CDSL:
   4. MYEPWD <SPACE> 1402345612345678
   5. Example for Physical:
   6. MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.