Sterlite Tech

Sterlite Technologies Limited
Godrej Millennium, 9 Koregaon Road
Pune 411001, Maharashtra, INDIA
Phone: +91 20 3051 4000, Fax: +91 20 2613 8083
www.sterlitetech.com

August 30, 2016

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.

Subject: Submission of Annual Report of the Company for FY 15-16

Reference: Regulation 34 of the Listing Regulations

Dear Sir / Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we submit copy of Annual Report of the Company for the Financial Year 2015-16 as approved at the Annual General Meeting of the Company held on Tuesday, August 30, 2016 at 11.00 a.m. IST at the Registered Office of the Company at E 1, MIDC Industrial Area, Waluj, Aurangabad -431 136, Maharashtra, India.

Kindly take this on your record and acknowledge the same.

Yours faithfully,

For **Sterlite Technologies Limited**

A.V. Deshpande

STERLITE TECHNOLOGIES LIMITED
Sterlite

Amit Deshpande
Company Secretary (ACS 17551)

Enclosure: As above

Sterlite Tech

ANNUAL REPORT **2015-16** VOL: 16

BOARD OF DIRECTORS

Anil Agarwal
Pravin Agarwal
A. R. Narayanaswamy
Arun Todarwal
C.V. Krishnan
Avaantika Kakkar
Dr. Anand Agarwal
Pratik Agarwal

CHIEF FINANCIAL OFFICER

Anupam Jindal

COMPANY SECRETARY

Amit Deshpande

EXECUTIVE COMMITTEE

Pravin Agarwal (Vice Chairman & Whole-time Director)
Dr. Anand Agarwal (CEO)
Anupam Jindal (CFO)
K.S. Rao (COO, Telecom Products & Solutions)
Nikhil Jain (Business Head - Elitecore Software)
Gaurav Basra (Chief Strategy Officer)
Dr. Badri Gomatam (CTO, Telecom Products)
Swati Rangachari (Chief of Corporate Affairs)
Arindam Haldar (CMO)
Prasanth Puliakottu (CIO)
Vimal Malhotra (CHRO)
Pankaj Priyadarshi (Chief Fulfillment Officer - Telecom Products)
Ankit Agarwal (Global Head- Telecom Products)
Madhukar Srivastava (CDO, SI/NI Projects)
Rajiv Nayyar (Head-Sales, India Private)

AUDITORS

S R B C & CO LLP

BANKERS

Axis Bank
Bank of Baroda
Bank of Maharashtra
Citibank
Corporation Bank
EXIM Bank
HDFC Bank
ICICI Bank
Kotak Mahindra Bank
Oriental Bank of Commerce
State Bank of India
Union Bank, Yes Bank
Deutsche Bank
Federal Bank
Societe Generale
IDBI Bank Limited
DBS Bank
IndusInd Bank Limited

REGISTERED OFFICE

E 1, MIDC Industrial Area,
Waluj, Aurangabad,
Maharashtra – 431 136

LOCATIONS

Brazil, China, Dubai-UAE, France, Germany, India, Italy, Ivory Coast, Malaysia, Russia, South Korea, Turkey, UK, Vietnam

REGISTRAR & TRANSFER AGENTS

Karvy Computershare Private Limited,
(Unit – Sterlite Technologies Limited)
Karvy Selenium Tower-B,
Plot No. 31 & 32, Financial District,
Gachibowli, Nanakramguda, Serilingampally,
Hyderabad 500 008 India.
Phone No.: +91 040 67161524
E-mail: einward.ris@karvy.com

FORWARD - LOOKING & CAUTIONARY STATEMENT

Certain words and statements in this report concerning Sterlite Technologies Limited and its prospects, and other statements relating to Sterlite Technologies' expected financial position, business strategy, the future development of Sterlite Technologies' 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 Sterlite Technologies Limited, 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 Sterlite Technologies' present and future business strategies and the environment in which Sterlite Technologies Limited 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 Sterlite Technologies' 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 Sterlite Technologies' control, include, but are not limited to, those risk factors discussed in Sterlite Technologies' various filings with the National Stock Exchange, India and the Bombay Stock Exchange, India. These filings are available at: www.nseindia.com and www.bseindia.com

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CHAIRMAN'S MESSAGE

"We are very excited to have begun this transformative journey through the FITT mentality, which is an acronym for Forward Thinking, Innovative, Trusted & Talented."

Dear Shareholders,
It gives me immense pleasure to present the 16th Annual Report of Sterlite Tech.

As the world's fastest growing large economy, India is undergoing a massive transformation. It is probably a once in a lifetime opportunity that an organisation gets to play a defining role in something that the future generation will feel proud of. We consider ourselves extremely fortunate to be in a time and position to shape the future of our nation in terms of how our fellow citizens will live, work, and play.

At Sterlite Tech, we consider ourselves as Digital Infrastructure Engineers committed to develop a robust and scalable telecom backbone for a rapidly growing nation. As engineers, we pride ourselves in delivering challenging tasks. We also firmly believe that what is good for the nation will also be good for the organisation. Hence, we put the nation first in each and every action of ours with a view of playing a long term and sustainable role in building the country's digital infrastructure.

To develop India as a truly knowledge-based digital economy, the Government has rolled out many ambitious projects like BharatNet and Smart City. Sterlite Tech is very eager to partner with the government to realise its dreams of a fully connected nation. BharatNet would see 2.5L village panchayats connected through optical fibre, delivering various services like e-governance, e-education and e-healthcare. Once delivered, this will completely transform our villages into digitally as progressive as some of our cities, in terms of opportunities and government service delivery. Similarly, the Smart City project would put citizens at the centre once again by having the city's infrastructure assets optimised through extensive use of technology.

During the year, we added software to our list of capabilities through the acquisition of Elitecore a strong OSS/BSS telecom software product company. Elitecore has a strong global customer base, and the integration and merger of Elitecore with Sterlite Technologies makes your company unparalleled in terms of products to services portfolio.

Along with our focus on creating optical fibre based smart networks in India, our international focus has continued to see expansion. Our manufacturing presence in China and Brazil, coupled with our strong technology and distribution presence in Europe has continued to increase offerings and engagement with key customers in these geographies. Today, we stand as proud partners to global Telecom operators in Europe, Middle East, Latin America and Asian markets.

You would be aware that the Hon'ble Bombay High Court has sanctioned the scheme of demerger of power products and transmission business from Sterlite Technologies into a separate company — Sterlite Power Transmission

Ltd. (SPTL), with an effective date of April 1st, 2015. The options available for the resident Indian, non-resident, and FII shareholders in terms of their SPTL shareholding is mentioned in details in the inside pages.

Post the demerger of our Power Business, Sterlite Tech is now focused singularly on the telecom space that is likely to witness close to Rs 2L crore investments over the next five years in infrastructure built between the public and private sectors. These are the building blocks towards the creation of a Digital India, and we are rapidly building capabilities to fulfil our responsibility towards the realisation of this mission.

These complex tasks not only require deep domain expertise but also mindset of a design oracle for the creation of a future-proof network. The challenge ahead is in terms of having the right capability to exploit this tremendous opportunity. Sterlite Tech continues to build great internal capabilities through a "build-buy-ally" strategy. We have demonstrated it by building multiple capabilities ground-up for our last-mile fibre roll out. We have also focused on creating a strong and sustained capability framework by setting up India's only research infrastructure for optical communications, in which specialist scientists, along with leading engineering institutes are conducting cutting-edge research. We have initiated multiple tie-ups with the best of breed global networking players to extend our reach and depth of services. We will continue to expand our portfolio of services as we look to position ourselves as the most preferred service provider for our customers.

We are very excited to have begun this transformative journey through the "Forward Thinking, Innovative, Trusted & Talented" (FITT) mentality. Through the pages of the Annual Report, you will see how your company has embraced FITT as a way of life in its entirety and driving growth.

We are extremely excited to partner in the nation's progress and we thank you for your continued support and encouragement. I take this opportunity to also thank our employees for continuing to believe and execute towards the shared dream of a progressed nation and a digitally empowered world.

Anil Agarwal
Chairman, Board of Directors

AWARDS 2015


CII Industrial Innovation Award 2015


F&S India Manufacturing Excellence Awards 2015


ABP News CSR Leadership Award


AEGIS Graham Bell Award 2015


IDC Insights Award 2015

STERLITE EMERGES AMONGST TOP 25 INNOVATIVE COMPANIES IN INDIA

Sterlite Tech has been recently recognised in the Top 25 Innovative Companies of the year during the prestigious CII Industrial Innovation Award 2015. The highlight in Sterlite Tech winning the CII Award included the company's organisation-wide commitment toward innovations, evident from the 104 patents (granted + filed applications) in India, Europe, China and USA as per evolving industry applications.

The showcase of the award was:

Innovation through empowerment

Product innovations

- 128 Gbps optical transmission over a long-haul telecom network
- 200 micron fibre product innovation
- Bend insensitive fibre

Impact of innovations

These innovations are capable of transforming bandwidth deficient telecom networks in India into future-proof telecom infrastructure capable of providing upto 1 Gbps speed to end users. Customers (telecom operators) have been technologically empowered to multiply their data carrying capacity and speeds on existing infrastructure without deploying additional optical fibres in their telecom network.

STERLITE TECH FOUNDATION'S VIRTUAL CLASSROOM WINS INDIA'S MOST INNOVATIVE CSR PROGRAMME AWARD

Sterlite School Tech, the flagship virtual classroom project of Sterlite Tech Foundation won the prestigious ABP News CSR Leadership Award for 'Innovations in Corporate Social Responsibilities Practices'. Sonakshi Agarwal, STF's Managing Trustee, was also been bestowed with the 'Young CSR Leader Award'. The Awards have been instituted by the World CSR Congress and World Federation of CSR.

Sterlite School Tech, which began with just 20 schools in 2012, today reaches close to 500 municipal schools in the MCGM region, touching over 50,000 students annually. With research showing people who can speak English fluently earning a third more than those who can't, STF chose English Second Language Programme as the key breakout skill to provide competitive advantage to these students, who generally come from weaker sections of the society. Students from English, Marathi, Hindi and Urdu medium schools are covered under the project. This is the first instance in the country when a PPP model has been implemented in the education space under the CSR umbrella.

STERLITE TECH'S OPTICAL FIBRE PLANT WALUJ BAGS GOLD CERTIFICATE IN F&S INDIA MANUFACTURING EXCELLENCE AWARDS 2015

The Optical Fibre manufacturing plant at Waluj, Aurangabad, recently won the prestigious Frost & Sullivan India Manufacturing Excellence Award (IMEA) 2015 Gold Certificate. The award honours Indian manufacturing capabilities and assesses its global competitiveness while acting as the premier platform to identify Future Ready Factories in India.

The Waluj plant is India's only fully integrated optical fibre producer and one of the largest suppliers of optical fibres to China, Europe and South East Asia. The assessment team identified the current standing of the facility on the software driven model and the resultant charts capture extent and balance of growth, the alignment of strategic & implementation achievements, and actual comparative metrics within the industry sector..

STERLITE TECH WINS PRESTIGIOUS AEGIS GRAHAM BELL AWARD 2015

India's largest award in field of TIME (Telecom, Internet, Media and Edutainment) and SMAC (Social, Media, Analytics, Cloud) was held on 27th November at NDMC Convention center in New Delhi. This award was initiated by Aegis School of Business, Data Science and Telecom & Convergence India, supported by COAI (Cellular Operators Association of India) and Telecom Centres of Excellence (TCOE) India. The Event was graced by the presence of Hon'ble Minister Dr. Jitender Singh, Minister of State in the Prime Minister's Office; Ministry of Personnel, Public Grievances and Pensions; Department of Atomic Energy and Department of Space and Union Minister of State (Independent Charge) in the Ministry of Development of North Eastern Region as Chief Guest while, Sardar R.P.Singh, National Secretary – BJP was the Guest of Honour.

After the tedious and meticulous process of calling for entries to preliminary short-listing followed by Jury round and presentations, Speedon Network by Sterlite Tech Technologies was declared as winner in the category "Connected Life – for its Neutral Network Solution" deployed in Hiranandani Upscale Chennai. The projects connects several users on Ready Platform capable of Supporting futuristic technology and delivering multiple services like Hi-speed Internet & telephony, Video, VAS, Intercom, CCTV, Home surveillance, etc. from multiple Operators through single network, in a glittering ceremony.

STERLITE TECH WINS TWO WORLD WATER LEADERSHIP AWARDS

Sterlite Tech's Optical Fibre Manufacturing Unit in Waluj, Aurangabad won the World Water Leadership Award in two categories – Best Water Treatment Project and Best Community Water Project.

Instituted by the World CSR Congress, the award recognised CSR best practices as a tool for development of a sustainable future. The awards' focus was on recognising innovative methods that ensure availability and quality of freshwater resources for drinking and manufacturing purposes.

STERLITE TECH WINS IDC INSIGHTS AWARD 2015 FOR EXCELLENCE IN TRANSFORMATION

Making its mark in the 10X era, Sterlite Tech won the IDC Insights Award 2015 in recognition of Excellence in Transformation. The award honours projects that create transformational business value through technology and sets new benchmarks for industry best practices. This award comes in as a major achievement in Sterlite Tech's journey towards FITT – Forward Thinking, Innovative, Trusted & Talented. IDC Insights Awards are the platform for global leaders to come together and celebrate the journey towards creating transformational business value through technology. The project that won the award brought in breakthrough innovation on the shop floor.

STERLITE TECH IN NEWS

Sterlite Tech completes the acquisition of Elitecore Technologies

Sterlite Tech has completed the 100% acquisition of Elitecore Technologies Private Limited, a global telecom software product company from First Carlyle Ventures Mauritius (whose affiliate is advised by The Carlyle Group) and other shareholders. The acquisition has been completed in accordance with the terms set out in the agreement announced on September 22, 2015. Going forward, Elitecore is proposed to be merged into Sterlite. The acquisition of Elitecore is in line with Sterlite's overall strategy of widening its telecom portfolio of offerings to its global customers. In addition to its current offerings comprising optical products and allied system integration services, Sterlite will offer industry leading software solutions for operations support, business support and revenue management. The addition of Elitecore's operation offers significant impetus to Sterlite's efforts to scale up the contribution from services and solutions in its revenue mix to complement the large and high-growth optical products business.

Elitecore improves its position in 2015 Gartner Magic Quadrant for Integrated Revenue and Customer Management (IRCM) for CSPs

Elitecore Technologies, a global provider of real-time monetisation, subscriber management and customer experience solution to CSPs improved its position in the niche player quadrant of 2015 Gartner Magic Quadrant (MQ) for Integrated Revenue and Customer Management (IRCM) for CSPs. The improvement is attributed to Elitecore's ability to execute and completeness of vision. Gartner has evaluated Elitecore solutions comprising billing, customer care, rating, charging, pricing, partner relationship management, policy management, mediation, self-service, analytics and other related functions.

Elitecore IRCM platform supports open standards and is network agnostic, enabling operators to save on infrastructure cost resulting in reduced TCO. The modular architecture facilitates the operators to plug in new modules on demand without affecting the legacy systems, thereby seamlessly integrating with complex network architecture for new roll outs. Elitecore supports various Industry-accepted delivery models including Built-Operate-transfer (BOT), Managed services, Operations and maintenance and cloud-based hosted model.

Customer at the core of Sterlite Tech's new organisation structure

Sterlite Techs recently implemented new organisation design for its Telecom Products and Solutions business. The new organisation design aims to sharpen the company's focus on market opportunities by keeping customer at the core of all its operations. In its Telecom Business, Sterlite is evolving towards enabling seamless high-speed data transmission delivery with highly efficient telecom networks, through a full portfolio of products & expertise in designing, engineering, building and maintaining telecom networks. Designed to enable co-creation of value through focus on innovation, analytics and R&D based on customer needs, the new organisation structure has been developed in collaboration with Hay Group, a leading management-consulting firm.

Sterlite Tech appoints Leo Burnett as its creative partner

Sterlite Tech recently appointed Leo Burnett India as its creative partner for its complete brand transformation.

Leo Burnett's main objective would be to redefine Sterlite Tech's core purpose and create a sustainable brand identity amongst its stakeholders.

Leo Burnett was chosen for its rich history of defining the purpose for many great brands and its ability to help brands grow in complex business scenarios. They plan to deploy humankind tools to transform Sterlite Tech's human purpose and give it a makeover.

Sterlite Tech to implement Jaipur Smart City

Sterlite Tech has won the Jaipur Smart City Phase - II Project. Jaipur, the Pink City, was selected under the Smart City Mission of Ministry of Urban Development launched in 2015. This is Sterlite's second smart city project win. The project, slated for completion within six months from the date of the contract, is under implementation. Sterlite aims for time-bound development activities based on scientific and hi-tech strategies. This project will boost the heritage tourism industry and bring smarter living experience to Jaipurians.

Sterlite Tech to showcase integrated solutions at Smart Cities India Expo 2016

Sterlite Tech showcased its end-to-end products, services & software offerings at the 2nd India Smart City Expo 2016, Pragati Maidan, from May 11-13, 2016. During the three-day exhibition, Sterlite Tech showcased- the Sterlite Smart City Solution Suite – an end-to-end approach for fast and future-proof network rollout, with seamless System Integration with best in class global OEMs. Customised for specific requirements of urban and rural bodies for area-based development and pan-city initiatives, the Sterlite Smart City Solution Suite is a unique offering that features complete program management, project execution and network integration from infrastructure management to network applications. With this suite & its product-to-service & application layer presence, Sterlite aims to become the partner of choice to realise the vision of 100 Smart Cities by efficient management of multiple vendors, integration of varied smart city technologies, and timely achievement of the Smart City creation targets.

Sterlite Tech Global Partner Meet 2015 creates the right buzz

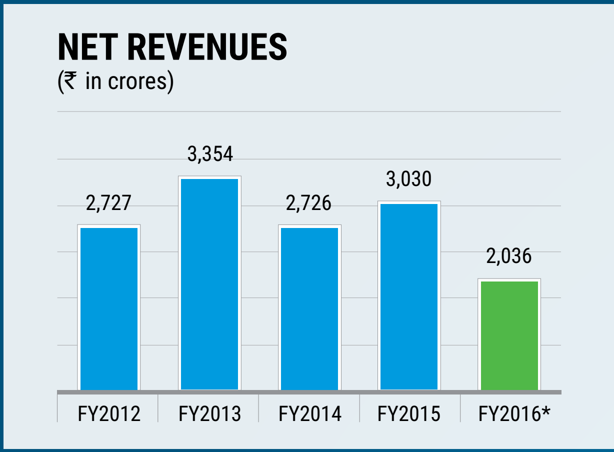
Sterlite Connfluence 2015 (Global Partner Meet) witnessed a participation of over 130 high profile guests, 44 of which travelled from other countries. The diversity in the nationalities that attended the event and the enthusiasm it created signified the increasing global adeptness of the company and reaffirmed Sterlite's transformation from a manufacturer of optical fiber to an end-to-end engineering solutions provider.

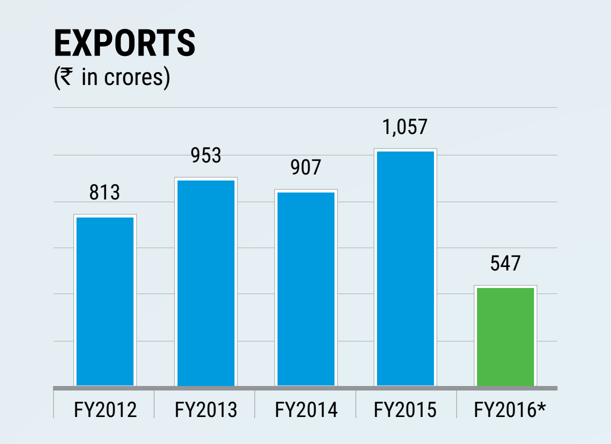
The objective of this event was to connect with our partners like Alcatel Lucent, Borouge, CISCO, DSM, Ericsson, Heraeus, L&T, Alstom, ABB, Mitsubishi, Glencore, ZTE and several others by calling for synergies and collaborations with the best players across the value chain, to use these partnerships to effectively address the incredible ever growing opportunities in both sectors the company operates in and influence our partners by giving them an opportunity to understand the prospects in the telecom and power transmission sectors from Sterlite's perspective within India as well as globally.

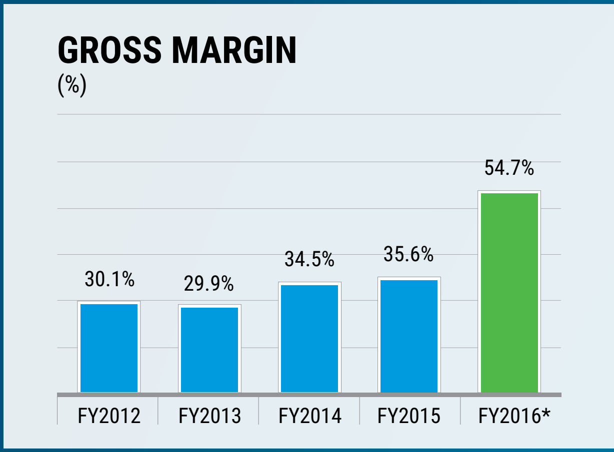
Sterlite Tech enables 90 women with vocational expertise

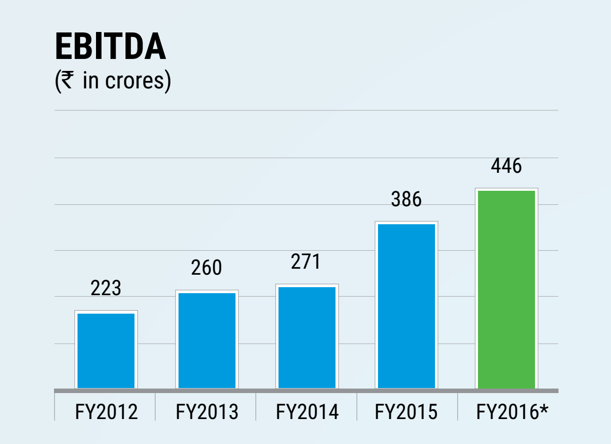
Sterlite Tech, which is building efficiencies through its end-to-end telecom products, solutions & software offerings, today said its CSR initiative – Jeewan Jyoti, awarded 90 women students with vocational training certificates at a valedictory function organised here. Among the 90 students felicitated, 81 students were awarded the passing certificates issued by the Maharashtra State Board of Vocational Education (MSBVE) for completing the six-month vocational training courses and nine were presented the certificates for two-month course in Basic Tally ERP 9, which will enable them to secure opportunities in the field of accounting.

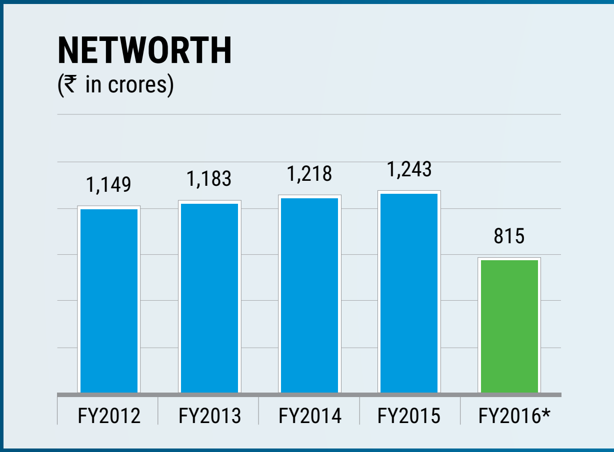
FINANCIAL HIGHLIGHTS

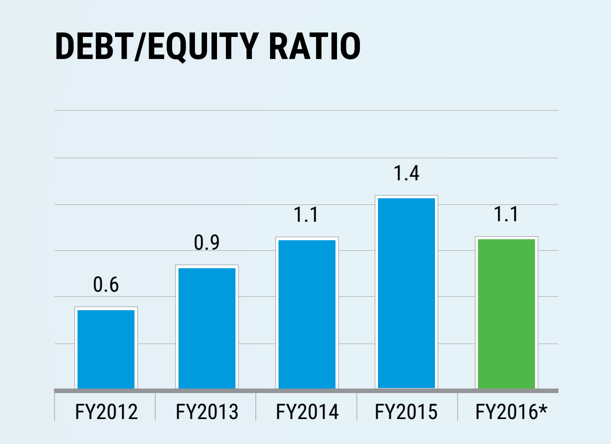






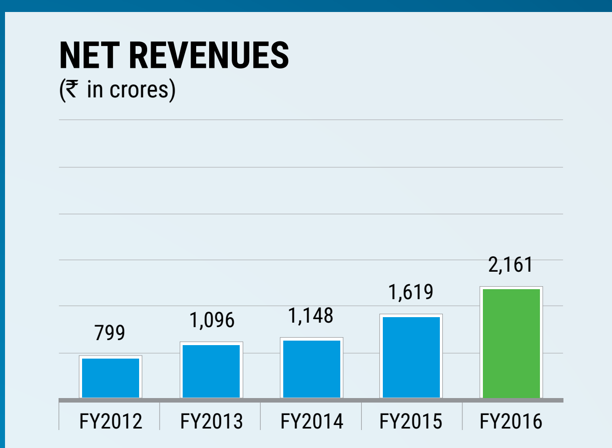


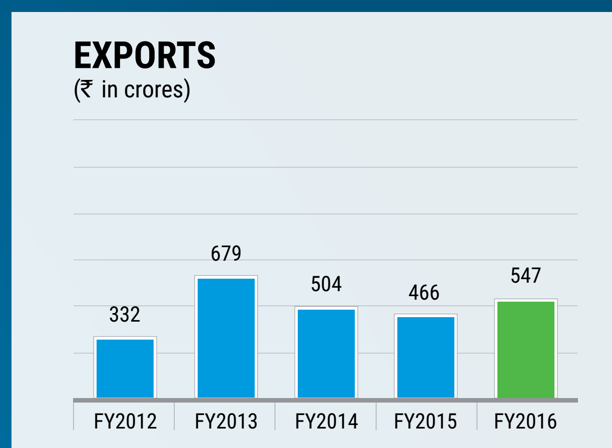


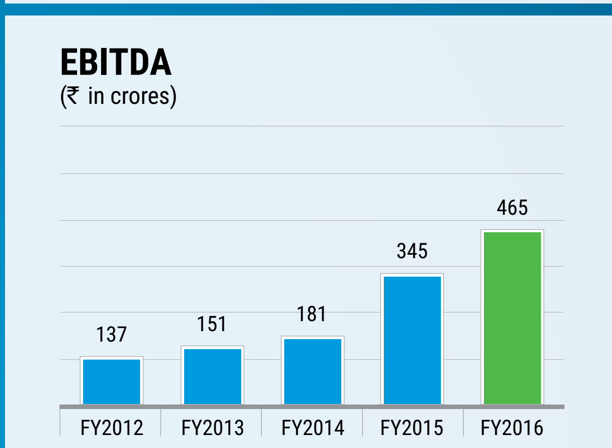


Note: 1. All numbers are for Standalone Financials.
*2. * FY2016 numbers are post-demerger for telecom business only.*

FOR TELECOM (AT CONSOLIDATED LEVEL)







TELECOM PERFORMANCE
FY'16 AUDITED V/S FY'15 PROFORMA

Note: All numbers from FY12 to FY15 are Proforma numbers & FY16 is audited.

₹ IN CRORES

	FY2012	FY2013	FY2014	FY2015	FY2016*
Net Revenues	2,727	3,354	2,726	3,030	2,036
Growth %	21	23	-19	11	NA
EBITDA	223	260	271	386	446
EBIT	152	174	168	278	339
PBDT	128	155	176	207	354
PAT	44	47	50	84	181
Diluted EPS	1.11	1.20	1.27	2.12	4.50

US$ IN MILLION

	FY2012	FY2013	FY2014	FY2015	FY2016*
Net Revenues	419.5	516.0	419.4	466.2	313.2
EBITDA	34.3	40.0	41.7	59.4	68.7
EBIT	23.4	26.8	25.8	42.8	52.2
PBDT	19.7	23.8	27.1	31.8	54.5
PAT	6.8	7.2	7.7	12.9	27.9

Conversion Rate 1 USD =65

₹ IN CRORES

	FY2012	FY2013	FY2014	FY2015	FY2016*
Operating Capital Employed	1,489	1,474	1,528	1,737	1,722
Return on capital employed %	10.2	11.8	11.0	16.0	19.7

RATIOS

	FY2012	FY2013	FY2014	FY2015	FY2016*
EBITDA Margin	8.2	7.8	9.9	12.7	21.9
EBIT Margin	5.6	5.2	6.2	9.2	16.7
PBDT Margin	4.7	4.6	6.5	6.8	17.4
PAT Margin	1.6	1.4	1.8	2.8	8.9
Effective Tax Rate (%)	22.8	31.0	31.3	14.9	26.7

Note: 1. All numbers are from Standalone Financials.
*2. * FY2016 numbers are post-demerger for telecom business only.*

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

It gives us great pleasure to present to you our Annual Report for the Financial Year 2015-16, a year that saw us achieve many operational and financial milestones. The ecosystem tailwind combined with a unique integrated products-to-services-to-software offering gives us enough confidence to look forward to the future with renewed optimism and enthusiasm. Your company is uniquely positioned to play an enabling role in the country's journey towards a digitally connected society.

With the Hon'ble Bombay High Court approving the scheme of demerger, this Annual Report is focused only on our telecom business. Through the pages of this Annual Report, you will see how your company, Sterlite Tech is engaging at various levels and building capabilities in order to capture exciting market opportunities.

Sterlite Tech is extremely proud to make a positive difference in the lives of our end customers through our products and services. On one hand, we are making our borders secure and safe through the deployment of our System Integration solutions for the Network for Spectrum (NFS) project in Jammu & Kashmir. At the same time, we are also improving the quality of lives of citizens through our Smart City solutions in Gandhinagar and Jaipur. We are partnering with the Government in its ambitious project of connecting 250,000 villages with optical fibre as part of its BharatNet project. Once this network is ready, rural India will be able to enjoy services like e-education, e-healthcare, e-governance, etc., thereby significantly reducing the digital divide that currently exists between the urban and rural populace.

With the acquisition and subsequent merger of Elitecore Technologies into Sterlite Tech, your company gained an entry into the fast-growing telecom software space, thereby increasing our offerings from products to services and software to our global Telco customers as well as city and state governments. We have successfully integrated both the businesses and the teams are working together in presenting an integrated products-to-services-to-software offering to our customers.

Along with our focus on creating optical fibre based smart networks in India, our international focus continues with renewed strength. Our manufacturing presence in China and Brazil, coupled with our strong technology and distribution presence in Europe has continued to increase offerings and engagement with key customers in these geographies. We will strengthen our international presence, and continue to grow such offerings to key global customers around the world.

FY16 HIGHLIGHTS

Through the expansion of our capabilities that straddle across the products (optical fibre and optical fibre cables), services (System and Network Integration), and software (OSS and BSS domain) space, we are now in a unique position to offer an integrated offering to our customers from the passive layer to software layer, from network build to revenue management. Through these offerings, Sterlite Tech now has a position to capture 10-15% of the ICT capex spent, against 1-2% earlier, as a pure-play products company.

Sterlite Tech is rapidly evolving towards enabling seamless high-speed data transmission delivery with highly efficient telecom networks through a full portfolio of products & expertise in designing, engineering, building and managing telecom networks. The year saw several of our strategic initiatives take definitive shape.

For our products offering, your company has a well-diversified manufacturing footprint spread across India, China and Brazil, with a current augmented capacity of 22 million-fibre km (fkm). During the year, we successfully doubled our cable manufacturing capacity to 15 million cabled fkm, thereby increasing our reach to the customers with a value-added product. Globally, optical fibre demand continues to grow and 2015 grew at almost 17% as compared to the previous year. Through our strong global presence and customer engagement, our optical fibre operations continue to operate at full capacity.

On the System Integration space, Sterlite Tech is setting up an intrusion-proof and secure ~10,000 km long fibre-based communication network for the Indian Army in J&K under the NFS project. Your Company possesses the capability to build and deliver long-lasting smart networks for Telcos and the

Government with a guaranteed life of 25 years, against the typical 7-8 years similar networks currently last.

Your company has won two Smart City projects in Gandhinagar and Jaipur, which will positively transform the lives of its citizens. Our Smart City Solution is making citizens safe and secure through the deployment of CCTV and surveillance cameras, providing free internet access to citizens through deployment of Wi-Fi hotspots, enabling governance by setting up control rooms where various aspects of the city's functioning can be monitored. Sterlite Tech is enthusiastic that its products and solutions can make a far-reaching impact on the lives of common citizens.

Pravin Agarwal
Vice Chairman &
Whole-time Director

Dr. Anand Agarwal
Chief Executive Officer

During the year, we implemented a new organisation design to keep customers at the core of all our operations. This new structure has been done considering the need to make Sterlite Tech a more agile and collaborative company.

Being a technology company, Sterlite Tech relies heavily on technology across its functions. We have the most advanced R&D facility – Centre of Excellence (CoE) – in the country, dedicated to optical fibre technology. In the CoE, research scholars and scientists from the company, in strong collaboration with global research institutes, bring next generation products and solutions to life. One of the recent innovations is a bend-insensitive fibre, which is focused on multiple applications from metro access to in-building wiring requirements. The CoE also has multiple products and network applications with a strong IP portfolio of about 123 patents, which have been granted and applied in various geographies globally.

Sterlite Tech has also set up a seed fund to invest in exciting technology-based startups in the space of e-healthcare, e-education, e-entertainment, etc. It will back OTT (Over the Top) ideas, which need reliable and high-speed Internet access for last mile service delivery.

Our strong operational performance resulted into a strong financial performance as well. We reported Rs 2,161 crore in revenue during FY16, which was up 33% from FY15 revenues of Rs 1,619 crore (proforma telecom-only numbers). EBITDA or operating profit in FY16 rose 35% to Rs 465 crore against Rs 345 crore (proforma telecom) in FY15. Net Profit zoomed 27% to Rs 151 crore against Rs 119 crore reported in FY15. At a proforma level, the telecom business has delivered a 5-year CAGR of 28% for revenue growth, 36% for EBITDA growth and 40% for EBIT growth.

SOCIAL IMPACT

Sterlite Tech firmly believes in creating shared value for all, be it communities, employees, or our vendors, so that they can co-create and take co-ownership of the projects impacting their lives.

Based on this culture of creating shared value, our Corporate Social Responsibility (CSR) is deeply entwined in our business. While leveraging last mile connectivity, our programmes focus on the key development areas of education, empowerment, health and rural & community development. Programmes span across all our units and sites, and have directly or indirectly touched 280,500 lives, with a spend of about 3% of our net profits.

AWARDS AND RECOGNITIONS

With a constant focus on trying to do things differently, we have been recognised amongst top 25 innovative companies by CII. During the year, Sterlite Tech also won the Frost & Sullivan 'India Manufacturing Excellence' Award 2015 as recognition of our capabilities and global competitiveness. Our CSR initiatives won multiple awards including 'Innovations in CSR Practices', 'Young CSR Leader' and 'Improvement in Quality of Education'.

We take this opportunity to once again thank all our stakeholders — customers, communities, shareholders, employees and our vendor partners — for their continued support and encouragement. On a concluding note, we are happy to share that we had a very satisfying year, and are fully geared to meet the challenges and expectations from us.

Pravin Agarwal
Vice Chairman

Dr. Anand Agarwal
CEO

MANAGEMENT DISCUSSION & ANALYSIS

By Gaurav Basra, Chief Strategy Officer

WHAT DRIVES OPTICAL FIBRE & SMARTER NETWORKS DEMAND?

After a brief period of stability, the global optical fibre market has picked up pace based on key market drivers and evolving technologies. The global telecom industry has posted continued growth in FY16 based on growing user demand for high-bandwidth consuming applications, and disruptive technologies based on Internet of Things. With the overall demand for high-speed broadband growing rapidly, many governments are considering move towards high-speed broadband as a utility (10 Mbps in the UK to 25 Mbps in the US as examples). With increasing numbers of connected devices per subscriber, India is getting up to speed with the global markets in terms of new consumer demands and technology adoption.

India's communication landscape has evolved during FY16, driven by the need to deliver low-latency, high-speed broadband capable of empowering citizens with information and enable economic growth. With the demand for smartphones on exponential rise, the need for related broadband connectivity for services like video streaming, mobile payments, e-healthcare, e-education, e-governance, surveillance, etc. has also increased. Additionally, as data consumption grew based on high smartphone demand, the need for 3G and 4G rollout became eminent. With this development, the Indian telecom market is likely to post growth figures this year.

The top demand drivers and technologies were responsible for increased investments in the global broadband industry and Sterlite Tech's plans to address such opportunities:

BROADBAND: AN ESSENTIAL UTILITY

With several governments accepting broadband a basic utility for their citizens, the scope of telecom has risen. Broadband has the power to alleviate poverty, reduce tensions between borders and create unity among the people. Leaders across the world have advocated that effective use of broadband will inculcate learning, healthy habits and culture, while also helping improve economy largely. Broadband has the power to reduce digital divide among citizens and foster economic growth and well-being of the people.

GO DIGITAL: NECESSITY OF THE DECADE

Information and Communications Technology (ICT), especially broadband, is the key enabler of digital transformation in our society. As citizens become empowered to do more with their electronic devices, governments and administrators are under pressure to facilitate an e-infrastructure to improve governance across government departments spanning rural and urban areas. The Digital India initiative launched by Prime Minister Narendra Modi, for example, is set to take India to the next level of growth, making it one of the super powers by 2020. The foundation of these initiatives is high-speed broadband, which is the combined responsibility of the Government and service providers.

HIGH-SPEED BROADBAND: THE ECONOMIC GROWTH STIMULANT

High-speed broadband can improve productivity, enhance innovation, enable easier access to public facilities, drive energy efficiency, and much more. Whether it is a home broadband user or an enterprise customer, speed is key to ensure Quality of Service (QoS). A growing number of smartphone users, who have active social profiles, account for a large share of data network of operators. In the enterprise segment, broadband speed is the foremost priority to ensure productivity and business continuity. For enterprises adopting cloud and managed services, broadband becomes the lifeline, and hence speed counts. The most effective and reliable high-speed broadband is the one that is backhauled by fibre.

UPCOMING TRENDS IN BROADBAND

MOBILE DATA TRAFFIC TO SHOOT TO EIGHT-FOLD:

The latest Cisco Visual Networking Index (VNI) estimates mobile data traffic to grow eight fold over the next five years, reaching 30.6 exabytes per month in 2020 up from 3.7 exabytes in 2015. The report also suggests that from 2015 to 2020, global mobile data traffic will grow two times faster than global fixed IP traffic. Mobile video accounts for a majority of the data traffic; over 75% of the world's mobile traffic is estimated to be video by 2020. The growth of 4G networks and the availability of 4G connected devices drive the video traffic. Simultaneously consumers' demand for higher video resolution, more bandwidth, and processing speed will grow, which will drive network investment. Smart devices will generate 98% of mobile data traffic by 2020. Globally, 70% of the population will be mobile users with 1.5 connections per capita by 2020.

FIBRE INFRASTRUCTURE CAPEX TO EXPAND:

ITU estimates that globally, capital expenditure on fibre infrastructure will surpass USD 144.2 billion between 2014 and 2019. Globally, copper networks are being replaced by fibre. Reports indicate that worldwide 738 million premises currently own fixed broadband connections, with FTTH based systems contributing to the/being the majority. While China took the lead for the impact on the rise of FTTH in 2015, the Americas also saw increase in fibre-based broadband connectivity. While these investments focus on expanding the existing networks, a large share of fibre investments in emerging markets go to launching new LTE networks. In India, for example, Airtel and Reliance Jio are taking the LTE momentum forward through fibre investments.

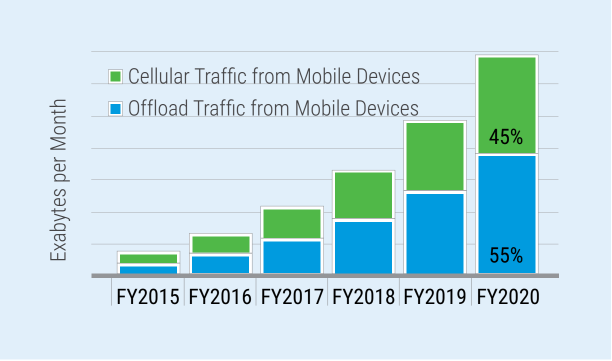
GLOBAL OPTICAL FIBRE INSTALLATIONS UP 17%

As per a CRU report, in 2015, the worldwide optical cable market posted another record year with 364 million km of fibre installed. This amount was a 17% increase over the 311 million fibre km installed in 2014. The amount of optical cable installed each year has increased with a CAGR of 17% from 2005 to 2015.

RISING DATA TO SPUR WI-FI INVESTMENT:

As per ITU, Wi-Fi investments are on the rise driven by the rising data consumption. This will impact global Wi-Fi accessibility. Globally Wi-Fi hotspots, including home spots, will grow 7X from 64 million in 2015 to 432 million in 2020, says Cisco VNI. Home spots alone will grow from 57 million in 2015 to 423 million in 2020. Further, the report says monthly Wi-Fi offload traffic (3.9 exabytes) exceeded monthly mobile/cellular traffic (3.7 exabytes) in 2015 for the first time. It is expected that by 2020, 38.1 exabytes Wi-Fi offload traffic will be generated each month, continuing to exceed projected monthly mobile/cellular traffic (30.6 exabytes).

By 2020, 55% of Total Mobile Data Traffic will be offloaded



Offload pertains to traffic from dual-mode devices (excluding laptops) over Wi-Fi or small-cell networks.

Source: Cisco VNI Mobile, 2016

In developing countries like China, India, Brazil, among others - Wi-Fi gets a boost from the government. In India, for example, the state-owned Telco BSNL has announced plans to invest Rs 6,000 crore (approx USD 902 million) over the next three years to set up some 40,000 Wi-Fi hotspots across the country. In developed markets like the U.S. and Singapore, citizens are already being offered municipal connectivity to stay connected and use them in emergencies.

LTE-A TO EASE TELCOS' BURDEN:

More than 40 operators have launched, or are planning LTE-A deployments worldwide; 88% of these operators are in developed markets. LTE-A boasts several improvements over the standard LTE, the most significant being carrier aggregation (CA), which allows Telcos to combine different frequencies and treat these as one channel of bandwidth. LTE-A promises 2-3 times faster speeds compared to today's LTE. Meanwhile, another standard, LTE-Unlicensed (LTE-U), allows any operators to use the unlicensed spectrum to ease the burden on big mobile carriers' networks. Industry experts believe lack of standardisation of LTE-U will currently result in operators having limited control over QoS, leading to quick congestion in networks. Carrier aggregation is suitable in larger markets like India, where operators face limitations on spectrum resources. Leading operators like Airtel, Reliance Jio, and Idea Cellular are considering the deployment of CA using LTE-A or LTE-U. The demand for LTE-A is also driven by the increase in mobile video consumption, IoT applications, connected cars, and cloud applications. LTE-A will set the path clear for 5G.

GOVERNMENT'S POLICY LEVEL INITIATIVES:

Another driver of the current optical cable market is government initiatives. The 'Digital India' initiative coupled with NOFN, Network for Spectrum, and Smart Cities Mission have presented a gamut of opportunities. The main thrust of these efforts is to improve broadband service availability.

TOWER FIBERISATION:

In India, exploding data traffic is leading to increased requirements for in-building solutions and smaller cell sites for tower infrastructure. This is expected to drive growth of the Indian tower industry in the future. Additionally, with network upgrades & roll-out of data technology such as 3G and 4G, a significant number of sites need to be added to provide adequate quality and coverage, as there are several gaps in terms of network coverage across the country. Similarly, with many Telco's shifting to 4G networks, they are expected to invest in quality data networks and drive industry growth.

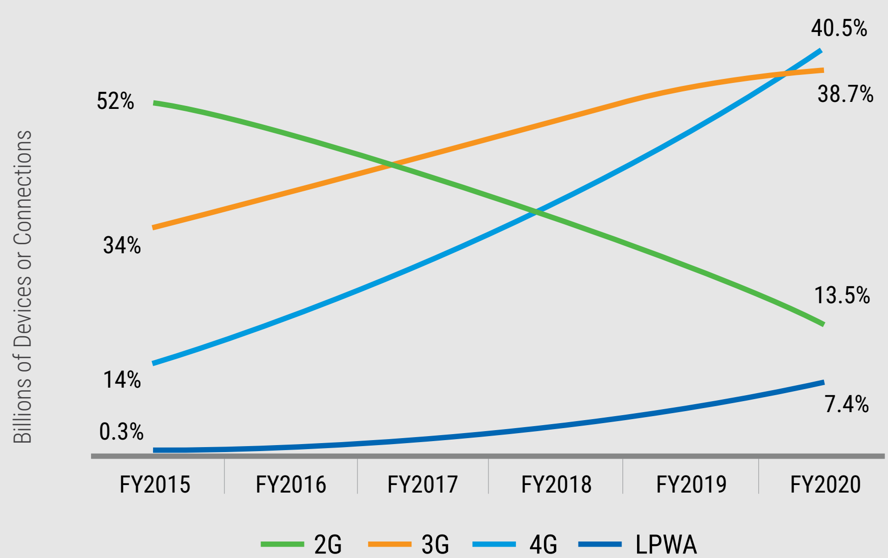
NEED FOR FIBERISATION OF BACKHAUL NETWORK:

In India, less than 20% of sites are fiberised as compared to 70-80% of sites in developed countries. With increasing competition, a robust mobile backhaul network that ensures seamless voice with data connectivity across 2G, 3G, and 4G/LTE technologies is very critical. Given the importance of this infrastructure, multiple telcos have initiated investments in fiberisation of backhaul networks, which is driving further demand for optical fibre in the Indian context.

3G/4G ROLLOUT:

Overall, mobile data traffic grew by 50% in 2015, with 3G traffic outpacing 2G across all circles for the first time. This was the result of a mature network, device, and content ecosystem. 3G device penetration more than doubled during the year while new network launches and expansions in existing circles boosted data adoption beyond larger towns and cities. Video and social networking made up 60% of the data traffic.

Global Mobile Devices and Connections by 2G, 3G, and 4G



Percentages refer to device and connections share
Source: Cisco VNI Mobile, 2016

INCREASING DATA USAGE:

As per Nokia MBiT, the average monthly data usage for 3G surpassed 750 MB per subscriber and, with operators poised to launch 4G LTE networks, faster data speeds will fuel an even greater surge in traffic — echoing 4G LTE launches in other parts of the world where operators have traditionally seen data usage increase by up to four times. Currently, the average 3G data consumption per user in India increased to 753 megabyte (MB), even as the booming 4G handset market is expected to further boost data traffic in 2016. One PB equals to 1 million GB of data.

INCREASE IN SMARTPHONE USERS:

As per a report by BoFA ML, the 4G smartphone base is likely to jump from 5 million in FY 2015 to 180 million (18 crore) by FY 2018, leading to 4G subscribers accelerating from almost zero in FY 2016 to 90 million (9 crore) by FY 2018. This will also lead to robust optical fibre demand.

High-End Devices Significantly Multiply Traffic

M2M Module	=	7	X	(monthly basic mobile phone data usage)
Wearable Device	=	7	X	(monthly basic mobile phone data usage)
Smartphone	=	41	X	(monthly basic mobile phone data usage)
Tablet	=	113	X	(monthly basic mobile phone data usage)
PC	=	118	X	(monthly basic mobile phone data usage)

Source: Cisco VNI Mobile, 2016

THE RISING DEMAND FOR FTTX:

As per the CRU update, the main reason carriers are installing more fibre is to carry more Internet traffic. This includes fibre for residential fixed line broadband services, as well as the fibre installed to support 3G and 4G mobile networks. For fixed line services, there are several hundred FTTx projects underway throughout the world. FTTx refers to a group of architectures, including fibre to the home (FTTH), fibre to the building (FTTB), fibre to the cabinet or curb (FTTC), and others.

TELECOM SOFTWARE DEMAND TRENDS

As per a recent report by Radiant Insights, the global Mobile Virtual Network Operator (MVNO) Market is expected to reach USD 73.20 billion by 2020. Increasing global mobile subscribers and demand for data services are expected to favour market growth over the next 6 years. While in India, the consolidation of 4G/LTE connectivity is a major catalyst in the shift away from traditional telecom services to a more data-centric mobile experience. Cloud Ready Solutions have gained traction due to benefits like shorter time-to-market and lower CAPEX.

The ever-demanding customers today require seamless Audio/Video calling experience. The Interactive Mobile Self Care Apps & Portals are giving them the complete control over their services, while Service on demand and service personalisation is all about sending the right offers at the right time to get desired actions. The rise of OTT applications and social media has led to trends like Wi-Fi Calling Voice over Wi-Fi, Voice over LTE in India as well as globally. Wi-Fi offload and Monetisation has come to the rescue of operators to survive.

GLOBAL MOBILE DATA TRAFFIC TRENDS IN THE NEXT 5 YEARS:

- Monthly global mobile data traffic will be 30.6 exabytes by 2020
- The number of mobile-connected devices per capita will reach 1.5 by 2020
- The average global mobile connection speed will surpass 3 Mbps by 2017
- The total number of smartphones (including phablets) will be nearly 50% of global devices and connections by 2020
- Because of increased usage on smartphones, smartphones will cross four-fifths of mobile data traffic by 2020
- Monthly mobile tablet traffic will surpass 2.0 exabytes per month by 2020
- 4G connections will have the highest share (40.5%) of total mobile connections by 2020
- 4G traffic will be more than half of the total mobile traffic by 2016
- More traffic was offloaded from cellular networks (on to Wi-Fi) than remained on cellular networks in 2015
- Three-fourths of the world's mobile data traffic will be video by 2020

Source: Cisco VNI 2016

With these demand drivers in place, there exists enormous growth opportunities for high-quality optical fibre and smart network technologies. With this background, Sterlite Tech has aligned its new organisation design to tap emerging avenues in India's private and public sectors. Its International Customer Unit will focus on the global market opportunity.

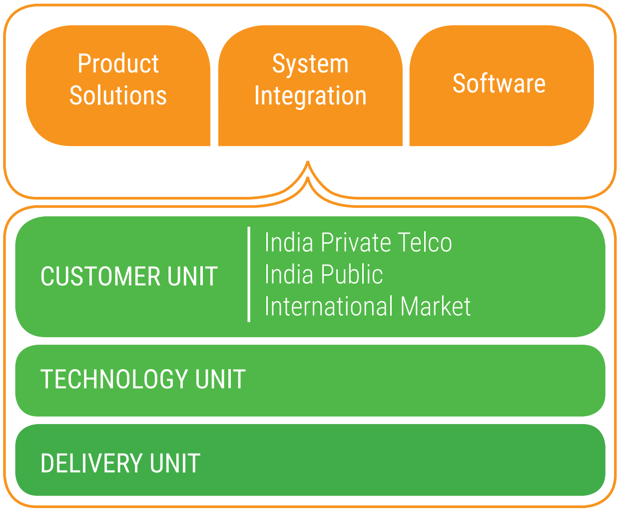
The three fundamental drivers for growth **Connectivity, Content** and **Low Cost Smart Devices** seem to be in place, and Sterlite Tech believes this will fuel growth in the Indian Telecom industry.

TAPPING MARKET OPPORTUNITIES

This journey calls for the right operating structure and best-in-class policies and processes to build an agile, fungible, and customer driven organisation. With this view, Sterlite Tech has reorganised its operating model and created three new units aligned to the customer segments. The new operating model puts customers at the centre of everything we do. It enables us to deliver optimal solutions to our customers while building long lasting partnerships through an innovative and collaborative approach. The new operating model consists of Customer, Technology and Delivery Units.

1. **Customer Unit (CU)** is designed to focus on strong customer engagement, delivering solutions, and resolving customers' needs.
2. **Technology Unit (TU)** is designed to collaborate with the CU in designing technical solutions, as per customers' requirements. TU is responsible for technology research and market facing innovations.
3. **Delivery unit (DU)** is designed to be a one-stop shop for supply chain management from raw material to finished goods. It is responsible for strategic partnerships to ensure timely delivery to our customers.

OFFERINGS



INDIA PRIVATE CU

India Private customer unit will work with domestic private telecom companies, cable industry players, tower companies, and other private customers. Capturing these opportunities requires faster project deliveries, higher reliability, innovative, and high-quality product and solution deliveries, and India Private CU will help achieve this vision.

PHILOSOPHY & VISION:

CU will disrupt the market by bringing new and innovative products & solutions and deployment service models to build faster and cheaper networks with higher uptime and longer lifetime.

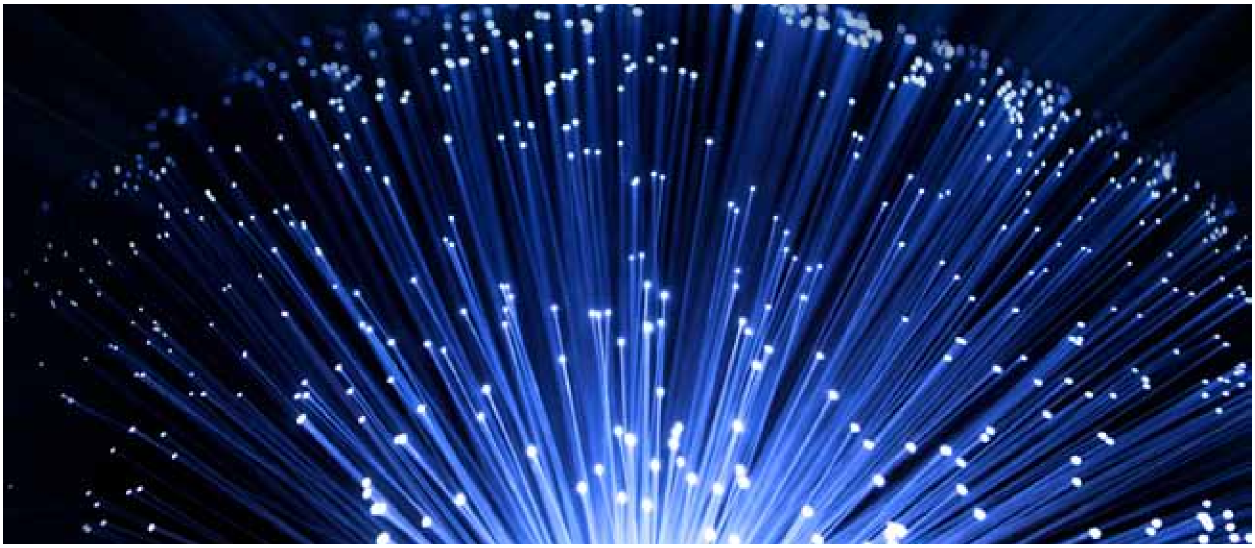
OPPORTUNITY AND PORTFOLIO:

Sterlite Tech sees enormous opportunities in the private sector as Telcos upgrade their network to 4G to cater to growing data demand from customers. 4G towers will need to be fiberised to provide sufficient back haul capacity in the network. This drive towards 4G will create significant growth opportunities for OF & OFC products and fixed network deployment services. In addition, small cell and Wi-Fi deployment is projected to pick up, requiring denser fibre networks.

Sterlite Tech also estimates that over 60 million households will be connected by FTTH by 2019. These aggressive deployment roadmaps of Telcos will further drive the demand for our products and services. Below are some of the recent investment announcements from Telcos:

- Bharti Airtel has announced Rs. 60,000 crore investments on a comprehensive network transformation program. The comprehensive ten-point program under "Project Leap" will enable Airtel to take a decisive lead in delivering a differentiated customer experience
- Vodafone has committed investments totaling Rs.13,000 crore for capacity augmentation and new business initiatives in India. As part of the Project Spring initiative, an additional 7,600 3G sites were added in Q3-FY16, taking the population coverage in targeted urban areas to 94%
- On December 23, 2015 Idea announced the launch of its High-Speed 4G network across India starting with four south Indian services areas of AP, Karnataka, Kerala, and TN. Idea has revised its capex guidance for FY16 to Rs 75 billion (excluding spectrum payments on account of accelerated 4G rollout).

Sterlite Tech is well positioned to play an important role and capture the opportunities with its broad portfolio of products, solutions, and services portfolio. To fully deliver on these new opportunities will require building new capabilities across multiple dimensions such as solution design, project management, and partner ecosystem development & governance. Sterlite Tech has embarked on



this journey and already built many capabilities required as per the new operating model.

INDIA PUBLIC CU

India Public customer unit will work with the Indian public sector to provide System Integration services for government owned networks. This CU serves multiple segments such as Communication, Indian Defence, Public Utilities, BharatNet, and Smart cities.

PHILOSOPHY & VISION:

Build ICT networks for the nation, and build them right the first time. CU aims to become amongst the top System Integration partners for the India Public sector by building a platform for win-a-ability and delivering flawless execution.

OPPORTUNITY AND PORTFOLIO:

Policy push from the Central Government on initiatives such as Bharatnet to create 1G optical termination per village panchayat, 100 world-class smart cities, network for spectrum projects, and smarter Public Sector Units with more technology usage is expected to create significant opportunities over the next few years. We expect this opportunity to be worth cumulatively over Rs 100,000 crores till 2019.

India Public CU will work with the customers at all steps such as solution design, business model creation, network deployment, and operations & management. Sterlite Tech will focus on building cost-effective, future proof, and long-life networks. Sterlite Tech has built capabilities to capture this opportunity across multiple dimensions such as solution design, network deployment, project management, and supply chain. All these initiatives combined with Sterlite Tech's local manufacturing facilities, system integration experience, open sourcing for products, previous experience in working closely with the Government and a strong partner ecosystem would be key to success.

INTERNATIONAL MARKET CU

Today, Sterlite Tech has a significant international business and supplies its products such as OF and OFC in 20 countries and more than 30% of revenues are contributed by international customers.

PHILOSOPHY & VISION:

Increase market share in the International markets by focusing on top Telco accounts.

OPPORTUNITIES IN INTERNATIONAL MARKETS:

Sterlite Tech expects single-digit growth in international markets for both OF & OFC. Sterlite Tech will work with international customers to identify their needs, advice on product selection, and design customised products depending on the customer needs. Sterlite Tech would also focus to make customers more aware of its products such as Nova, low loss fibre, specialty fibre, etc.

Sterlite Tech with its strength in cost optimal cable design, strong R&D, integrated manufacturing, deployment experience, and assured delivery model of OF & OFC product & solutions can deliver best-in-class product on time to its international customers. The company can help the customers optimise their network, improve time to market and reduce total cost of ownership.

(With inputs from Vivek Aggarwal)

FINANCIAL DISCUSSION & ANALYSIS

FINANCIALS AT A GLANCE

	2014-15 (Reported)	2014-15 (Adjusted Proforma)	2015-16	Growth Y-O-Y (With Adjusted Proforma)
Net Revenue (Rs Crores)	3,097	1,619	2,161	33%
EBITDA (Rs Crores)	512	345	465	35%
Net Profit (Rs Crores) after minority interest	(3)	119	151	27%
EBITDA Margin (%)	16.5%	21.3%	21.5%	
Net Profit Margin (%)	NA	7%	7%	
EPS (Rs)	(0.07)	2.99	3.75	26%
ROCE (%)	5%	15%	18%	
Gross Debt (Rs Crores)	5,316	796	1,089	
Debt Equity Ratio	4.9	1.7	1.6	

Note: All numbers are for consolidated financials

In May 2015, the Company announced corporate restructuring plan to demerge the Power business into a separate entity. As part of this restructuring, Sterlite Technologies Ltd has become a pure play Telecom company and the power business including products and transmission grid have been hived off under a separate legal entity named "Sterlite Power Transmission Ltd". This demerger has become effective from 1st April 2015 and hence the FY2016 numbers are not comparable to those of the corresponding prior periods.

The corporate restructuring is viewed by the company as a potential to unlock and create value for all the shareholders combined with the objective of bringing a sharper and independent focus on both the segments, which have reached a certain scale and maturity of business model. It will essentially provide two distinct and independent platforms one for Telecom business which is in high growth phase capitalising on the huge data consumption opportunity and other for Power business, which will drive the creation of transmission infrastructure in the country.

NET REVENUES

The demerged entity which is pure play telecom entity has recorded revenues of ₹ 2,161 Crores during the year under review, higher than ₹ 1,619 Crores (Adjusted Proforma for Telecom) in 2014-15 showing an improvement of 33% year on year. The revenue growth was secular and driven by both the segments.

This increase in revenue is primarily on account of highest ever volumes in Optic Fibre & Structured data cable business. Optical Fibre volume grew from 17.7 million-fkm to 20.1 million-fkm in FY16, showing a 13.7% Y-o-Y growth. Revenues of Structured data cable business also increased from ₹ 325 Crores in FY15 to ₹ 371 Crores in FY15, posting a jump of 14%. Sales volume of fibre optic cables in FY16 has shown a de-growth of 16.7% from 7.8 million-fkm in the previous fiscal to 6.5 million-fkm this year however due to a better product mix, revenue was lower to the extent of 7%.

We believe that Telcos require an integrated approach, buying pattern are becoming complex in nature and Telcos are looking for players who can offer end to end converged network solutions and services. We plan to offer end to end converged network solutions to our customers by offering Fibre solutions for High Speed FTTx Network, 4G/LTE Fibre Network Back-haul solutions, Wi-Fi/DAS, In- building Solutions along with Network and System integration services for the NFS, BharatNet and State Government Fibre initiates.

The Telecom Business strategy envisage to undertake attractive M&A opportunities in the entire telecom value chain and therefore acquired a software and solutions company called Elitecore Technologies Limited in the FY2016. This acquisition has widened Sterlite Tech's telecom portfolio of offerings to its global customers – in addition to its current offerings comprising optical products and allied system integration services.

Accordingly revenues in Telecom Solutions and Services segment has increased to ₹ 476 Crore in FY16 as compared with ₹ 84 Crore in FY15.

Exports for the year increased to ₹ 547 Crores against ₹ 466 Crores (Adjusted Proforma for Telecom) in FY15, registering a growth of 17%. Exports as a percentage to the overall revenue were 25% in FY16 as compared to 29% (Adjusted Proforma for Telecom) in FY15.

PROFITABILITY

The earnings before interest, tax, depreciation and amortization (EBITDA) of the company shows a remarkable growth of 35% from ₹ 345 Crores (Adjusted Proforma for Telecom) in FY15 to ₹ 465 Crores in FY16. In terms of percentage, this translated into an EBITDA margin of 22% in FY16 as against 21% (Adjusted Proforma for Telecom) in FY15.

The interest costs increased from ₹ 75 Crores (Adjusted Proforma for Telecom) for FY15 to ₹ 113 Crores for FY16. The increase is a combined effect of higher working capital, funding of capacity expansion projects in fibre and fibre cable business and acquisition of Elitecore.

The depreciation for the year was ₹ 131 Crores Vs ₹ 96 Crores (Adjusted Proforma for Telecom) in the previous year. The increase in depreciation was mainly due to capitalization of expansion projects executed during the year coupled with amortization of Goodwill generated during acquisition of Elitecore.

Tax expenses for the year at ₹ 64 Crores were higher than the previous year's tax expenses of ₹ 55 Crores (Adjusted Proforma for Telecom) on account of higher profit before tax. The effective rate of tax stood 29% for FY16 against 32% a (Adjusted Proforma for Telecom) year ago.

The net profit after tax after minority interest for the year thus is ₹ 151 Crores compared to ₹ 119 Crores (Adjusted Proforma for Telecom) last year.

DIVIDEND

In continuation of the progressive dividend policy, the Board of Directors has recommended an equity dividend of 50% subject to the approval of shareholders.

BALANCE SHEET

GROSS BLOCK AND CAPITAL WORK-IN-PROGRESS

The company has been expanding its facilities to meet the increase in demand in its telecom sector. As a result of this and accounting of goodwill generated in acquisition of Elitecore, for the year, gross block increased from ₹ 1,624 Crores (Adjusted Proforma for Telecom) as on March 31, 2015 to ₹ 2,004 Crores as on March 31, 2016.

The capital work-in-progress stood at ₹ 174 Crores at the end of FY16 as against ₹ 63 Crores (Adjusted Proforma for Telecom) at the end of FY15.

BORROWINGS, CASH & BANK BALANCE

As part of this restructuring, gross debt of ₹ 4,313 Crores and net debt (net of bank balances & current investments) of ₹ 4,208 Crores moved from the company to power business resulting into comparatively debt light company.

The gross debt of the company increased from ₹ 1,004 Crores (Adjusted Proforma for Telecom) as on March 31, 2015 to ₹ 1,089 Crores as on March 31, 2016. The total cash and Bank balance coupled with current investments at the end of FY16 was ₹ 81 Crores as against ₹ 330 Crores (Adjusted Proforma for Telecom) at the end of FY15.

The net debt was ₹ 1,008 Crores as on March 31, 2016 against ₹ 674 Crores (Adjusted Proforma for Telecom), showing increase of ₹ 334 Crores in the borrowing during the year mainly due to of working capital finance, funding of capacity expansion projects in fibre and fibre cable business and acquisition of Elitecore.

The Company has a long-term debt of ₹ 469 Crores in FY2016 against ₹ 572 Crores (Adjusted Proforma for Telecom) for FY2015.

The Debt-Equity ratio of the company stood at 1.56 as at end of FY16 as compared to 1.71 year ago

WORKING CAPITAL

(₹ in Crore)

	Mar'16	Mar'15
Inventories	216	178
Sundry Debtors	703	481
Current Investment		55
Cash and Bank Balances	81	275
Loans and Advances	320	194
(A) Total Current assets	1,320	1,182
(B) Total Current liabilities	821	552
Working Capital (A)-(B)	**499**	**630**

Current ratio of the Company stood at 1.6 times in FY16 as compared to 2.1 times in FY15.

RETURN ON CAPITAL EMPLOYED & CAPITAL STRUCTURE

The ROCE was 18% in the current financial year against 15% in FY15. ₹ 1,819 Crores employed in business as on 31st March 2016 and against ₹ 1,615 Crores deployed in FY15.

The net worth of the Company as on 31 March 2016 is at ₹ 699 Crores.

FIVE BARRIERS TO BROADBAND ADOPTION IN INDIA

By K. S. Rao, Chief Operating Officer

Just months after India watched the grand unveiling of the ambitious Digital India and Smart Cities 100 initiatives, an industry report ranked Indian telecom industry the worst in Asia Pacific in terms of broadband speed. "Will high-speed broadband remain a myth in my lifetime?" asks an average Indian who has been frustrated with the 3G/4G services available on his mobile network. If we compare the broadband subscriber figure between India and its peers, it becomes clear that rural broadband will remain a dream for India at least for the next 5 years. With just 120.88 million subscribers, which include wireless and wireline services, India's broadband customer base comprises just 26% of 3G and 4G subscriber base of China Mobile alone. As per 'Measuring the Information Society Report' of 2015 published by ITU, India is ranked 135 in both the access sub index and use sub-index, which are basically measures for Telecom Infra & penetration indicators.

As the telecom industry in India prepares for the next level of growth through new digital initiatives, let us look at the challenges that prevented the implementation of an effective broadband network in India in the past.

As the telecom industry in India prepares for the next level of growth through new digital initiatives, let us look at the challenges that prevented the implementation of an effective broadband network in India in the past.

REGULATORY HURDLES:

Over the last decade since the advent of broadband, the regulatory authority in India missed several opportunities to formulate a proactive broadband strategy that could help

> In order to achieve GDP growth levels of 10%, the telecom industry will have to revolutionise the current state of ICT services. For this to happen, participation is required from various stakeholders, both government and private.

address the digital divide and boost the country's economic growth. World Bank estimates that a 10% increase in broadband penetration accelerates economic growth by 1.38% in developing countries. Regulatory hurdles apart, Indian telecom sector was hard hit by the onslaught of multiple issues and procedural delays typically associated with public offices. Telcos who got their fingers burnt in 2G taught the industry that investment in India's telecom sector is a risky affair. Also, the reactionary policies that immediately follow such delays and implemented without having a futuristic outlook, make the scenario worse for the investors. Striking a balance between transparent measures that prevent such malfeasance and an economically viable model that facilitates a level-playing field for the participants is integral for the health of the Indian economy. A single regulatory framework that facilitates swift decision-making and transparency among the stakeholders could address the challenges in rolling out a broadband infrastructure.

LACK OF FIBRE INFRASTRUCTURE:

The poor quality of service (QoS) and call drop issues are primarily attributed to the country's low investment in fibre and backhaul infrastructure. It is a well understood fact that fibre networks are the most viable medium to deliver increased data capacity and improve the quality of voice calling. The fact that less than 20% of the towers in India are backhauled compared with an average of 80% in countries like the US, China, and Korea emphasises the need for an effective policy that gives due importance to fibre deployments. Industry reports reveal that India currently deploys an average of 15 million kilometres of fibre every year whereas current demands indicate it needs to increase to at least 50 million kilometres per year. As telcos lock horns with regulators on call drop issues, there is an underlying issue that seeks the attention of all: Where should the investments come from? Apart from the state owned MTNL/ BSNL, leading private telcos like Reliance Communications, Reliance Jio, Bharti Airtel and Tata Teleservices have come forward to connect their base stations with fibre; however, their investments are logically fit into existing lucrative circles, so rural deployment is not likely to happen in the current scenario among these participants. The disparity in broadband penetration between urban and rural India continues to haunt Indian economy. TRAI's September 2015 report reveals that India's rural teledensity is less than 50% whereas the urban figure comes to about 150%.

RIGHT OF WAY ISSUES:

India's telecom sector was plagued with Right of Way (RoW) issues since the beginning creating roadblocks for the development of the country's backhaul infrastructure. Currently RoW charges vary from a few lakhs to Rs 1.5 crore per km across different states. With different states having different RoW policies, telcos are losing out significant amount of their infrastructure investment to municipal bodies across different states. As the industry evolves to the next level of growth through 4G and LTE that demands 30 to 120 Mbps of backhaul capacity, operators are likely to face the brunt of RoW issue more severely. While Section 7 of the Indian Telegraph Act calls for consistency in the conduct of any such work done by the government or the licensed parties, no such notification has been issued by the government on RoW.

LAST MILE CONNECTIVITY:

Lack of fibre optic infrastructure to provide last mile connectivity has affected the performance of broadband especially in rural India. The NOFN project was launched to bring optic fibre as close to the end-user as possible so that high-speed broadband can be made available to the customers. The NOFN had envisaged laying OFC connecting all the 2,50,000 Gram Panchayats of the country. The work for laying the cable was allotted to three CPSUs—BSNL, RailTel and PGCIL—in the ratio of 70:15:15 respectively. Also, non-discriminatory access to the NOFN was to be provided to all service providers. The network was supposed to be commissioned in two years; however as per the information available from BBNL, as on November 2015 only limited Gram Panchayats have been connected despite best efforts. Recently TRAI has invited various industry sectors asking for

suggestions on implementation models with an objective to improve overall Bharatnet delivery. Discussions are on to bring best implementation model for the state led program with an increased participation from private sector including emphasis on network utilisation.

CAPITAL-INTENSIVE AFFAIR:

Indian telcos are financially stretched not only due to the rising spectrum prices but also due to the heterogeneity of the networks they operate on. The hasty transition from 2G to 3G and now to 4G/LTE demands huge investments in spectrum and supporting technologies. Additionally, the ongoing FTTH investments in India are highly capital-intensive especially in rural areas where penetration is far below the national average. As regulators play wait-and-watch game on infrastructure expansion, operators are facing pressure on multiple fronts to expand network and ensure QoS. This chicken-egg dilemma can be addressed only through a clear directive and incentivisation of telecom investments. This apart, telcos are facing competition from Wi-Fi providers, OTT players, cable companies—all of which force telcos to rethink strategies so that they can increase broadband ARPU. In this context, telcos are left with an option either to forego near-term returns from their investments or indirectly pass them on to end customers.

CONCLUSION

The telecom industry has been a major contributor for economic growth. In order to achieve GDP growth levels of 10%, the telecom industry will have to revolutionise the current state of ICT services. For this to happen, participation is required from various stakeholders, both government and private. The government thrust should be on increasing rural connectivity/ penetration by addressing hurdles by facilitating various policies and improve investment climate through fast tracking reforms, whereas the private players will need to invest in improving the capabilities for the rollout of Telecom infrastructure.

FITT *for growth!*

STERLITE TECH'S JOURNEY TO BECOME FITT FOR GROWTH

The transformation Indian telecom industry has witnessed over the past couple of years was astonishing. The ambitious digital initiatives launched by Narendra Modi Government have infused new energy and enthusiasm in the industry. Being the pioneers of fibre technologies in India, Sterlite Tech has grown to meet the demands of all levels from across the industry. As we evolve to become the true end-to-end telecom solutions partner, we aim to achieve 10X growth by tapping the emerging opportunities in the telecom sector. At the core of Sterlite Tech's transformation is a four-pronged strategy: being Forward Thinking, Innovative, Trusted and Talented (FITT).

In today's fast-evolving digital landscape, you have to be Forward Thinking to stay ahead of the competition. Over the past two decades, Sterlite Tech has succeeded in building a telecom portfolio covering the entire telecom value chain – be it network design, engineering, telecom software, analytics or R&D. The decision to separate the Power portfolio from Telecom assets recently has further enabled us to strengthen the capabilities of each business while focusing on core assets. In line with this approach, Sterlite Tech will further invest in building smarter networks and infrastructure technologies across India and the globe.

Innovation helps you stay ahead of the competition as market trends and technologies shift. It also helps you identify new opportunities that exist now or likely to emerge in the future. Sterlite Tech has always strived to identify the challenges the industry has been facing and develop technologies and solutions that can proactively address those issues. Sterlite Tech's focus in R&D in broadband and smart networks has transformed the company into a strategic player in key telecom markets in the world. The appointment of Dr. Arvind Kumar Mishra as the Board of Directors (BOD) of Fiber-to-the-Home Council (FTTH) Asia Pacific recently is a testimony of the value delivered by Sterlite Tech' R&D team to global telecom industry.

The Trust Sterlite Tech has earned among industry stakeholders and customers have positioned the company to be an integral part of the telecommunications revolution in India. We are overwhelmed by the recognition given by the Central Government and various State Governments by selecting Sterlite Tech for several key projects across the country. The Jaipur Smart City Phase II project is the latest among them. The Smart City project wins demonstrate how Sterlite Tech has grown to advance




FTTx communications over intelligent networks and communications technologies. Moreover, in pursuit of its Customer First approach, Sterlite Tech recently implemented new organisational design for its Telecom products and Solutions business. The company's shift from BU (Business Unit) approach to Customer Unit (CU) led strategy is built on three pillars: India Public CU, India Private CU and International CU. The new approach helps us better align the services across different spectrum of customers and thus serve them more efficiently.

With an ambitious target to achieve, Sterlite Tech does not compromise on quality of its human resources. We have created a pool of global talent capable of developing the best solutions capable of meeting the evolving demands from the industry. The human assets have proven valuable for the company in attaining better strategic synergy, greater agility and successful collaboration across organisational boundaries. Meanwhile, it has benefitted the industry by helping build a robust community of technology experts and strategists that could collectively drive the country's digital mission forward. Being a major driver of telecom transformation in India, Sterlite Tech is committed to deliver solutions in accordance with the government policies while also meeting the demands from customers.

FITT FOR DIGITAL INDIA

Despite the several challenges faced by operators over the past decade, Indian telecom industry has remained robust. The ongoing projects like BharatNet and Smart City have urged industry stakeholders to develop favourable policies and best practices to drive the country's mission forward and make it one of the most powerful economies in the world. Telecommunications is the pillar of economic growth of any country, and fibre acts as the nerve of the telecom network. It is promising to see that the Government of India, under the guidance of the Telecom Regulatory Authority of India (TRAI), is adopting necessary steps to lay optical fibre across the length and breadth of the country.

Sterlite Tech's FITT strategy deeply aligns with government's vision of building futuristic telecom networks with advanced FTTH technology; hence, we are optimistic of achieving our mission to make India a full-grown telecom market in the next couple of years. As seen in the recent quarterly results, we are breaking our own growth record each year. With a cumulative investment of $60 billion envisaged in telecom infrastructure over the next five years in India, Sterlite Tech is set to continue its legacy of revolutionising the telecom industry with its comprehensive portfolio of innovative and future-proof offerings.

(By Team Corporate Communications)

FORWARD THINKING

CLIMBING THE GROWTH LADDER

By Arindam Haldar, Chief Marketing Officer & Vishal Aggarwal, Head - Investor Relations

A company's growth path is paved by the way in which it transforms its strategies to be in harmony with the changing market demands; while holding strong to the pillar of values that defines its existence. Sterlite Tech believes in this change and this year, we brought in a new "FITT" strategy in all our business operations to amalgamate ourselves with the changing market dynamics.

With the Indian Telecom sector entering a growth phase based on market drivers such as BharatNet, 4G rollout, smart city development, and Digital India, there are huge opportunities that lie untapped. Capturing these opportunities required faster project deliveries, boost in reliability, longer asset life, innovation and high-quality product deliveries, and being at the right time at the right place as an efficient end-to-end solutions provider.

To hold the market leader position, Sterlite Tech became more innovative in terms of processes, operations, and people management in 2015-2016. We have built and acquired capabilities in terms of technology and human resources; to build trust and collaborative spirit among our customers, we selected the right partners in our challenging yet exciting journey. All this was achieved by the implementation of a new strategy called FITT - **F**orward **T**hinking, **I**nnovative, **T**rusted & **T**alented.

FITT transformed the overall business in not just the thought process but also in our actions. Sterlite Tech became more futuristic and forward thinking in our approach to bring in innovative solutions and garner the trust of our customers, partners and stakeholders while developing a talented ecosystem. Some of the major highlights towards formation of a forward-looking business are as follows.

FORWARD THINKING

DEMERGING POWER TO UNLOCK VALUE FOR SHAREHOLDERS

This year, Sterlite Tech went through a major transformation to strengthen its position in the ICT space. In May 2015, we announced corporate restructuring plan to demerge the Power business into a separate entity. With this restructuring, Sterlite Tech has become a pure play Telecom company.

The decision to separate the businesses came in the backdrop of unprecedented opportunities that were surfacing in telecom and power sectors, which warranted strategic focus, differentiated business models and capital structure that meaningfully addresses these opportunities.

The corporate restructuring is a potential to unlock and create value for all the shareholders. It also has the objective of bringing a sharper and independent focus to both the segments, which have reached a certain scale and maturity in business.

With this, the Telecom business will continue to focus on opportunities within the telecom value chain across products, solutions and applications. The company has created a unique and dominant position for itself within the telecom domain and aims to play an integral role in the creation of digital infrastructure creation in the country.

BROADENING HORIZONS WITH A FUTURISTIC APPROACH

Sterlite Tech always aims to expand its horizon. This was achieved last year with the acquisition of Elitecore Technologies. With this, Sterlite Tech expanded its capabilities offering with industry leading software solutions for operations support, business support and revenue management. This is in addition to its current offerings of optical communication products and allied system integration services.

The addition of Elitecore's operation has provided significant impetus to Sterlite Tech's efforts to scale up the contribution from services and solutions in its revenue mix to complement the large and high-growth optical products business. This move is also in line with Sterlite Tech's overall strategy of widening its telecom offerings' portfolio to its global customers.

BEING FUTURE READY FOR INNOVATIVE BUSINESS VENTURES

India's telecom industry is standing at the brink of unleashing its total potential. Being a leading telecom technology company, Sterlite Tech has to stay abreast with the dynamic nature of the emerging technologies and be future ready to grab these opportunities. With this aim, 'Sterlite Ventures' was created to work towards identifying opportunities that will help us extend the value chain of our offerings for high-speed data consumption.

With its plan to support the ambitious "Digital India" and "100 Smart Cities" programmes, Sterlite Ventures is targeting investments in e-education, e-healthcare and emerging segments such as IoT and sensor networks. This will help address critical issues faced by India in terms of lack of resources and access for millions of people in India. Sterlite Ventures is investing in bandwidth heavy applications and services such as telemedicine, tele-diagnostics, live-interactive education delivery and others that can ride the upcoming data revolution in India with an idea of integrating this companies/ solution over time within Sterlite Tech.

Over the past year, the company has made significant strides towards this vision by building a strong network and industry relationships with over 40 start-up ecosystem partners (venture funds, incubators, accelerators and angel networks) who will help identify and source the best ideas, companies, professionals and entrepreneurs focusing on our areas of interest.

Sterlite Ventures has screened more than 150 innovative ideas in the last six months across e-healthcare, e-education, and emerging telecom technologies for investments, thereby preparing Sterlite Tech for its next leap of growth.

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STERLITE VENTURE INVESTING IN THE FUTURE FOR NATION BUILDING:

- **Telemedicine:** It uses technology to connect patients 24x7 with doctors for live video consultancy, thereby ensuring quality health services to the masses and convenience for the patients.
- **E-education:** Aimed at becoming a leading ed-tech platform across all age groups, this initiative

is focused towards providing educational services to students looking for government jobs.

Both these investments are most suited to ride on the projected exponential growth of high-speed data consumption in the country.

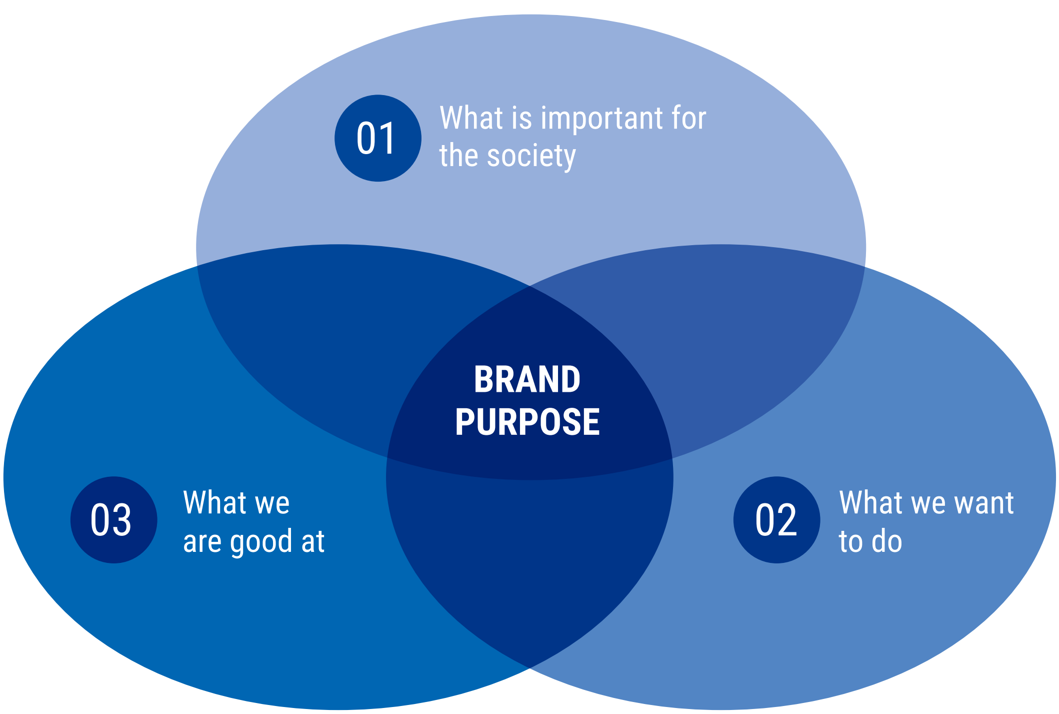
BRAND TRANSFORMATION TO ALIGN WITH THE TRUE NORTH

A customer or shareholder is aligned to a brand/ corporate that stands for something beyond the product and services they offer, and gives solutions to complicated problems. In other words, value creation by a brand is about the value it creates for its stakeholders, about things that the stakeholder truly cares for.

The company has displayed its USPs with multiple futuristic business models. These include setting up our optical fibre facility at Waluj before India thought of optic fibre; bringing cutting-edge technology to pristine glass making to India, and expanding globally to become a leading name. Recent developments include being the first in setting up a one of its kind Centre of Excellence in the field of optical fibre technology, and helping private Telco's and public industries design, and deploy an efficient optical fibre infrastructure layer.

However, a need was felt to assess the organisation's journey and find a common positioning platform for all its business initiatives and its offerings. With FITT in place, Sterlite Tech needed a period of soul searching to find few answers on what we are, what we aspire to do, and what we really care about in the society to bring about a positive impact. The quest started about a year back with the senior management articulating the need to define the reason for existence, and Sterlite Tech's purpose to discover true north.

Sterlite Tech started its journey by talking to its people who handle the day-to-day working of the business. This helped in getting a sense of what motivates the employees, the company strengths, its uniqueness, and its character. This exercise was repeated by speaking to all senior leaders, and key external stakeholders, viz. customers and investors. This helped in getting a deeper understanding of Sterlite Tech's strengths, values and business positioning going forward.



The company realised that Brand Sterlite Tech has a strong 'Hero' archetype, which has made the company successful and brought about incredible pride amongst its employees. As the company wanted to retain the 'Hero' character, it also wanted to bring forth a layer of 'Sage' values that understands the world and its stakeholder though deeper diagnosis and understanding. The management wanted Sterlite Tech to be the Hero brand that can bring about a Social Change! Thus, the new Sterlite Tech has imbibed the 'Sage' characteristics and used knowledge to make things work better & efficiently. This would help bring about a positive impact amongst its customers and the society. During the search for the brand purpose, all the inputs received were placed together to link the purpose with the broader societal benefit. With this, the reason for Sterlite Tech's existence became obvious. The role of technology today is to help people live everyday better. We at Sterlite Tech believe that smart technological solutions can truly bring a positive transformation in everyday living.

A brand, which has found its true north, is the one that has found the sweet spot at the confluence of the three fundamental questions any company asks itself.

UNVEILING THE NEW BRAND PURPOSE & IDENTITY

In our new avatar, as Sterlite Tech, we will be a 'Hero-Sage' brand that 'Transforms Everyday Living Through Smarter Networks'. While doing so, we will use our core competency of innovators' mindset and two decades of expertise in delivering challenging projects. Sterlite Tech's

new brand identity – new logo – has all the attributes of the Sterlite of the past and the Sterlite Tech of the future.

This logo design encapsulates Sterlite Tech with an inspiration from nature itself. The monogram represents Earth's rotation as the natural motion and transformation we experience while delivering the same to all our stakeholders. This logo best defines our reason for existence and our pride in enabling global transformations towards the digital age. Be it by changing living experiences through our high-quality optical communication offerings or developing end-to-end future smart cities, Sterlite Tech stands for the betterment of everyday experiences through futuristic data infrastructure technologies.

The multiple colour elements represent different network layers – right from optical fibre to the application layer. End of the layers depict solid/hollow circle, the symbols of technology and connectivity, which at the heart of Sterlite Tech. The globe hugging 'S' of Sterlite Tech represents our close connect with smart network creation and delivery. The hollow dot over 'i' symbolises Wi-Fi connectivity.

The solid Blue colour denotes trust, intelligence, loyalty, faith and the inclination towards our sage archetype. The touch of Green signifies freshness, life, energy and environment, and most importantly the vision for 10X growth. The straight font with solid and distinct sharp edges represents our cutting-edge and progressive approach towards everything we touch.

With us becoming a pure play Telecom Products, Services & Software Company, this new brand identity will best position the company in the minds of the decision makers of the global ICT industry.

(With inputs from Pranav Shah & Udit Garg)

FORWARD THINKING

FIBRE BACKHAULED 5G FUTURE

By Ankit Agarwal, Global Head – Telecom Products

With the promise of 1ms latency and 1,000 times more capacity than 4G, 5G scores in terms of speed and efficiency. 5G will have the ability to interwork with different technologies and various types of devices, offering maximum efficiencies. Thus, 5G is set to change the way the telecommunications industry works. With this, the global telecom sector has to ramp up backhaul infrastructure with optical fibre to enable the next level of transformation towards the digital age.

With the official introduction of 5G this year, several leading countries in Asia and Europe have taken the lead in 5G technology by conducting pre-5G tests and improving network infrastructure. Their governments have also initiated consultations to identify the challenges and opportunities in 5G.

WHERE DOES 4G – PRECURSOR OF 5G STAND TODAY?

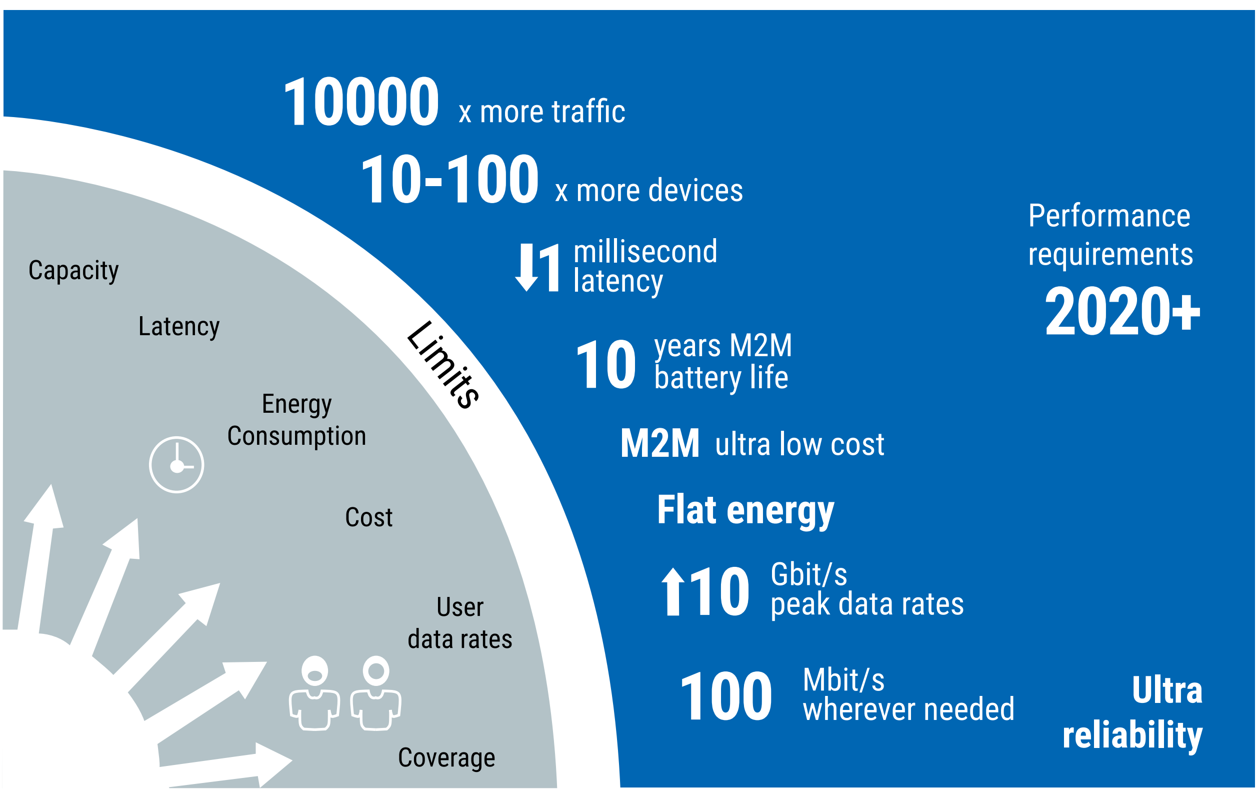
Globally, there are already more than 1 billion 4G LTE subscriptions out of the total 7 billion mobile subscription. In India, we have nearly 10 million 4G subscriptions out of 1 billion mobile subscribers as per the data received in December 2015. China has seen rapid expansion of its 4G user base, which has already crossed 380 million in 2015 out of 1.3 billion mobile subscribers. With more and more users adopting 4G, the consumption of high-speed broadband is likely to grow further up and create the demand for future technologies like 5G.

5G TRIALS UNDERWAY

The market research team at Ericsson expects early adoption of next-generation network technology in Asia and the US to drive rapid growth in 5G subscriptions. As per their estimates, there will be approximately 150 million 5G cellular subs globally by the end of 2021. That is just five years away!

Comparing 5G with previous generations shows that it is not just a new radio-access technology – much more is expected from it. 5G is shaping up to provide cost-effective and sustainable wireless connectivity to billions of things, people, enterprises, applications, and places around the world.

KEY REQUIREMENTS OF 5G



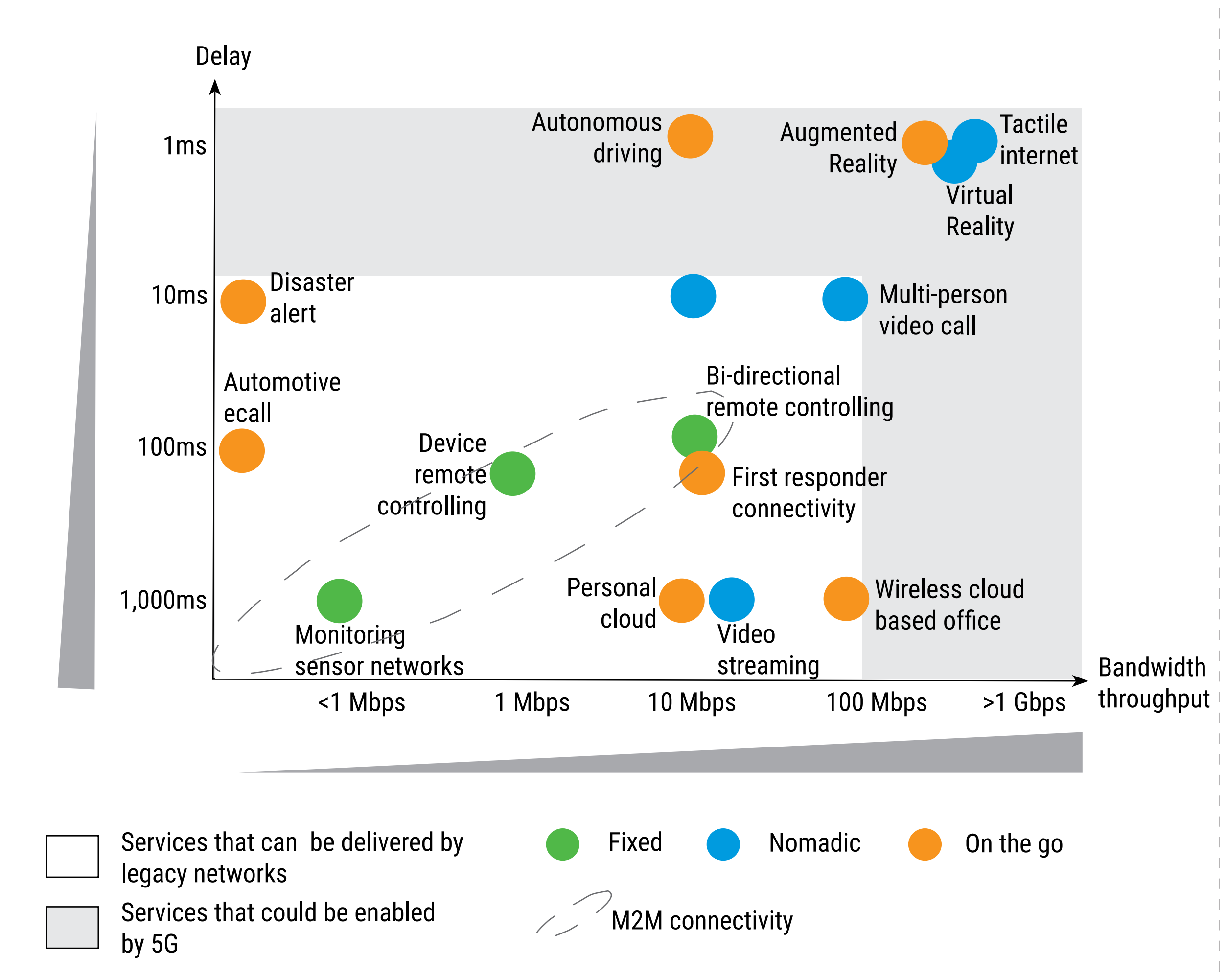
Source: Nokia Networks, 5G use cases and requirements

The first 5G network trials are already ongoing on a small scale, and commercial systems are expected in 2020.

WHEN & WHERE WILL YOU BE ABLE TO GET A TASTE OF 5G?

- AT&T to pilot 5G in USA as early as Q2 2016
- China Mobile plans to finish the testing of 5G technologies and products in 2017 and conduct trial operations in 2018, with commercial use by 2020.
- Telstra (Australia) will offer its first taste of 5G at the 2018 Commonwealth Games, in partnership with Ericsson.
- Japan's NTT DoCoMo is planning to use 5G technology to disseminate video images and provide other services at venues of the 2020 Tokyo Olympic and Paralympic Games.
- MegaFon has planned to provide 5G coverage in Russia for the Football World Cup 2018 – in partnership with Huawei

WHAT ARE THE KEY SERVICES THAT WILL BE ENABLED BY 5G?

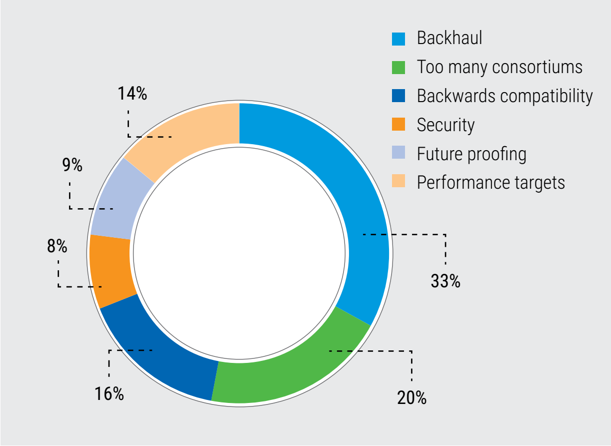


Source: GSMA

THE ESSENTIAL ROLE OF FIBRE IN 5G

In a recent poll by LightReading, lack of fibre backhaul was the biggest challenge faced by operators in implementing 5G.

WHAT IS THE BIGGEST CHALLENGE IN IMPLEMENTING 5G?



Excludes the 4% of voters who selected "other" for 5G's biggest challenge

Source: http://www.lightreading.com/mobile/5g/poll-backhaul-presents-5gs-biggest-challenge/a/d-id/715304

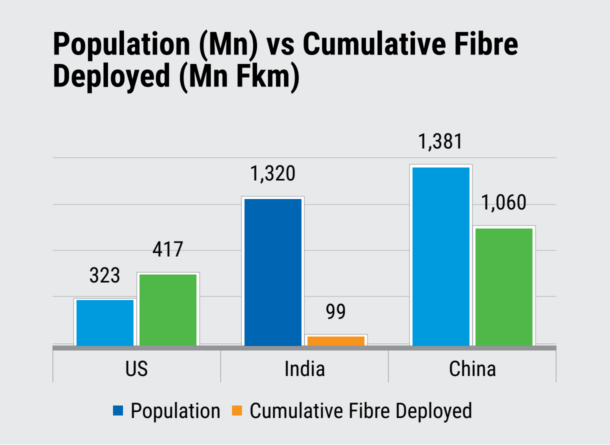
These formidable network performance goals are heavily predicated on 100% connectivity of mobile sites with optic fibre.

	2G (Edge)	3G	4G LTE	5G
% of Towers required to be fibreised	2-4%	15-18%	65-75%	100%

Source: Sterlite Tech's reach, market estimates

WHERE DOES INDIA STAND IN 5G ADOPTION?

In India, Voice contributes to 80% of the revenue and 20% is from Data. In addition, there have been several challenges specific to the Indian market to upgrade the network quality such as high cost and limited availability of spectrum, Lowest Average Revenue per user globally and very costly, complicated Right of Way (RoW) approval procedure to deploy optic fibre cables.



Total Cumulative Fibre Deployed to Population ratio in US is 13x, China is 0.8x while India is just 0.1x

Sterlite Investor Presentation, May 2016

With India has starting large scale roll-out of 4G, the landscape is expected to change dramatically with the eminent launch of Reliance Jio this year. Reliance has created a pan-India, all-IP 4G network with a very significant investment of $20 billion. Overall, India is expected to have close to 230 million 4G connections by 2020, or 17% of total connections.

Nokia has recently initiated discussions with Telecom operators for 5G trials in India. The Indian will first want to ensure appropriate return on investment from over $50 billion invested in building 3G and 4G networks.

WHAT LIES IN THE FUTURE?

India currently has 15% of its 600,000 towers connected on Optical fibre, as compared to 65-80% in USA, China, Japan and Korea. To upgrade this connectivity to 100% will require significant investment and commitment from the Telecom operators to build future-proof 5G networks.

Given the spectrum and other infrastructure (i.e. Mobile towers, active equipment, etc.) required, it is likely that 5G will be launched in India after 2022.

Creating the right

BROADBAND INFRASTRUCTURE

By Dr. Badri Gomatam, Chief Technology Officer

A rapidly advancing India is today focusing on new opportunities like Digital India, Smart Cities, BharatNet and faster 4G rollout. For the deployment of these projects & technology, it is imperative to match telecom infrastructure development speeds. India thus needs to adopt focused approach towards R&D in broadband, the core infrastructure required to realise the Digital India mission. Through new product developments that match customer requirements, creation of robust patents' portfolio, and building the industry-academia collaboration, Sterlite Tech has taken the lead on this front.

As the digital economy flourishes, networks are required to grow proportionately. The unprecedented growth in data, driven by the latest trends in mobility, social media, cloud and analytics, has resulted in proportionate demand for robust broadband infrastructure based on innovative optical fibre technology. To suffice this demand and become more & more relevant to the changing times, Sterlite Tech adopted a customer-centric mindset, in its journey of broadband innovation. In 2015, Sterlite Tech successfully developed and introduced a new product optical fibre and cable category in India, winning 100% market share with a major Telecom operator.

CUSTOMER FIRST APPROACH

The journey began by asking ourselves, "What are the concerns of every stakeholder in the various individual departments we engage with?" We ended with the development and introduction of Sterlite Tech's Nova that aims to remove the obstacles our customers face in deploying the world's highest quality telecom fibre infrastructure in India.

Optical signal quality in economies such as India suffers from problems unfamiliar in developed economies. Intense construction activity and poor installation practices lead to severe restrictions on predictable signal quality. Optical signal loss levels rise considerably beyond the time of installation values. Due to increased signal losses and change in received signal quality, premature link failures, especially at 100Gb/s– 200Gb/s, and increased costs due to cable replacement are an operational reality. Service providers are challenged in the optimal allocation and utilisation of network routes.

To understand the perspectives of our different client stakeholders, we undertook a complex mapping exercise. Working closely with our customers in this journey, we identified and quantified the prevalent cause of such shortfalls – macrobend losses, or loss of signal quality due to cable bends. These were caused due to difficulties in deployment caused because of uncovered manholes, cable tied to trees, stones and debris in the way, etc. By deploying a team of dedicated engineers and scientific staff, we carefully mapped 200 route kilometers of our customer's network quantifying every source of degradation and observing for an innovative measurement approach.

MITIGATING CHALLENGES: THE STERLITE TECH WAY

In 2015, for the first time in India, Sterlite Tech was able to quantify the impact of this problematic scenario on the country's telecom infrastructure, developed a product to mitigate this problem, and deployed it within the procurement cycle of our anchor customer.

We introduced Sterlite Tech OH-LITE Nova which guarantees a high bend tolerance relative to the competitive market. Nova is low loss, macro bend insensitive fibre, has very low bend loss specifications and guarantees backward compatibility. Nova safeguards the network from bends caused due to unplanned events during operations. The fibre cable is fully compatible with existing installed optical transport networks fibre with regards to propagation and splicing/jointing.

With this, we quantified for our Indian customers that the impact of random cuts and other unforeseen construction activity is indeed severe, adversely impacting the operational lifetime of the customers' infrastructure.

Putting the 'customer first' led to a careful engineering exercise and the development of Sterlite Tech's Nova optical fibre and cable product family. We expect this innovation to deliver 5-10 years of asset lifetime to our customer. Our motto of forward thinking and putting the customer first continues with products focused on real-world issues faced by our customers on ground.

INNOVATION AS THE USP

Constant R&D and new product development is the key ingredient to a company's growth. Sterlite Tech's R&D team is constantly working on developing next generation optical fibre and cable products. Requirements of next generation networks are envisaged through technology transformation and deeper engagement with customers on their network requirements and challenges. This year, the two new optical fibre products developed were OH LITE NOVA, as discussed above and DOF LITE™ METRO.

- OH LITE NOVA™ is a new optical fibre complying and exceeding ITU-T recommendations of G.652D and G.657A1 which is capable of transmitting data at upwards of 100Gbits/s over distance of 2000 km without any regeneration of optical signals. This high data rate can be sustained over the fibre life span (over 25 years) even in harsh environment with high number of fibre cable cuts.
- DOF LITE™ METRO is new optical fibre complying exceeding ITU-T recommendations of G.655E & G.656 and belongs to non-zero dispersion shifted fibre category. It increases the network transmission capabilities of a traditional non-zero dispersion shifted fibre. This type of fibre can be utilised both for CWDM, DWDM systems throughout 1460nm to 1625nm. Sterlite Tech's new developed fibre supports regional and larger metropolitan applications by having reduced attenuation at shorter wavelengths, together with lower dispersion at longer wavelengths for maximum uncompensated reach.

Optical fibre cable R&D team also developed products belonging to various cable families addressing different type of customer needs.

- **Next Generation Reduced Micro Cables** have lower diameters as compared to the convention micro cables, which further helps in reduced duct size and increase in blowing distances. Suitable for use in Access, Metro, air blown drop cabling for FTTx networks, these micro cables can utilise existing and new duct systems more effectively by accommodating more fibres in given sub-duct network.
- **Micro Module Duct Cable** can be used in a range of application including duct and micro-duct, directly buried cables or for overhead cables. They can be utilised both indoors and outdoors, making them a very versatile fibre transport system for cables. It ensures faster cable preparation times, optimum duct size and reduced civil work.
- **Unitube Single Jacket Mini ADSS Cable** has lesser diameter with high tensile strength. It can be used for outdoor applications in cable trays, ducts or aerial drop for access inside campus. It allows OSP applications to flow seamlessly indoors, using a single cable and no splices.
- **Unitube Steel Wire Cable** is typically used in heavy construction zones including heavy traffic area, wind farm developments, pipelines, oil and gas fields, heavy industrial sites and a variety of additional harsh environments. This cable is suitable for direct buried and other hazardous applications.
- **Composite Cable** Type consists of flexible stranded copper conductors and integrating communications links utilising Fibre Optic technologies. It is ideal for data communication and control installations that require fibre and copper under one cable jacket. The breakout design provides additional protection for both copper and fibre channels by individually protecting each with insulated jackets and all-dielectric strength members. For applications requiring remote low-voltage power and high-speed communications, these designs provide an efficient single-installation option where space is premium and devices are not easily accessed.

PATENTING OUR INNOVATION

In these transformational times when Sterlite Tech has embarked on an ambitious journey of 10X growth, it is important for us to have proprietary and defensible market advantage. As competitive barriers in our traditional industries of optical fibre and cables are lowered and products move towards commoditisation, Centre of Excellence (CoE) is responding with developing patents as strategic assets.

CoE developed differentiated and innovative products leading to filing of 21 patent applications in FY15-16 up from 05 filings in FY14-15. These patent filings correspond to 13 innovations from micromodule cables, specialty optical fibres & seismic cables for oil & gas applications. Our global patent portfolio of 123 (50 granted patents) places Sterlite Tech in a select league of Indian technology manufacturing companies capable of sustained home-grown innovation at this scale. As recognition of the strength of our innovations & patent portfolio, CII has rated Sterlite Tech 'amongst the top 25 Innovative Organisations in India'.

SKILLING INDIA - HARNESSING TALENT

"India with its demographic dividend can become the Skill Capital of the World", believes our Hon'ble Prime Minister, Narendra Modi. To reinforce this vision, we established Sterlite Academy to create skilled workforce across country in managing the challenges faced in planning, deploying or maintaining all aspects of optical fibre network.

Sterlite Academy would impart classroom sessions with course modules designed as per market needs, extensive hands-on training followed by assessments and certification.

This would help current and potential Sterlite Tech employees, customers and contractors associated with Optical Fibre Cable Network Deployment, to deliver quality and speed. Two internal certification programmes were conducted by Sterlite Academy to skill and augment the capabilities for our project delivery teams. Sterlite Academy incorporates the global best practices with our national intent to meet the rising demands of skill development in realm of OFC networks.

The mission of Sterlite Tech is deeply embedded in exploring the unexplored terrains of technology, pushing the boundaries of imagination, giving us scope to challenge ourselves on forward thinking, innovate with new ideas, strengthen our trust among our partners and encourage fresh talents.

Sterlite Tech has also extended its state-of-the-art lab resources at COE to IITs to perform experiments on next generation communication technologies of mutual and national interests. Sterlite Tech had facilitated test bed facility to IIT-B team to test novel concept to reduce energy consumption through analog coherent processing for access and metro applications. Sterlite Tech will also provide sustainable research ecosystem to IIT-Patna.

OVERSEAS COLLABORATIONS

Sterlite Tech established strategic collaborations with Aston University UK and DTU-Photonics Denmark in the area of application of fibres in energy efficient and advanced high capacity transmission technologies. With ASTON University, research projects are focused on reliability performance of Bend Insensitive Fibres, Raman amplification, phase conjugated nonlinearity compensation in Co-OFDM transmission up to 2400km. Unrepeated transmission of up to 2.2 Tb/s was achieved in 325 km of Sterlite Tech fibres without employing ROPA or specialty fibres.

Research work that highlights benefit of Sterlite Tech Bend Insensitive Fibre in Millimeter-wave (mm-wave) radio-over-fibre (RoF) transmission for 5G mobile front-and backhaul applications was presented at IEEE International Topical Meeting on Microwave Photonics (MWP 2015) conference.

(With inputs from Dr. Arvind Mishra, Vaibhav Khanna & Nikhil Jain)

JOINING HANDS FOR A STRONGER TOMORROW

COLLABORATION WITH IIT MADRAS

Sterlite Tech announced multi-year fellowship programmes for IIT Madras & Kanpur, and grants to encourage collaborative research in ultra-high speed broadband. "Through this collaborative partnership, we will explore new ideas and create unique solutions for broadband deployment in India," said Prof Krishnan Balasubramanian, Dean, Industrial Consultancy and Sponsored Research, IIT-Madras.

COLLABORATION WITH IIT KANPUR

IIT Kanpur and Sterlite Tech collaborated to intensify academic research cooperation with specific objective of encouraging and supporting innovative and impactful M Tech / MS and PhDs with focus on application-oriented research.

MoU WITH IIT MADRAS

IIT Madras and Sterlite Tech signed a long term MoU to support a fellowship programme for advanced study in fields of design, development and advancements of applications in high speed Optical Communications Technologies. The partnership will include the sponsorship of MS and PhD students in IIT-M for a period of five years and foster a close collaboration between faculty, students and scientific staff at the Sterlite Tech's Centre of Excellence in Aurangabad.

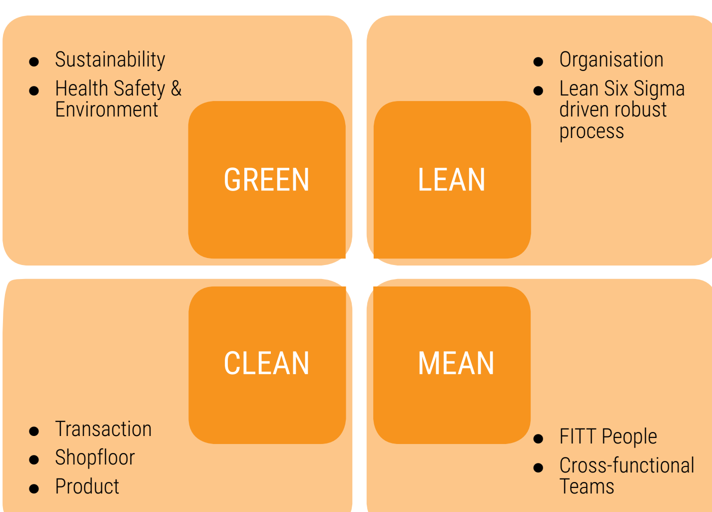
BUILDING THE RIGHT RESEARCH ECOSYSTEM THROUGH INDUSTRY-INSTITUTE COLLABORATION

Building Capabilities to

MATCH FUTURE REQUIREMENTS

By Pankaj Priyadarshi, Chief Fulfillment Officer

India is at its most exciting juncture of growth in the telecom sector. Even as the global optical fibre demand is slowing down, the Indian story has just begun. With a substantial push from the government to reinforce nation's capacity of optical fibre and be at par with global standards, Sterlite Tech is growing its capabilities to support and strengthen the Digital India Mission.



Sterlite Tech's Manufacturing Excellence Model

A recent report by Markets and Markets suggests that the global optical fibre market is likely to grow at a CAGR of 9.49% by 2020. However, a new chapter of Telecom industry is being written by Asia with optical fibre market expected to be valued at $3 billion by 2020 in this region alone. India too has entered this league in a big way. With increased deployments in backhaul, last mile networks and government initiatives like BharatNet, NoFN, NFS, Digital India and Smart Cities, there is no looking back on the growth trajectory.

Aligning its goals and missions with the nation's development, Sterlite Tech has increased its capacity and capability to take India's telecom sector to the global league. In this journey, Sterlite Tech is currently running at 22 million fkm by increasing its capacity through de-bottlenecking initiatives. We have also doubled optical fibre cable manufacturing capacity to 15 million fkm on the backdrop of potential India fibre demand and expected penetration in global Tier-1 telcos in international geographies.

NEW CHAPTER IN MANUFACTURING EXCELLENCE: OPTICAL FIBRE

This year has been monumental in Optical Fibre Business as we redefined our operational excellence and achieved outstanding business performance and profitability. This was made possible with a structured application of Lean Six Sigma methodology, engineering innovation and Overall Equipment Effectiveness (OEE) management which created considerable predictability at each business process. Here are some of the processes that we enhanced this year:

MAKING LEAN CAPACITIES: BUILDING STRONGER CAPABILITIES

GLASS CAPACITY & CAPABILITY ENHANCEMENT:

We achieved 50% increase on YoY basis in both glass capacity & capability this financial year. This was achievable due to the application of Lean Six Sigma methodology and technological innovation, without the addition of any extra machine or similar infrastructure. We conducted programmes for yield improvement, OEE enhancement, process capability upgradation and new glass process establishment. The following steps were:

1. SME Concept:
   We created a Subject Matter Expert (SME) position in each section with innovative reporting structure. A pool of 20 brilliant employees trained in Lean Six Sigma and other manufacturing excellence techniques were appointed for technical knowledge enhancement & periodic monitoring of their learning ability. Project competition among greenbelts also helped in increasing competence.
2. Collaborative approach:
   Cross-functional programmes management team was set up.
3. Product & Process Excellence:
   Defect elimination and Process Capability Index (Cpk) improvement approach through Lean Six Sigma DMAIC Greenbelt projects.
4. Maintenance Excellence:
   This was achieved through machine uptime & efficiency enhancement through autonomous maintenance, breakdown elimination and machine upgradation programmes.
5. Project Governance:
   Daily, weekly and monthly project governance mechanism was established, ensuring timely action on challenges in project life cycle.

FIBRE CAPACITY ENLARGEMENT:

Fibre Capacity was enhanced through OEE Management, innovative glass geometry, draw tower technology upgradation, total employee engagement, new product development process upgradation and partnership model creation with strategic suppliers.

DRAW TOWER TECHNOLOGY UPGRADATION:

Hardware modification was undertaken in Waluj and Shendra draw towers to get the best efficiency and uptime.

TOTAL EMPLOYEE ENGAGEMENT:

Operating workforce contributed in over 100 Kaizen projects post training in problem-solving techniques.

CREATING "FITT OPERATIONS" TO BE FUTURE READY

Significant change in people's belief towards excellence in safety, environment, quality, delivery and people engagement has created the sustainable value at Sterlite Tech. Passionate and talented cross-functional teams are working on forward thinking projects. Innovation and inter-personal trust were the main mantras in driving these teams. This has been appreciated through various awards and recognitions, for e.g. Frost & Sullivan Indian Manufacturing Excellence Gold Award, Best Six Sigma Company in National Quality Excellence Award, among many others.

CONCEPTUALISING GROWTH STRATEGY

The expansion of the OFC plant was conceptualised towards the end of 2014 while the implementation began in the last quarter of FY2014-15. The overlying objective was to increase the capacity of the plant from the existing 9 million to 15 million fkm. This increase in capacity was addressed by the addition of new machines/equipment, and by process & productivity improvements, improvement in material flow, material handling & storage and layout optimisation.

The project also addressed vehicular movement inside the plant and reduced productivity losses. The entire project was conducted in 4 major areas:

1. Layout Improvement:
   This expansion project was taken as an opportunity to improve our

plant layout in order to make it lean and reduce unnecessary movement of man and material. As a result of this engagement, we improved our factory layout with significant improvement in following indices:

- Linear product movement (Lean layout)
- No Criss-Cross (Better Safety)
- Productivity improvement
- Material movement reduction
- Vehicle TAT improved by 50%

The finished goods storage area was increased & the storage process automated by use of barcode stickers to ensure 'Zero' mismatch. The installation of dock levellers ensured that the vehicular loading time was reduced by more than 50%. A new logistics office was created near the finished goods storage area to ensure minimum fatigue and higher operational efficiency of the logistics team.

2. **Addition of machines, equipment & Office Infrastructure:**
   In line with the underlying principle 'procure from the best', all the machines & equipment were procured from the best suppliers, globally. Also, the movement of raw material on the shop floor was reduced to the minimum through the implementation of a central distribution system, in collaboration with Toshiba. In order to create more space on the shop floor, a new office area was created with world-class facilities, ensuring a comfortable & healthy atmosphere for all employees.

3. **Quality & Reliability Testing:** 'Quality comes first' for each Sterlite Tech employee. In order to sustain the highest standard in product quality, three new labs - Mechanical Testing, Optical Testing & Reliability Testing, were set up. All labs conform to the NABL requirement and are equipped with the best available test equipment.

4. **Utilities:** In order to provide a robust backbone to the sprawling plant, we have collaborated with the best names in the business.

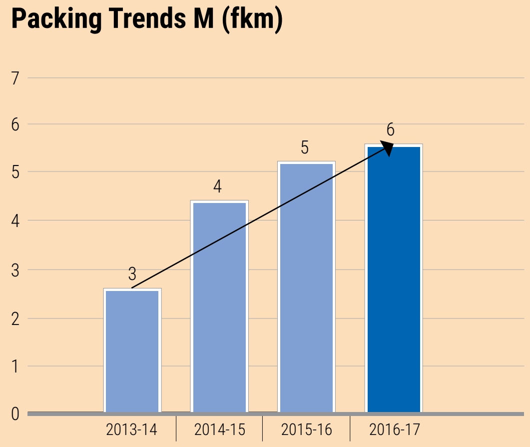
Sterlite plant meets exemplary landmarks with:

- Zero safety incidents during the execution
- Zero budget variations
- Excellent collaboration between all stakeholders to meet project deliverables

ENHANCING EXCELLENCE ABROAD – ADDING MANUFACTURING CAPABILITIES TO CHINA JV

MANUFACTURING & SALES CAPABILITY IN CHINA JV:

- China JV has manufactured 5.2 M fkm fibre, up by 18% as compared to the previous year
- Enhancing capabilities for FY2016-17 with 7 M fkm capacity to cater customer demands
- Dispatched about 5.3 M fkm fibre, up by 12% as compared to the previous year. Also became a trusted supplier for major customers.



CERTIFICATION & PATENTS:

- Obtained High Tech Enterprise Certification resulting in reduction in Corporate Income Tax
- Obtained TLC G652D, TLC ISO 9001 Quality certification
- Obtained Safety Standardisation Certificate from the Government
- Obtained "Most Valuable Enterprise" certification from Government of Haimen Town
- Obtained "Best Employee" Award from the local government for Vijay Rokade
- Obtained 7 patents of utility and 1 patent for innovation (R&D)

STERLITE CONDUSPAR: VENTURING INTO BRAZILIAN MARKET

According to the Brazilian market reports, there are approximately 17,000 km of aerial optical cables installed only in Sao Paulo city. The capacity of each pole is 6 telecom cables but it is common to find regions with dozens of cables fixed in the poles.

With such high density of cables, the risk of accidents is very high and the visual aspects are very bad.

Such infrastructures are congesting the main cities and installing new ones is an expensive affair. In consequence of that, municipalities are requesting the operators to install cables using underground infrastructure. In this scenario, the technology of micro cables installed by blowing in micro ducts is a very interesting alternative to minimise these problems.

Sterlite Conduspar was the first cable manufacturer to install a 96F micro cable in Telefonica Brazil, CEMIG on a trial basis. Some partners, like the micro duct maker Duraline and others, have joined efforts to make this trial a success.

Sterlite Conduspar also participated in the leading group that created the Brazilian standard for micro cables and got it approved and implemented by Anatel (Regulatory Telecommunication Agency in Brazil).

Looking at the ISPs market, Sterlite Conduspar started implementing manufacturing capabilities for a new design unitube cable that is mostly requested by these ISPs and also forecasted in the BP16/17. Many of these ISPs are deploying FTTx/FTTH networks and using this kind of new UT cable up to 12F in the distribution section of the network.

(With inputs from Diptanshu Sen, Rohit Saurabh, Sashanka Some and Thomas Yang)

STERLITE **GLOBAL PARTNER MEET 2015** BUILDS PARTNERSHIP ECOSYSTEM

By Balram Sharma, GM – Supply Chain Management

The meet was a key initiative to create a global partner ecosystem through synergies and collaborations with the best players across the value chain. It provided the right platform to use these partnerships to address the ever growing opportunities and impress upon our partners the prospects in the telecom sector from Sterlite Tech's perspective within India as well as globally.

Sterlite Connfluence 2015 (Global partner Meet) witnessed a participation of over 130 high profile guests, 44 of which travelled from other countries. The diversity in the nationalities that attended the event and the enthusiasm it created signified the increasing global adeptness of the company and reaffirmed Sterlite Tech's transformation from a manufacturer of optical fibre to an end-to-end engineering solutions provider

The Global Partner Meet is an annual event that reflects our move into new areas of business and transformation in relationships the company endeavours to have with its partners.

"When we talk of life partners, we talk of life long relationships. Why can't we invoke the same solid, lasting bond when we talk of business partners? I think Connfluence is the right forum for Sterlite Tech to have a relationship, have an understanding, have a dialogue and see how we can maintain this relationship in the long run, for mutual benefits," said our Vice Chairman, Pravin Agarwal on the occasion. Agarwal's opening statement at the event, clearly voiced the primary objectives of Connfluence 2015. He focused on connecting with our partners by calling for synergies and collaborations with the best players across the value chain, to leverage these partnerships to effectively address the incredible, ever growing opportunities the company plans to tap, and influence our partners by giving them the opportunity to understand Sterlite Tech's perspective within India as well as globally.

During the course of the event, the company explained how it would like its relationship with its partners to evolve from a transactional to collaborative & from collaborative to strategic and an exclusive partnership that will proactively address specific issues faced by consumers, drive innovation, proprietary ideas, co-development and create a sustainable relationship with substantial commitment. The management also reiterated that the Unique Business Model proposed at the event will further enable them to become future ready to take on the enormous opportunities that the, 'Make in India', 'Digital India' and '24X7' Quality Power for All initiatives of the government among many more.

Speaking about how the company will continue to build on its strong manufacturing expertise and make an integrated play in the broader telecom and power ecosystem, our CEO, Dr. Anand Agarwal said, "The evolution of Sterlite Tech into engineering solutions and infrastructure development was not more by design than was from demands placed on us by customers. The demands resulted in very close associations with customers to understand what exactly their issues are, where we can add value, and where we can help." "Twenty years back, in 1995, the optic fibre facility was set up. Since then, Sterlite Tech has grown appreciably and globally, both, in terms of presence and portfolio. This evolution in continuum has been possible only because there were demands and we could leverage those for Sterlite Tech's growth." "The facts that major telecom companies, 6 of the top 10, utilise Sterlite Tech's innovative solutions and 35% of the company's consolidated revenue comes from international markets, reaffirm our focus in what we do".

"The focus continues to be on bringing best-in-class telecom products, system integration, and date infrastructure technologies. Within the domain, the focus is more on creation of data infrastructure. We have undertaken various projects and we are sure that with our talented workforce and a Centre of Excellence, Sterlite Tech will do wonders."

TRUSTED

STERLITE TECH IMPLEMENTS **GPS TRACKING** FOR OUTBOUND LOGISTICS

By Chada S. Kali, Head-Logistics

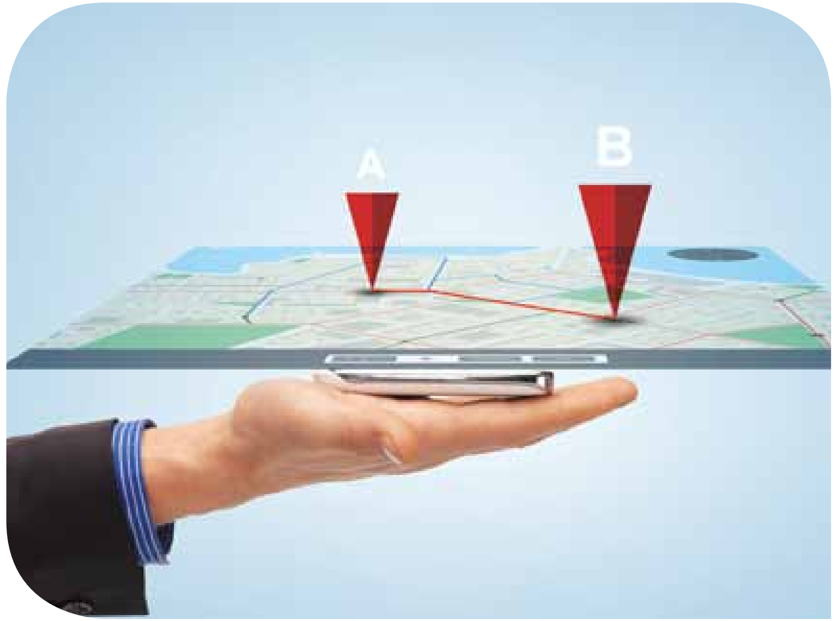
Sterlite Tech has implemented delivery tracking solutions through GPS for fleet optimisation and improving on-time deliveries in partnership with I'M Here Tracking Solutions LLP.

In a globalised economy, managing the movement of finished products from manufacturing facilities to the buyer has become remarkably tedious for original equipment manufacturers due to infrastructural challenges such as bad road networks, unskilled drivers, thefts and pilferages, among other bottlenecks.

TRUSTED

THE PROBLEM STATEMENT

Sterlite Tech, which develops and delivers products, solutions and infrastructure for telecom networks globally using the services of world-class supply and service partners, was facing these logistics challenges. Inefficient outbound logistics through an extensive, sometimes multimodal transportation network was leading to delayed on-time deliveries and ineffective customer service.



THE SOLUTION

To overcome these challenges and ensure efficient on-time deliveries, Sterlite Tech partnered with I'M Here Tracking Solutions LLP which developed an online vehicle tracking solution based on GPS and GPRS to find the real-time location of dispatch vehicles. This solution has helped Sterlite Tech's customers in telecom and power businesses keep tab on the fleet, plug pilferage, reduce thefts and ensure arrival at the destination on time.

TECHNOLOGY USED

GPS tracking solution has allowed Sterlite Tech's supply chain management team to have visibility on the vehicle's movement with information on present location, speed, and a host of other features. The information has been made available by using a combination of Global Positioning System, mobile phone network, internet, digital mapping and the specialised tracking software.

The GPS system primarily consists of a GPS receiver on the bus or vehicle, a communications link between the vehicle and the dispatcher, Web-based or offline tracking software and a digital map. Communication between the GPS receiver and the server can happen via a GSM network using SMS (Short Message Service) or General Packet Radio Service (GPRS).

ADVANTAGES OF GPS TRACKER

After the implementation of the GPS tracking software, Sterlite has done movement of 1000+ vehicles since May 2015 from their Optical Fibre manufacturing facility at Aurangabad and Optical Fibre Cable & Copper Cable manufacturing facility located at Silvassa, India.

THE IMPACT

This initiative to bring technology in the field of logistics has been well-appreciated by Sterlite Tech's customers. One among them, Vaibhav Sohoni, Manager - Supply Chain and Quality, Schneider Electric, while elaborating on the advantages of the GPS tracking system, said, "Tracking of long transit route vehicles was required for long route vehicles and also on routes where pilferage chances were more. Tracking and GIT visibility will surely improve with the implementation of the GPS tracking system. This initiative by Sterlite will also provide better customer satisfaction."

Sterlite Tech's focus on implementing GPS tracker for outbound logistics has resulted in other benefits as well such as stoppage of follow ups at multiple points for manual shipment tracking, timely alerts of shipment position to both - marketing department and customers, reduction in detention charges at consignee's end, timely update of warehouse entry-exit and unloading time at customer's end, control over vehicle operator, and much more which ensures Sterlite Tech's commitment to transparency and world-class customer service.

(With inputs from Ankit Gupta)

BUILDING **EXCELLENCE** THROUGH **GLOBAL TALENT POOL**

By Vimal Malhotra, Chief Human Resources Officer

Talent is one of the fundamental pillars of Sterlite Tech that strengthens our endeavour of making India a digitally robust nation in the global arena. In our journey towards creating a digitised India, talent plays a pivotal role by acquiring and enhancing capability. With excellence at the core, Sterlite Tech strives to nurture its employees to bring out the best from them.

Skills and knowledge are the driving forces of economic growth and social development for any nation. With industrial growth and socio-economic development across India, the need to scale ourselves to match the skills and knowledge required by the market has arisen. At Sterlite Tech, we have been harnessing skills with the scale and standards to handle the vagaries of domestic and international workforce market. By doing so, we are not just building the organisation's talent pool but also creating a talent ecosystem for the nation.

A. ACQUIRING TALENT

RECRUITING A RELATIONSHIP

Recruitment at Sterlite Tech is an effort to enlarge an 'organisational family' by building new relationships. Our recruitment drives do not hunt for 'candidates' but search for people who can be a part of our family.

India Campus:

The India campus relation is a part of the overall Global Campus Relations programme at Sterlite Tech. We have evolved the whole campus relations paradigm from a 'Reactive-Hiring' activity to a 'Proactive-Relation-Building' activity. There are two main pillars of India campus program, viz. Go GETters and You-LEAP.

GO GETters is Sterlite Tech's Flagship Campus Relations Programme established in 2013, through which we assess, identify, coach and nurture young pool of Management Trainees and Graduate Engineer Trainees from premier business schools and engineering colleges from all across India and globe. Go GETters 2016 is the latest version of this programme.

You-LEAP is focused on Management Trainees coming from management streams. The one year programme brings together GETs/MTs/PGETs and transforms them into competent, passionate and humble Sterlitians who partner our growth propositions. This year, we have tapped some of the best management institutes in the country such as ISB Hyderabad, IIMs – Ahmedabad & Lucknow, XLRI Jamshedpur, SITM, among other IITs and NITs. The response received at these premier campuses was overwhelming.

Selecting the Best:

More than 2,000 students were considered through these drives for creating talent pipeline towards specialised roles to supplement the rapid growth and transformation of the organisation.

Global Campus:

Keeping up-to-date with an increasing global business and ever-growing demand for its innovative products & services in the telecommunication and power sectors, we aim to attract the best of the global talents to create demographic and cultural diversity. A global mix of talent will also fuel future technology and leadership development at Sterlite Tech. This year, we participated in international campuses to select a dozen candidates from top-notch management and technology institutes.

We took a holistic approach towards this endeavour by focusing on larger campus relations and not only on immediate campus hiring and introduced Sterlite Global Internship Programme (SGIP). There were two major avenues to take global interns – Management Interns and Technology Interns. The interns selected from the best global B-Schools were offered three internship options: Summer training of 3+ months in India, winter internship of 1-2 months at intern's home country, and long-term internship of 6 months. On completion, many of these internship opportunities are expected to be converted into pre-placement offers. The global campus relations efforts, in its inception year, received sizable internship applications from across the globe.

There are many other avenues of collaboration in the pipeline such as broader collaborations with University of Southampton, Aston University for knowledge exchange and joint projects, Webinar with Wharton Business School, etc.

Attraction to Brand 'Sterlite Tech'

- Offers opportunity to participate in nation building via playing an involved role in telecommunication infrastructure build
- Hires to be innovation engineers/innovation managers post selection
- Meets aspirations for exponential growth
- Gives attractive compensation and benefits at par with market benchmarks

Career Growth Prospects

- Accelerated career progression path – independent and autonomous roles for bigger deliveries, higher visibility, and steeper growth
- Alignment & placement with business leaders – cultivating stronger business acumen for faster movement in the organisation hierarchical ladder
- Tried & tested "Mentor Mentee & Buddy Model" – enhanced personal touch and faster acclimatisation to the culture
- Focused learning and development interventions - 70:20:10 learning interventions to prepare for larger role.

HIGHLIGHTS OF GLOBAL CAMPUS RELATIONS

- **Coffee Chat Interaction at Harvard:** One of the best B-Schools, Harvard Business School (HBS) hosted Sterlite Tech's CEO, Dr Anand Agarwal over a coffee chat interaction. During his presentation at HBS, Dr Agarwal interacted with the students on Telecom and Power Industries in India, Sterlite Tech's contribution to India's infrastructure and technological roadmap and opportunities for global talent in Sterlite Tech.

- **Guest Lecture and Presentation at Rutgers University, USA:** A Guest Lecture and Presentation at Rutgers University was held by Sterlite Tech's CTO, Dr Badri Gomatam along with one-to-one meetings with globally renowned professors on various disciplines like glass sciences, mechanical reliability of optical fibres, efficiency of draw towers, etc.

B. DEVELOPING CAPABILITIES

PROGRAMME 2X: EXCHANGING EXCELLENCE

Sterlite Tech has created Project 2X with the aim to exchange talents working in projects in India and China. This exchange helps in cross-fertilisation of ideas between different ecosystems, accelerate the process of problem solving and bring all-round improvement in various ongoing projects. Two such ecosystems are Optical Fibre operations in India & China and Optical Fibre Cables operations in India. With the success of the Optical Fibre India-China engagement, we aim continue this initiative with periodic interactions to share new learning, enhance cross-plant projects for performance optimisation, incorporate Lean Six Sigma and other manufacturing excellence in all participating plants and strengthen the internal supplier & customer relationship.

OBJECTIVES OF PROGRAMME 2X

- Sharing of best practices through all possible communication forums such as emails, social media, video calls, and visits within Sterlite Telecom plants.
- Benchmarking KPIs across similar operations, followed by SWOT analysis of similar manufacturing processes and improvement programme on identified opportunities.
- People capability development through cross-plant visits & working in employee exchange programme, in line with HR initiative Sterlite Employee Exchange Programme (SEEP).

OPTICAL FIBRE – OPTICAL FIBRE CABLE DOMESTIC COLLABORATIVE PROGRAMME

Over the last 5 years, Sterlite Tech had several collaborative projects and engagements between Optical Fibre Aurangabad and Optical Fibre Cable Silvassa plant. It helped us create the base for Programme 2X to handle people emotions besides technological complexities between plants.

Some of the achievements of this programme are:

- Lean Six Sigma Green belt project on fibre break reduction at cable process, a collaborative effort between Quality Assurance, Process Engineering, Manufacturing of Optical Fibre and Optical Fibre Cables plants
- Technical Project Alpha to improve optical performance in cable
- Implementation of 'Business Continuity Management System' in both, Optical Fibre and Optical Fibre Cables in FY2013-14, to meet requirement of end customer British Telecom.
- Lean Six Sigma Greenbelt project on colouring process improvement in Optical Fibre and Optical Fibre Cables, through internal benchmarking.

Optical Fibre India - China Exchange Programme

Manufacturing & engineering teams from Optical Fibre Aurangabad were deployed in China's Haimen Plant for six months. In addition to draw plant study, they also visited customers and suppliers in China. They successfully conducted an analysis between Aurangabad and Haimen Draw towers.

C. UPGRADING SKILLSET FOR THE INDUSTRY

With the Telecom Industry entering into the next phase of growth, the market requires talent with specialised skill sets. At Sterlite Tech, we believe in having a larger role in nation building, and have thus established Sterlite Academy, dedicated to create skilled workforce for the establishment of optical fibre infrastructure in India. Leveraging its knowledge of optical fibre technology, Sterlite Academy's mission is to enable the nation in managing the challenges faced in planning, deploying or maintaining all aspects of fibre network. The Academy imparts classroom sessions and gives extensive hands on training to meet the market needs and understand global best practices that best fit in Indian scenarios. Sterlite Academy follows international training standards and evaluation procedures. The training is followed by assessments and certifications thereby creating Smart Network professionals for the nation.

(With inputs from Vikas Songara and Niharika Jajoria)

AT THE FOREFRONT OF TECHNOLOGICAL REVOLUTION TO CREATE END-TO-END TELECOM INFRASTRUCTURE & APPLICATIONS

- Sterlite Tech is enabling a new communication network for defence in J&K.
- India's only smart city solution provider with multipartner ecosystem and program management practices.
- Being the largest FTTx player in the country, Sterlite Tech enables high-speed broadband infrastructure to consumers across six cities in India.
- Sterlite Tech's Virtual Classrooms connect 400 municipal schools improving the quality of English education.

Sterlite Tech

www.sterlitetech.com

FITT for growth!

BUILDING CAPABILITIES IN TELECOM SOFTWARE

By LK Pathak, VP – Marketing & Corporate Communications, Telecom Software Division - Elitecore

The recent merger of Elitecore provided Sterlite Tech with the required talent and capabilities to mark its presence in the telecom software market, with unique OSS and BSS offerings. Here is how this new division put up an impeccable performance in alignment with the core theme of FITT for Growth.

Elitecore, the Telecom Software Division enabled Sterlite Tech in its strategy to widen its telecom offerings portfolio to its global customers. The addition of Elitecore's operation has provided significant impetus to Sterlite Tech's efforts to scale up the contribution from services and solutions in its revenue mix to complement the large and high-growth optical products business.

Elitecore provides BSS alongside packet core with flexibility of modular and pre-integrated offerings. Adhering to TM Forum and 3GPP standard, Elitecore telecom offerings are compatible to large vendor ecosystem, which address operator's requirement of faster time to market and better TCO. As an experienced IP solutions player, Elitecore products are highly responsive to next-generation services, fulfilling operator monetisation needs across the access networks. Elitecore has over 150+ network deployments in 52 Service Providers, with presence across 40+ countries. Some of the key trends witnessed in India and globally by the Telecom Software Division – Elitecore are as below.

GLOBAL TRENDS

The consolidation of 4G/LTE connectivity is a major catalyst in the shift away from traditional telecom services – voice and SMS – to a more data-centric mobile experience. This has lead the Communication Service Provider to be **Digital Service Provider,** while customer centricity has led to the rise of Real-time Data Analytics. **Cloud Ready** Solutions have gained traction due to benefits like shorter time to market and lower CAPEX. The rise of OTT applications and social media has led to trends like **Wi-Fi Calling / Voice over Wi-Fi, Voice over LTE. Wi-Fi offload** and **Monetisation** has come to the rescue of operators who innovate to survive. Traction in MVNO Market is a positive strategy of growth. **IoT/M2M** is getting more funding and is fast becoming a plausible trend for growth for CSPs too.

TRENDS IN INDIA

Exponential rise in data consumption due to data hungry apps has lead Telcos to gear up for the launch of **4G services. MVNO** traction is gaining grounds in the Indian Market too. In Pay TV segment, many Cable Operators have started offering broadband services. Smart City is another area where the Government is investing heavily. Similar to the idea of Smart City, concept of Smart Villages is also gearing up. Location/ Public/Venue based Wi-Fi is also becoming a widely accepted norm due to its obvious advantages.

CUSTOMER DEMANDS

The ever-demanding customers today require **seamless Audio/Video calling experience.** The Interactive **Mobile Self Care Apps** & Portals are giving them the complete control over their services, while **Service on demand** and **service personalisation,** sends the right offers at the right time to get desired actions.

REASONS FOR GROWTH

ELITECORE MONETISES ALL IP NETWORKS:

Elitecore is a global provider of Operation Support Service (OSS) & Business Support Service (BSS) solution. Its pre-integrated platform has the capability to monetise all IP networks including 3G/LTE, Wi-Fi, Cable, ADSL, and FTTH. The platform has modular flexibility, high scalability and seamless interoperability. Elitecore has successfully leveraged the trends by winning projects in MVNO, Cable Digitisation, LTE Transformation, Public Wi-Fi Offload. Some of the areas where the telecom software division Elitecore is innovating are:

1. **Wi-Fi Monetisation framework:** Addressing the emerging demand of service providers to monetise their investment in Wi-Fi by launching unique business models such as context aware location advertisement, Location based deals & promotions, push notifications, social media profiling, navigation maps, Wi-Fi hotspot finder, and much more.

2. **Pre-integrated LTE Revenue and Customer Management Platform:** CSPs are posed with two main challenges: how to quickly have a system in place for LTE and sticking firm to their budgetary constraints. Elitecore's pre-integrated LTE RCM stack is the answer to both these challenges as the integration time is reduced. The TCO for the CSP is also reduced due to single source of support and maintenance. Elitecore LTE RCM is a carrier-grade, industry standard, pre-integrated stack that addresses all the critical aspects of operators. It quickly builds concepts based on subscriber's usage patterns to design services tailored as per subscriber's need via a flexible service offer design and defined go-to-market. .

BIG DATA ANALYTICS:

Research is ongoing in analytics to solve CSP Big Data challenges in a data driven era, with addition of new dashboards, UI, and partnerships with BI vendors. Elitecore offers real-time as well as offline analytics to CSP.

MOBILE APP:

Elite Connect Mobile enhances customer experience, engages with customers effectively, and reduces congestion on customer support and drive down call centre cost. With the app, customers are in complete control of their data usage in real time, can set data thresholds, real-time activation and deactivation of services anywhere-anytime, send reminders and notifications, on-line payments & top up, special offers subscription, download bill, update account info, create service requests, manage data sharing, etc.

ADVERTISEMENT SERVER:

A feature rich Ad platform has a comprehensive advertisement campaign management tool, which is independent of external application. It enables the operators with creation to publish multi-format, multi-device supported ads, send retailer specific targeted offers, promotions & deals, carry out personalised targeted advertisements, enter into partnership with advertisement agencies/ advertisers to publish ads on the platform and help the operator with revenue generation mechanism by supporting various pricing models - CPC, CPM, CTR, CPA, etc.

ELITECORE MONETISATION PLATFORM:

Elitecore helps telecom operators with seamless connectivity between networks that in turn enable them to create new revenue opportunities by delivering superior customer experience. A centralised product catalogue across all networks enables faster rollout of converged services and deliver out-of-the-box business modes such as Shared Wallet, Sponsored

Data, Tiered FUP, Location based advertisement and services, Real-time contextual offers, Pay-Per-Use, Wi-Fi offload, Wi-Fi network discovery, Push notifications, Bundled LTE+Wi-Fi, VoLTE, VoWi-Fi, OTT based charging, Venue Wi-Fi, Bill-Shock Prevention, Turbo-boost, Time/Device based plans, etc.

TELECOM SOFTWARE: ACHIEVEMENTS FOR THE YEAR

- **Added** 11 New Customers
- **Earned Repeat business** from 27 Existing Accounts this year
- Elitecore has consistently improved its position in **Gartner Magic Quadrant for Integrated Revenue & Customer Management for CSPs,** 3 years in a row
- Serving **13 of the Top 30** Global Telecom operators
- Over **175** Network Deployments with **59** Service Providers Worldwide

HR & CSR INITIATIVES OF THE YEAR

- **Equal opportunity employer**
- Aligned with Key **Corporate Group Policies**
- **Open door policy** with Senior Leadership Team for mentorship
- **Talent Acquisition across hierarchies and geographies** by on-boarding over 510 resources in India, LATAM, MEA & SEA
- **People Excellence** through product training and skill development through 32 different courses covering 533 employees
- **Improved gender diversity** with 19% Female workforce (vs. 11% in previous year)
- **New Corporate Head Quarter:** 81,000 sq. ft. area at a business park in Ahmedabad
- Set up a state-of-the-art **Excellence Centre** at Pune

NEW PROJECTS WON

International:

- **BSS:** YTL – Malaysia (LTE), Fastway – India (Cable), Fortune – Myanmar (LTE RCM), Liberty Wireless – Singapore (LTE RCM), Tata Sky – India (Cable), CAT Telecom - Thailand, Magyar Telekom - Hungary, HCPT – Indonesia, Airtel - India, BSNL - India, QTL (HFCL) - India, Essel Broadband - India, ICNCL - India, Vodafone – India
- **CSM:** Syndicate Bank – India (AAA), Reliance Communication – India (AAA), Smart Communications – Philippines (AAA), DU Mobile - Dubai, Globe Telecom - Philippines, Indosat - Indonesia, Uninor - India, ACT Broadband – India
- **Wi-Fi:** Tunisie Telecom – Tunisia (Public Wi-Fi), Yashtele – India (Public Wi-Fi), PWU – Indonesia (Public Wi-Fi), DU Mobile - Dubai, Globe Telecom - Philippines, Econet Wireless - Zimbabwe, Airtel - Africa, TTSL - India, MTNL - India, Idea - India, Vodafone – India

India:

- **Won Gandhinagar Smart City Project:** Will provide seamless open-sky Wi-Fi connectivity, enabling smarter services to citizens, providing efficient ways to connect with government agencies, improving productivity, service quality, better governance and increased economic development.
- **Global Partnership with Ericsson** for Elitecore Wi-Fi SMP
- Winner of Deloitte Technology Fast 50 Award for two consecutive Years 2014 & 2015
- Won ICT Awards - The Excellencia 2015 for Best R&D ICT Company of the Year

Successful showcase at global events:

LTE Asia, Singapore, MVNO Industry Summit Asia, Thailand, Wireless Broadband Alliance, USA, Futurecom, Brazil, Africa Com, South Africa, SCAT, India, CTMA 2016, Kolkata, Convergence India 2016, Delhi, WBA Broadband Alliance, Delhi, Make in India Week 2016, Mumbai and Mobile World Congress, Barcelona.

(With inputs from Sanjeev Thakkar and Anubhav Saraf)

RISK MANAGEMENT

Risk can be viewed as a combination of the probability of an event occurring and the impact of its consequence. Events with a negative impact represent risks that can prevent value creation or erode existing value. In order to deliver value to our stakeholders, we need to understand the risks faced by our organisation and address them accordingly.

We're aware that we cannot completely eliminate the risks, as it would simultaneously eliminate all opportunities; we, therefore, aim to develop a focused approach to enable the company to identify and address key risks impacting our business objectives through Enterprise Risk Management (ERM).

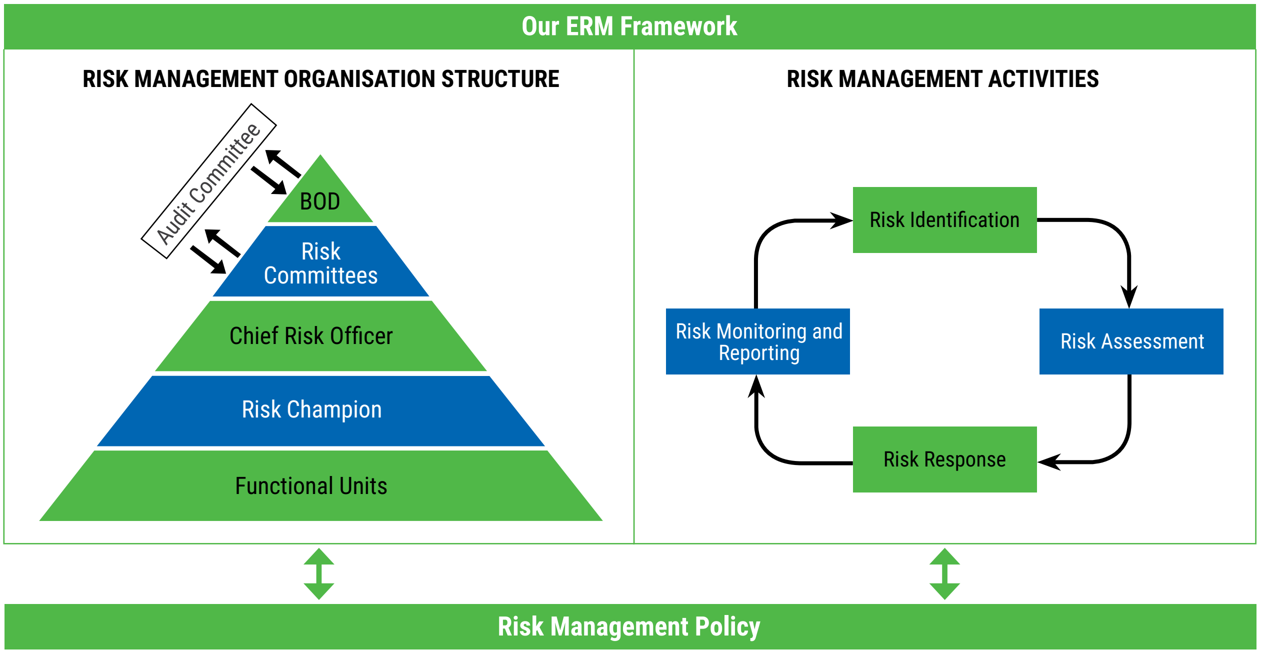
ERM at Sterlite Tech is aimed at protecting and enhancing stakeholder value by establishing a suitable balance between harnessing opportunities and containing risks. The ERM Policy states the framework comprising of Risk Management Organisation Structure and Activities to be conducted.

RISK MANAGEMENT ORGANISATION STRUCTURE:

We have a multi-layered risk management framework aimed at effectively mitigating the various risks to which our businesses are exposed.

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 Committee:** Overseeing risks and their management and reporting to the Board on the status of the 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 process and to adhere to mitigation plans developed for each risk thereby.

RISK MANAGEMENT ACTIVITIES:

Risk Management comprises of activities relating to risk identification, Risk Assessment, Risk Response and Risk monitoring and reporting.

Risk Identification: Mechanisms for risk identification include scenario analysis, focused discussions with key managerial personnel, and periodic workshops with the Operations Management group. The risks identified are consolidated in a risk register for assessment and response.

Risk Assessment: Having identified the risks, we quantify the impact of risks to determine potential severity and probability of occurrence. Based on the evaluation and the risk appetite of the company, key risks are identified.

The key risks are prioritised and Risk Champions are identified for each of these risks for effective response and monitoring.

Risk Response: Risk response involves defining and implementing mitigation plans for key risks. For the purpose of risk response, the Risk Champions may choose to mitigate the risk with adequate monitoring controls or transfer the risk to third parties. The Risk Response plan is documented on a Risk Profile and updated on a dashboard for stakeholder review

Risk Monitoring & Reporting: The Risk Committee reviews the adequacy and effectiveness of the risk response plans and reports the same to the BoD.

The Risk Committee also monitors and reports factors affecting identified risks, such as changes in business processes, operating and regulatory environment & future trends.

These reviews are aimed at continual improvements in the organisation's risk management culture.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has strong internal control systems for business processes, with regards to efficiency of operations, financial reporting and controls, compliance with applicable laws and regulations, etc. Clearly defined roles and responsibilities for all managerial positions have also been institutionalised. All operating parameters are monitored and controlled. Regular internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors periodically reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening these.

MARKET AND COMPETITION RISKS

The market is highly competitive with very few barriers to capacity expansion by existing players or entry of large MNCs with inorganic growth strategies. Globally, most of the contracts are finalised through the competitive bidding process. Whilst Company dominates in this segment, it does not have much pricing power on account of price undercuts as increased through increased competition and entry of new players. To overcome this, Company is expanding its capacity and continues to focus on increasing its market share through access to new markets and enhancing its client footprint.

Further various initiatives in technology and product development, taking into consideration the needs of customers also helps to maintain an edge over competitors. Some of these initiatives include product design, that help the customer reducing cost of their project, customising a basket of products that suit customer's needs and by introducing enhanced features in products or services to improve value proposition to the customers.

PRODUCT OBSOLESCENCE RISKS

In the fast changing world a new technically improved variant of product could put the Company's prospects at risk. In order to mitigate, Sterlite maintains a very strong focus on continuous innovation processes and hence has been introducing technologically improved products in the market in which it operates. This strategy has helped limiting the risk involved with obsolescence of products. The company strives to introduce future-proof products and solutions to exceed stringent global standards and specifications.

COMMODITY RISKS

The Company is exposed to the risk of price fluctuation on raw materials & energy resources. Copper and crude related products make up significant part of the Company's raw material purchases. As a market leader in the industry, the Company has strong policies and systems in place to minimise the price risk of its key raw material to a large extent. The Company effectively manages the price variation risk in the copper by fully passing on the movement in prices to the customers or hedging the risk on LME or primary suppliers. In addition furnace oil and polymer prices are also linked to the crude oil prices, which are influenced by the global demand & supply and outlook of the economy and could vary significantly. These price variations, if not managed adequately, could affect the profitability of the Company significantly.

RISK OF DELAY IN COMPLETION OF ORDERS

The Company is exposed to the operational risk wherein delay in completion of orders may invoke penalties. To overcome this, your company has well defined operational policies driven by well experienced pool of executives who has capabilities to complete the order on time.

FINANCIAL RISKS

LIQUIDITY RISKS

The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects or acquisition for inorganic growth. The continued global financial uncertainty has significantly restricted the supply of credit in the market. Banks and financial institutions have also tightened lending norms. Sterlite Tech 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 both in the short-term as well as in the long-term.

The Company works with healthy mix of long-term and short-term debt.

INTEREST RISK

The Company is exposed to the interest rate fluctuations in both domestic and foreign currency borrowings. It uses a judicious mix of fixed and floating rate debts and rupee and foreign currency borrowing within the stipulated parameters, to mitigate the interest rate risk. This also helps to have a lower blended rate of interest. The rate of interest for rupee borrowing is largely linked to MIBOR and the rate is linked to prevailing US Dollar LIBOR for foreign currency borrowings.

FOREIGN CURRENCY RISK

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 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 and risk associated with the borrowing of the Company denominated in the foreign currency. The Company has a defined & proven policy to manage both kinds of risk and this is reviewed frequently in the light of major developments in economic and global scenarios.

PROJECT EXECUTION RISK

As expansions continue to remain a priority for the Company, execution success for large capex projects is exposed to risks of time and cost overrun. Project execution is largely dependent upon the project management skills, timely delivery by the equipment suppliers and adherence to schedule by civil contractors. Any delay in project implementation will erode revenues and profits for that period. Your Company has set up a dedicated project management team to continuously review the project execution to ensure that the implementation schedules and budgets are adhered to.

HUMAN RESOURCE RISK

The Company's ability to deliver value is shaped by its ability to attract, train, motivate, empower and retain the best professional talents. These abilities have to be developed across the Company's rapidly expanding operations. The Company continuously benchmarks HR policies and practices with the best in the industry and carries out necessary improvements to attract and retain the best talent.

COUNTER-PARTY RISKS

We are exposed to counterpart risks on our receivables and investments. We have clearly defined policies to mitigate these risks. Limits are defined for exposure to individual customers and the exposure is strictly monitored on ongoing basis. Moreover, given the diverse nature of our businesses, trade receivables are spread over a number of 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.

A STATE-OF-THE-ART CENTRE OF EXCELLENCE WITH OVER 100 PATENTS

- India's only telecom research facility with five state-of-the-art laboratories matching global standards.
- A team of scientists from the best institutes across the globe.
- Mission is to achieve terabit scale communications and exceed global competitive benchmarks of network infrastructure development.
- Revolutionary transmission speeds of 10Tb/s tested for the first time in India.

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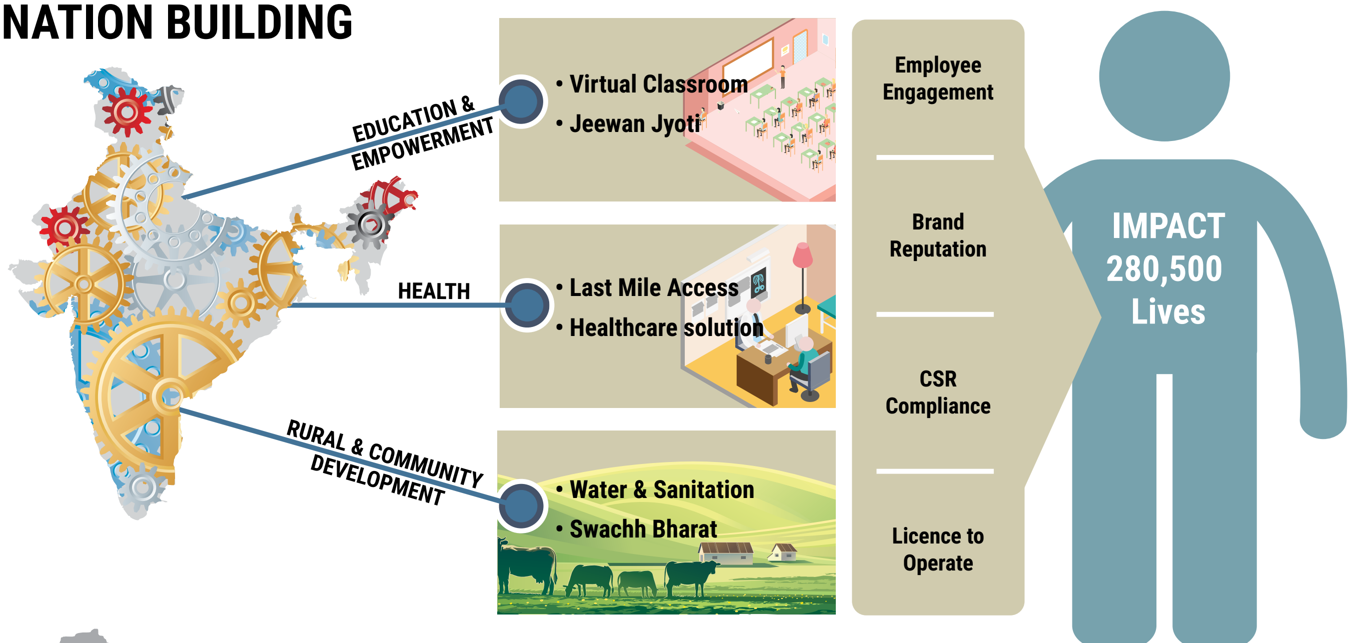
CSR: CREATING SHARED VALUE

By Darshan Mundada, Head - Corporate Social Responsibility

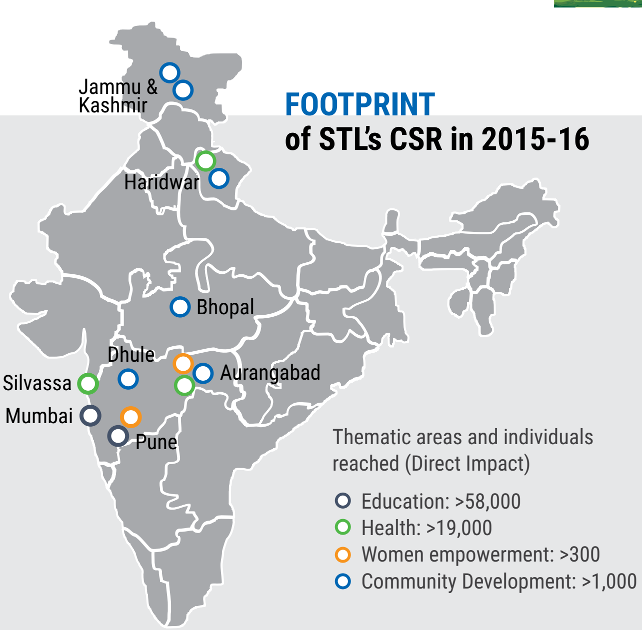
For any forward-facing business, creating Shared Value is an increasingly important strategic pillar. Sterlite Tech has a history of positive social impact even before CSR (Corporate Social Responsibility) was incorporated as a law. Thus, our approach to CSR has been more than a compliance activity, and this year was no different.

Whenever we talk about delivering shared value – that is to drive value for our business by driving value for the society – what assumes most importance is a tailored and strategic approach. This is what we call - the Sterlitian Approach. Through this approach, we define the focus of our CSR in line with the vision of "Connecting Every Home on the Planet," while leveraging our expertise in last-mile connectivity.

VISION
NATION BUILDING



FOOTPRINT
of STL's CSR in 2015-16



REPORT 2015-16:

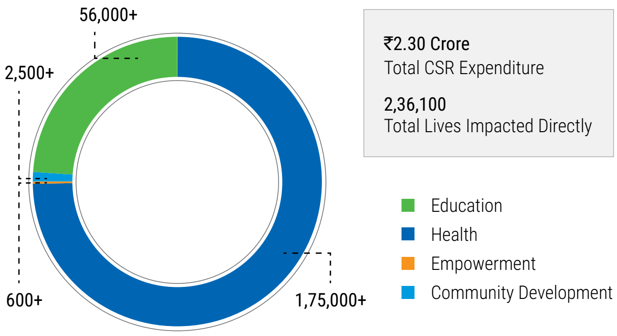
Focused on the key development areas of Education, Empowerment, Health and Rural & Community Development, our CSR activities span across all our units and sites. These have directly or indirectly touched 280,500 lives. With a priority on impact, we have either implemented the projects through Sterlite Tech Foundation, such as Virtual Classrooms and Jeewan Jyoti Women's Empowerment Institution. We have also worked through trusted NGO partners, as is the case with Model Village Development and Enabling Access to Healthcare.

SPEND OVERVIEW 2016

The Companies Act, 2013, mandates that a corporate needs to spend 2% of the average net profits over the preceding three years on CSR activities. While we welcomed this legislation, we also challenged ourselves to exceed it by making decisions not through an obligation, but by assessing what's right for our communities, and thus, for our nation. Yet again, in 2015-16, we exceeded our peers by spending almost 3% of our average net profits on CSR activities. This does not include many plant level activities, which are part of our ongoing engagement with our employees and community members and do not constitute part of our reported CSR expenditure.

Theme-wise lives impacted in 2015-16

Lives impacted directly



PROJECT IN FOCUS: JEEWAN JYOTI INSTITUTE, EMPOWERING WOMEN

We believe in the fact that empowering a woman is equivalent to empowering a family, and in turn, building the nation. Our Jeewan Jyoti Institute empowers rural women to drive the socio-economic growth of their families. Started at Sterlite Tech's first campus at Karanjawane, near Pune, the Institute provides vocational and skills-based education in Digital Literacy, Computer Operations, Tailoring, Beautician and Nursing. Many women, who have dropped out of formal education system, are now pursuing training in practical skills, securing job opportunities and thus achieving self reliance. Jeewan Jyoti has so far impacted the lives of 50% of girls from 40 target villages in its catchment area. About 80% of Jeewan Jyoti graduates are now supporting their families through "on campus" placements.

SUREKHA'S STORY AT JEEWAN JYOTI INSTITUTE

Although she wished to complete her studies up to 12th standard and beyond, Surekha was forced to leave school after 10th due to financial problems. For three years, she stayed at home helping with farm work.

When she heard of the Jeewan Jyoti Institute from friends, she convinced her parents to allow her to attend a part-time course in computer literacy. "I started positive thinking, I thought I can do this," she says.

"I made a lot of friends in JJ institute. I learnt a lot of new things. When my course got over, I felt bad that now I will have to stay at home again. But then, I got a chance to stand on my own feet."

After completing her computer training, Surekha has secured a job in Nasrapur and is contributing to her family's income on an equal footing (as the other male members). With her newfound confidence and JJ trademark "I can do this" attitude, she is now appearing for her 12th exams and is envisioning a successful future that she aims to build for herself.

PROJECT IN FOCUS: VIRTUAL CLASSROOM

Virtual Classroom leverages last mile digital connectivity to improve English language reading in Government schools that lack highly-qualified teachers. The programme connects classrooms to live studios from where expert teachers deliver lectures to dozens of schools simultaneously. These lectures are shown on high-resolution plasma screens in schools and students can communicate with teachers at any time through a two-way microphone.

By leveraging technology, the programme has proven to be both effective and cost-efficient. A partnership with Municipal Corporation of Greater Mumbai (MCGM) currently reaches more than 48,000 Government school students. This project is a unique example of Public Private Partnership in the CSR space, and has won global accolades for its ability to bring together various stakeholders and achieve scalable impact.

Impact of virtual Classroom on students' reading levels against a control group

7/7
Students of the sample group outperformed that of the control group across all seven parameters

2X
Reading accuracy of sample group improved twice that of the control group by end of the year

3X
In the sample group, percentage of below average students who could read above average by end of the year was three times that of the control group

1.5X
Sample group students could read one and a half times faster than control group by end of the year

PRACHI'S JOURNEY WITH VIRTUAL CLASSROOM

Although only in Grade 6, Prachi dreams of being an engineer. However, with her family's modest income of Rs 6,000 per month and a Government school education, her dream could have remained unattainable. Prachi's dream is instead now on its way to become achievable. She is not only becoming more proficient in English, but is becoming a more confident and well performing student.

After two years in the Virtual Classroom programme, Prachi's reading speed has improved from 38 words per minute to 109. She has also improved her reading accuracy from 79% to 100%. Across other important parameters of English learning such as sight words, diction, and writing skills, she has also shown a marked improvement.

Prachi credits the Virtual Classroom model for the improvement. "I like watching videos and pictures, and interacting with the VC teacher. The style used for teaching is easier to understand. I can now read my textbook easily which used to be a challenge earlier."

Through her improved English, Prachi is unlocking the potential of her educational future and can set her sights on any career she chooses.

PROJECT IN FOCUS: MODEL VILLAGE
IMPROVING LIVELIHOODS THROUGH AGRO-TECH

Impact of Virtual Development Project in Pophala

Increase in farmers' annual income from ₹ 30,000 to ₹ 50,000

100% pass rates for class 10 and 12 students

Improved sanitation and weekly Swachh Bharat drive 100% households with a toilet

Pophala village in Aurangabad district was selected for a holistic development program after an extensive baseline survey of five villages in the area. Pophala's elevation makes it drought prone, meaning water scarcity is a pressing problem for its 480 residents who are mostly reliant on agriculture for their livelihood. A multi-faceted programme was strategically developed by Sterlite Tech, along with a NGO partner. This was aimed at not only addressing the water scarcity issue, but also enabling livelihoods security and sustainable development for the village members. The project's core aim was to increase agricultural income by 30 per cent with the introduction of agro-technology and by training farmers to maximise its use. In addition, a bouquet of activities addressing other development issues including education, health, sanitation and women's empowerment approach local problems in a holistic manner.

FRAMING THE FUTURE

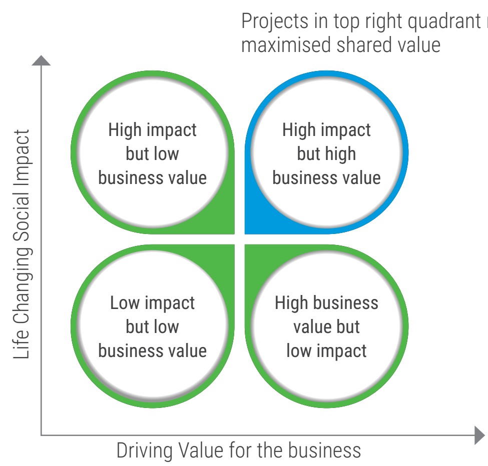
DISRUPTING OUR OWN THINKING

As our CEO set forth in his opening to this annual report, Sterlite Tech's future is tightly connected to the future development of India. It makes sense therefore that we should aim to contribute aggressively to the vision of "nation building" through our CSR activities. Sterlite Tech has been a business built on Innovation, Problem Solving and Challenging Ourselves to do better each day. So this year we applied that mentality to our CSR approach in order to radically re-envision it for the future and challenge ourselves to disrupt our own thinking on how we create shared value. Doing well is good, but as we strive towards 10x growth (and 10x improvement to people's lives) our CSR needs to aim higher than 'good'. It needs to be great.

DIAGNOSE THROUGH UNDERSTANDING

Working with social purpose experts, Do One Thing, and utilising our own diagnostic expertise we developed a unique analytical framework to truly understand the value that our activities are delivering. So what criteria did we assess projects against? To build the assessment criteria, we looked at what "shared value" means. In its simplest form it aims to balance two critical outcomes: Creating value for people and society while creating value for the business. So our framework analysed Sterlite Tech's CSR activities against these two outcomes.

- Is the project driving life-changing impact for people and society?
- Is it adding value to Sterlite Tech's 10x growth trajectory and/or could it do so in future?



WHAT DID WE FIND?

After an intensive three-month process, the final analysis revealed a new level of evidence-based insight in our projects. It reviewed the overall performance of each initiative, highlighted issues and identified trends. It also made a series of bold recommendations for the future.

Key opportunities were brought to light that can enable Sterlite Tech to create more life-changing impact through its CSR. By standardising processes across locations and building the capacity of our central and site teams, we can set ourselves higher impact goals and better track our progress. Developing the Sterlite Tech Foundation as a critical resource in this endeavour will be key to our success going forward.

Importantly, the analysis identified opportunities for CSR to drive competitive advantages through brand-building, communications, employee engagement and stronger relations with the Government and communities. As a result we now have a data-driven business case for the role of CSR and sustainability in contributing to an enhanced value proposition for Sterlite Technologies.

As an immediate outcome of the analysis, we have set out a roadmap to address the findings. It starts with growing and building capacity of Sterlite Tech Foundation to be integrated into Sterlite Tech's CSR structure. We are also streamlining our programs in a responsible manner to focus on those that can deliver maximum social impact and business value.

ENVISIONING FUTURE

Perhaps the most inspiring outcome of the mapping process was the potential and desire for Sterlite Tech to drive effective CSR by leveraging our skills and expertise in enabling power and digital infrastructure. Such infrastructure is at the heart of the Government's priorities for India's development and there is a hunger across the Company for digital connectivity to become a driving force in our CSR strategy.

We are facing a once-in-a-lifetime opportunity to help India leapfrog its citizens to new levels of inclusivity. And so, our ambitious CSR vision for 2016 and beyond will draw on the unique moment in time that we now find ourselves in. Sterlite Tech is working towards the fastest period of growth in its history, while the Government is working towards connecting a billion unconnected citizens. It is a moment that has never been witnessed before and has the potential to deliver the greatest development leap in human history.

Through a data-driven, disruptive and shared-value approach, it is our intention to be a transformative force in powering a New, Connected and Inclusive India.

AT STERLITE TECH, WE LOOK AT HOLISTICALLY INTEGRATING THE ORGANISATION'S CORE BUSINESS WITH SOCIAL AND ENVIRONMENTAL CONCERNS

- Sterlite School Tech's Virtual Classroom project connects more than 50,000 government school students every year with an aim to change the country's education landscape through technology.
- Sterlite Tech's flagship initiative, Jeewan Jyoti aims to empower the under privileged sections of society, especially rural women with equal learning opportunities and professional training courses, thereby providing them with sustainable income opportunities.
- Sterlite Tech's CSR initiatives have provided underprivileged children with the opportunity of a better life with relevant education and skills for a successful future.
- Sterlite Tech's water conservation initiative at Aurangabad has enabled restoration of 10 check-dams through community participatory model. The project has directly impacted lives of over 200 farmers, bringing about 350 hectares of land under irrigation.

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BOARD OF DIRECTORS

01


02


03


04


05


06


07


08


01

Anil Agarwal
Non-Executive Chairman

Anil Agarwal founded the Sterlite Group in 1976 and has been overseeing its operations since its inception. He is the Executive Chairman of Vedanta Resources Plc and also the Chairman Emeritus of Sesa Sterlite Limited. He has over three decades of experience in business strategy, general management and commercial matters.

02

Pravin Agarwal
Vice Chairman & Whole-Time Director

Pravin Agarwal has been closely involved with the Sterlite Group's operations in India since its inception and has been instrumental in the growth of Telecom and Power businesses. His rich experience in general management and commercial matters spans over three decades.

03

A. R. Narayanaswamy
Non-Executive & Independent Director

A. R. Narayanaswamy is a Chartered Accountant and Management Consultant with over 35 years of industry experience. He is a Fellow Member of The Institute of Chartered Accountants of India and provides consulting services in accounting, financial management and information technology across several industry verticals.

04

Arun Todarwal
Non-Executive & Independent Director

Arun Todarwal, partner of Todarwal & Todarwal, a Mumbai based firm of Chartered Accountants, is a member of The Institute of Chartered Accountants of India. He has a rich and varied experience spanning over three decades in management consultancy, finance and audit.

05

C. V. Krishnan
Non-Executive & Independent Director

C.V.Krishnan is the President of IFMR, Chennai. Previously associated with EID Parry, Essar Power, and Sterlite Industries as President/MD/CEO, he holds expertise in organisational turnaround, transformation management, corporate growth and financial management. C.V.K holds B. Tech from IIT Madras and MBA from IIM-Ahmedabad.

06

Avaantika Kakkar
Non-Executive & Independent Director

Avaantika Kakkar is a corporate and commercial lawyer and is currently Partner and Co-head of the Competition/Anti-trust law practice of Khaitan & Co. She has significant experience with structured finance, foreign direct investment in real estate, private equity and on-market & off market acquisition transactions and joint ventures.

07

Dr. Anand Agarwal
CEO & Whole-Time Director

Dr Anand Agarwal joined Sterlite Tech in 1995 and has held various positions, including manufacturing, quality assurance and business development. Prior to this, he worked with Siemens. He holds B. Tech. in Metallurgical Engineering from IIT-Kanpur and was awarded Masters and Ph.D. from the Rensselaer Polytechnic Institute, USA.

08

Pratik Agarwal
Non-Executive Director

Pratik Agarwal is a Vice Chairman of Sterlite Power Grid Ventures Limited and a Non-Executive Director of Sterlite Tech. He joined Vedanta Group in 2004. Under his leadership, the Group entered the power transmission business and has bagged 10 critical projects including first 765 kV project by a private player. Pratik is a graduate in Business Administration from The Wharton School, University of Pennsylvania, and has an MBA from London Business School.

EXECUTIVE COMMITTEE

Pravin Agarwal
Vice Chairman & Whole-Time Director

Pravin Agarwal has been closely involved with the Sterlite Tech's operations in India since its inception and has been instrumental for the growth of Telecom and Power Businesses. His rich experience in general management and commercial matters spans over three decades.

Dr. Anand Agarwal
Chief Executive Officer

Anand Agarwal joined Sterlite Tech in 1995. He has held various positions, including Manufacturing, Quality Assurance and Business Development. Prior to joining Sterlite Tech, he worked with Siemens. He completed his B. Tech. in Metallurgical Engineering from IIT-Kanpur and was awarded Masters and Ph.D. from the Rensselaer Polytechnic Institute, USA.

Anupam Jindal
Chief Finance Officer

Anupam Jindal joined Sterlite Tech in 1998. He has worked with Aluminium foils and copper cables businesses before heading finance for Sterlite's Mining operations in Australia. His key focus areas have been Finance, Treasury, Accounts and MIS. Anupam is a Chartered Accountant from the Institute of Chartered Accountants of India.

K. S. Rao
Chief Operating Officer, Telecom Products & Solutions

K. S. Rao joined Sterlite Tech in 1993. His key focus areas have been engineering, manufacturing, product development, project management and business development. He holds a Bachelor's degree in Mechanical Engineering.

Nikhil Jain
Business Head – Elitecore Software

Nikhil is one of the founding members of Elitecore and comes with over 18 years of experience. He holds a Masters in Computer Applications from L.D College of Engineering, Ahmedabad. He plays an influential role in managing and guiding Sterlite's Telecom Software Division - Elitecore's global business units with channel and performance measures in the face of intense competition.

Gaurav Basra
Chief Strategy Officer

Gaurav Basra joined Sterlite Tech in July 2015. He comes with over 20 years of experience in Corporate Strategy Development & Transformation, Innovation Management & Investment Portfolio Management. He was associated with companies like Booz & Company, Lucent Technologies, Nokia & Mobily. He has completed his MBA from Imperial College, London & Bachelor of Engineering from Pune University.

Dr. Badri Gomatam
Chief Technology Officer

Dr. Badri joined Sterlite Tech in 2011. He leads the Centre of Excellence. He has over 21 years of product development, marketing and business development experience in high-speed integrated circuits and optical communications. Dr. Badri has completed his MS and Ph.D from the University of Massachusetts, Amherst.

Swati Rangachari
Chief of Corporate Affairs

Swati Rangachari joined Sterlite Tech in March 2016. She comes with over 20 years of experience in government and industry relations, communications and brand visibility in Telecom, Financial Services, Aerospace and IT sectors. She holds an MBA in International Management from Fore School of Management and has completed an executive programme from Boston University.

Arindam Haldar
Chief Marketing Officer

Arindam Haldar joined Sterlite Tech in December 2014. He comes with 21 years of experience across global Fortune 500 companies in a variety of sales, marketing and business head roles. Arindam has completed Mechanical Engineering from IIT Kharagpur, and an MBA from IIM Calcutta.

Prasanth Puliakottu
Chief Information Officer

Prasanth Puliakottu joined Sterlite Tech in 2009. He is responsible for standardisation, automation and integration of business processes. In a career spanning 21 years, Prasanth has led design, development and implementation of various IT projects. He has completed engineering from Madurai Kamaraj University (REC, Trichy) and M.S. from BITS, Pilani.

Vimal Malhotra
Chief Human Resources Officer

Vimal Malhotra joined Sterlite Tech in 2008. He has over 16 years of experience in HR domain. He has completed Bachelors in Commerce (H) from Delhi University & MBA in HRM from Sardar Patel, New Delhi. He is also a certified trainer from Indian Society for Training & Development and Denso Technical University, Japan.

Pankaj Priyadarshi
Chief Fulfillment Officer

Pankaj Priyadarshi joined Sterlite Tech in January 2012. With over 29 years of experience, he heads the Supply Chain Management function with key focus on strategic sourcing. Pankaj has completed Mechanical Engineering from BITS Pilani, a certification in leadership from INSEAD, Singapore and a course on Strategic Sourcing Management from IIM-Ahmedabad.

Ankit Agarwal
Global Head - Telecom Products

Ankit Agarwal joined Sterlite Tech in 2007. He heads the Telecom Products Division. In addition, he is responsible for identifying and executing strategic opportunities globally for Sterlite Tech, including Mergers and Acquisitions, Joint Ventures and Greenfield projects. Ankit holds a Bachelor’s degree from University of Southern California and MBA from London Business School.

Madhukar Srivastava
Chief Delivery Officer - System Integration Business

Madhukar has completed his B.Tech in Electronics and Telecommunication Engineering from Allahabad University, after completing his B.Sc from Allahabad University. He has over 30 years of experience in Telecom Infrastructure domain, services and solutions

Rajiv Nayyar
Head – India Private Customer Unit

Rajiv Nayyar joined Sterlite Tech in 2013 as Head - Sales, India Private. Rajiv brings more than 24 years of extensive global experience through a wide range of international roles in sales & marketing, strategy, business development and consulting in the Telecom industry. Rajiv graduated in Mechanical Engineering from VJTI - Mumbai, and has completed many leadership programmes in business strategy, finance and market analysis.

DIRECTORS' REPORT

To the Members,
Your Directors are pleased to present the Annual Report for the Financial Year 2015-16 together with the audited financial statements of the Company for the year ended March 31, 2016.

FINANCIAL SUMMARY/HIGHLIGHTS

(₹ in Crores)

Particulars	2015-16	2014-15*
Net Revenue from Operations	2,036	3,030
Profit / (Loss) before Interest, Depreciation & Tax	446	386
Less: Interest	92	179
Less: Depreciation and amortization expense	107	108
Net Profit/(Loss) before taxation	247	99
Total Tax Expenses	66	15
Net Profit /(Loss) for the year after tax	181	84
Balance carried forward from previous year	749	743
Less : Adjustment on account of demerger	269	-
Amount available for appropriation	661	827
Appropriations		
Transfer to General Reserve	-	-
Transfer to Debenture Redemption Reserve	-	50
Proposed Final Dividend	39.54	23.65
Provision for Tax for Dividend	8.06	4.81
Balance carried forward to the next year	614	749

* Previous year figures are not comparable, since current year figures are post Demerger of Power Products and Transmission Grid Business from the Company with effect from April 1, 2015 and also include effect of merger of Elitecore Technologies Private Limited into the Company with effect from September 29, 2015.

PERFORMANCE

Fiscal Year 2015-16 closed with Revenues of ₹ 2,036 Crores, EBITDA of ₹ 446 Crores, PAT of ₹ 181 Crores and EBITDA margins of 22%.

MATERIAL EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

A. DEMERGER OF POWER PRODUCTS AND TRANSMISSION GRID BUSINESS

The Hon'ble High Court of Judicature at Bombay had on April 22, 2016 approved the Scheme of Arrangement for demerger of the Power Products and Transmission Grid Business of the Company into Sterlite Power Transmission

Limited ("SPTL"), effective from May 23, 2016. This Scheme was approved by the Shareholders, Secured Creditors and Unsecured Creditors of the Company at the Court Convened Meetings held on December 15, 2015. The appointed date for the Demerger was April 01, 2015.

Upon the effective implementation of the Scheme, the Company will continue to be a publicly listed company and will focus on the growth opportunities in the telecom sector and shareholders of the Company, towards consideration of the demerger, will be issued equity shares or redeemable preference shares of SPTL in the manner detailed below -

(i) Resident Indian shareholders of the Company on the record date can choose from options as per their investment objectives. They may opt to: (i) receive 1 (one) equity share in SPTL for every 5 (five) equity shares with face value of ₹ 2 each in the Company that they hold; or (ii) receive 1 (one) fully paid-up Redeemable Preference Share of ₹ 2 each at a premium of ₹ 110.30 per redeemable preference share in SPTL for every 5 (five) equity shares of ₹ 2 each of the Company that they hold, with an option of seeking voluntary exit as per the Scheme.

(ii) Non-resident shareholders (excluding Foreign Institutional Investors ("FIIs")) of the Company on the record date would be entitled to receive 1 (one) equity share in SPTL for every 5 (five) equity shares with face value of ₹ 2 each in the Company that they hold. All such equity shares that are issued and allotted to non-resident shareholders of the Company (excluding FIIs), subject to applicable law, will be immediately purchased by the promoters of the Company and/ or their affiliates or any other person and/or entity nominated by them as per the Scheme.

(iii) FII shareholders of the Company on the record date, subject to receipt of approval from the appropriate regulatory authorities can choose from options as per their investment objectives. They may opt to: (i) receive 1 (one) Redeemable Preference Share in SPTL for every 5 (five) equity shares of the Company that they hold; or (ii) receive 1 (one) equity share in SPTL for every 5 (five) equity shares with face value of ₹ 2 each in Sterlite Technologies Limited that they hold which will be purchased by the promoters of the Company and/or their affiliates or any other person and/or any other person and/or entity nominated by them as per the Scheme.

The equity shares of SPTL will not be listed on any stock exchange and the redeemable preference shares issued pursuant to the Scheme shall be listed on BSE Limited and the National Stock Exchange of India Limited.

B. ACQUISITION AND MERGER OF ELITECORE TECHNOLOGIES PRIVATE LIMITED

The Company acquired 100% stake in Elitecore Technologies Private Limited ("Elitecore") on September 29, 2015 followed by merger of Elitecore with the Company, effective from May 20, 2016. The merger was approved by the Hon'ble High Court of Judicature at Gujarat and the Hon'ble High Court of Judicature at Bombay on March 21, 2016 and April 7, 2016, respectively. The appointed date for the said merger was September 29, 2015.

DIVIDEND

The Board of Directors are pleased to recommend a dividend of 50% (₹ 1 per share of ₹ 2/- each) for the Financial Year 2015-16. The distribution of dividend will result in payout of ₹ 39.52 Crores excluding tax on dividend. The dividend payout is subject to approval of members at the ensuing Annual General Meeting. The Company proposes not to carry any amount to reserves for the FY 2015-16. The dividend will be paid to members whose names appear in the Register of Members as on the Record Date and in respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date. The dividend payout for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review giving detailed analysis of Company's operations and segment-wise performance, as stipulated under Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations"), is presented in a separate section forming part of the Annual Report.

BOARD MEETINGS

During the Financial Year 2015-16, six meetings of the Board of Directors were held on April 20, 2015; May 18, 2015; July 23, 2015; September 21, 2015; October 26, 2015 and January 28, 2016. The maximum time-gap between any two consecutive meetings did not exceed four months. Video/Tele-conferencing facilities are made available to facilitate Directors travelling abroad, or present at other locations, to participate in the meetings.

COMPOSITION OF AUDIT COMMITTEE

The Board has constituted the Audit Committee which comprises Mr. Arun Todarwal as the Chairman, Mr. A. R. Narayanaswamy, Mr. C. V. Krishnan and Mr. Pravin Agarwal as the Members. More details on the Committee are given in the Corporate Governance Report. The Board of Directors has accepted all the recommendations given by Audit Committee during the FY 2015-16.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 149 read with Section 152 of the Companies Act, 2013 ("the Act"), the provisions in respect of retirement of directors by rotation shall not be applicable to Independent Directors. Accordingly, Mr. Pratik Agarwal, Non-Executive Director retires by rotation at the ensuing Annual General Meeting. A brief resume, expertise, shareholding in your Company and details of other directorships of Mr. Pratik Agarwal is given in the Corporate Governance Report.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and the Listing Regulations.

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 the processes for evaluation of performance of Independent Directors and the Board.

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually including that of Chairperson as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. A structured evaluation was conducted after taking into consideration inputs received from the Directors, covering various aspects including but not limited to the knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination & Remuneration Policy details are stated in the Corporate Governance Report.

Pursuant to Section 203 of the Act, and rules made thereunder, following persons are Key Managerial Personnel of the Company

1. Dr. Anand Agarwal – Chief Executive Officer
2. Mr. Anupam Jindal – Chief Financial Officer
3. Mr. Amit Deshpande – Company Secretary

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Act, the Directors state that:

(a) in the preparation of the annual accounts for the year ended March 31, 2016, 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, 2016 and of the profit of the Company for the year ended on that date;

(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.

SUBSIDIARIES AND JOINT VENTURES

A report on the performance and financial position of each of the subsidiaries and joint venture companies as per the Act is provided as part of the consolidated financial statement and hence not repeated here for the sake of brevity. During the year under review, following are the details of the companies which have become or ceased to be Company's subsidiaries or joint ventures companies –

A. Companies which have become subsidiaries during the Financial Year 2015-16 –

- Sterlite Power Transmission Limited
- Twin Star Display Technologies Limited
- Maheshwaram Transmission Limited
- Sterlite Telesystems Limited
- Elitecore Technologies Private Limited
- Elitecore Technologies (Mauritius) Limited
- Elitecore Technologies Sdn Bhd. (Malaysia)
- Sterlite (Shanghai) Trading Company Limited

B. Companies which ceased to be subsidiaries during the Financial Year 2015-16 –

- Twin Star Technologies Limited (Erstwhile Sterlite Display Limited)
- Twin Star Display Technologies Limited
- Sterlite Power Transmission Limited*
- Sterlite Power Grid Ventures Limited*
- Sterlite Grid 1 Limited*
- Sterlite Grid 2 Limited*
- Sterlite Grid 3 Limited*
- Sterlite Grid 4 Limited*
- East-North Interconnection Company Limited*
- Bhopal Dhule Transmission Company Limited*
- Jabalpur Transmission Company Limited*
- RAPP Transmission Company Limited*
- Purulia & Kharagpur Transmission Company Limited*
- NRSS XXIX Transmission Limited*
- Maheshwaram Transmission Limited*
- Elitecore Technologies Private Limited#

** Ceased to be subsidiaries of the Company pursuant to Scheme of Arrangement for demerger of the Power Products and Transmission Grid Business of the Company into Sterlite Power Transmission Limited.*

 # Ceased to be subsidiary of the Company pursuant to Scheme of Arrangement for amalgamation of Elitecore Technologies Private Limited with the Company.

C. Companies which have become/ceased to be a joint venture or associate during the Financial Year 2015-16 - Nil

As per the Listing Regulation, a policy on material subsidiaries as approved by the Board of Directors, may be accessed on the Company's website: www.sterlitetech.com

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business except those which are mentioned in Annexure V to this report. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee for their approval on a quarterly basis. The Company has developed a Related Party Transactions Manual, Standard Operating Procedures for purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.sterlitetech.com. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The details of the transactions with Related Parties are provided as **Annexure V** to the Directors' Report.

ACCOUNTS

In terms of Section 136(1) of the Act, copies of the Audited Financial Statements including the Report of the Board of Directors and the Report of the Auditors of the Subsidiary Companies have not been attached with the Balance Sheet of the Company.

The Company undertakes that the financial statements of the subsidiary companies and the related detailed information will be made available, upon request, to the members seeking such information at any point of time. The financial statements of the subsidiary companies will also be kept for inspection by any member at registered office of the Company and that of the respective Subsidiary Companies. The Company shall furnish a hard copy of details of financial statements of subsidiaries to any shareholder on demand. The financial statements of the subsidiary companies will also be available on the Website of the Company www.sterlitetech.com.

Additionally, the physical (hard) copies of the statement containing the salient features of all the documents, as prescribed in sub-section (1) to Section 136 of the Act, read with Regulation 36 of the Listing Regulations, is being sent to all the shareholders/debenture holders of the Company who have not registered their email address (es) for the purpose. Any shareholder/debenture holder interested in obtaining physical copies of full annual report may write to the "Company Secretary" at the Registered Office of the Company or to Registrar & Transfer Agents on its address as appearing in Corporate Governance section of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements, in terms of Section 136 of the Act, read with Regulation 36 of the Listing Regulations and in terms of Accounting Standard (AS) 21 on Consolidated Financial Statements read with AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interest in Joint Ventures, the audited Consolidated Financial Statements, duly audited by Statutory Auditors, also forms part of this Annual Report.

EXPLANATION ON AUDITOR'S QUALIFICATION

The paragraph titled "Basis for Qualified Opinion" in the Auditor's Report and over Note No. 45 (A) in Notes to Accounts regarding demand of excise duty and penalty amounting to ₹ 188 crores is self-explanatory and does not require further comment.

In the year 2004-05, CESTAT upheld the demand of ₹ 188 crores and interest thereon for alleged breach of norms pertaining to Export Oriented Unit (EOU). The Company had filed an appeal before the Hon'ble High Court of Bombay against this order. The Department had also made an appeal against the same CESTAT order before the High Court of Bombay. On Company's appeal, the Hon'ble High Court directed that the appeal is not maintainable in High Court, however without prejudice to the rights of the Company. Subsequently, the Company had filed a Special Leave Petition (SLP) and appeal before the Supreme Court of India which was admitted by the Court. Hon'ble Supreme Court has also maintained the stay granted by Hon'ble High Court.

The Hon'ble Supreme Court, considering that the departmental appeal against the CESTAT order was still pending before the High Court, disposed of the Special Leave Petition of the Company and directed that the records of the departmental appeal be transferred to the Supreme Court and both the Appeals i.e. Departmental Appeal as well as Civil Appeal of the Company be heard together by the Supreme Court. The status remains same and there was no development during the year under review.

Based on merits of the case and the legal opinion obtained, the management believes that the Company has a strong case and this matter does not require any further provisioning.

STATUTORY AUDITORS

M/s. S R B C & Co. LLP, Chartered Accountants were appointed as Statutory Auditors in the Annual General Meeting held on August 4, 2015 for a period of 2 years upto conclusion of the Annual General Meeting to be held for FY 2016-17 subject to ratification by members at every Annual General Meeting of the Company. M/s. S R B C & Co. LLP have confirmed their eligibility under Section 141 of the Act, and the Rules framed thereunder for reappointment as Auditors of the Company. As required under Regulation 33 of the Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

COST AUDITORS

Pursuant to Section 148 of the Act, read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Telecom Products is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed Mr. Kiran Naik, Cost Accountant, to audit the cost accounts of the Company for the Financial Year 2016-17 on a remuneration of ₹ 75,000/-. Mr. Kiran Naik has confirmed that his appointment is within the prescribed limits. As required under the Act, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's approval for the remuneration payable to Mr. Kiran Naik, Cost Auditor is included as part of the Notice convening the Annual General Meeting.

SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Act, Dr. K.R. Chandratre, Practicing Company Secretary, was appointed to conduct the Secretarial Audit for the Financial Year ended March 31, 2016. The Secretarial Audit Report for the Financial Year ended March 31, 2016 is annexed herewith as **Annexure III** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

SHIFTING OF REGISTERED OFFICE OF THE COMPANY

During the Financial Year 15-16, your Company shifted its registered office from Survey No. 68/1, Rakholi Village, Madhuban Dam Road 396 230, Union Territory of Dadra & Nagar Haveli, India to E-1, MIDC Industrial Area, Waluj, Aurangabad – 431 136, Maharashtra, India.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has documented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. The formalized system of control facilitates effective compliance as per relevant provisions of the Companies Act, 2013 and Listing Regulations.

To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit function monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Audit Committee also met the Company's Statutory Auditors to ascertain their views on the financial statements, including financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of internal controls and systems followed by the Company.

BUSINESS RISK MANAGEMENT

The Company has formally framed a Risk Management Plan to identify and assess the risk areas, monitor and report compliance and effectiveness of the policy and procedure. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. This plan seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk plan defines the risk management approach across the enterprise at various levels including documentation and reporting. The plan has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments. The Audit Committee and Board of Directors periodically reviews the risk and suggest steps to be taken to control and mitigate the same through a properly defined framework. Details of Risk Management is presented in a separate section forming part of the Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

CORPORATE GOVERNANCE

In terms of Regulation 34 of the Listing Regulations, a Report on Corporate Governance along with the Certificate from Practising Company Secretary certifying the compliance of Corporate Governance enumerated in the Listing Regulations is included in the Annual Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **Annexure IV.**

NON-CONVERTIBLE DEBENTURES

As on March 31, 2016, the Company has outstanding Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (NCDs) of ₹ 270 Crores. The Company has maintained 100% asset cover sufficient to discharge the principal amount at all times for its NCDs. Credit rating for the NCDs is CRISIL A+ (Rating watched with developing implications). The Debentures are listed on the debt segment of BSE Limited as per the SEBI Guidelines and Debt Listing Regulation. The details of debenture trustee are –

Axis Trustee Services Limited
Axis House, 2nd Floor, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli,
Mumbai - 400025, Maharashtra, INDIA
Phone No. +91-22-24255216 Fax No. +91-22-24254200

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 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 Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is given as Annexure I and forms part of the Directors' Report.

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 in the Annual Report. Details are provided as Annexure VII to this report.

In terms of the provisions of 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, a statement showing the names and other particulars of the employees drawing remuneration is provided in a separate annexure forming part of this report. Having regard to the provisions of the first proviso to Section 136 (1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company 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.

EMPLOYEES STOCK OPTION SCHEME

As the members are aware, the Company had launched Employee Stock Option Schemes for the employees in June 2006 (ESOP 2006) and December 2010 (ESOP 2010) respectively, in line with Company's philosophy of sharing benefits of growth with the growth drivers. The Company allotted 11,29,395 shares during the year to various employees who exercised their options. The details of the options vested during the year under review are provided in Annexure II to this report, as required under Clause 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The paid up Equity Share Capital as on March 31, 2016 was ₹ 79.04 Crores divided into 39.52 Equity Shares of ₹ 2 each. The Company has not issued any equity shares with differential voting rights during the year. The Company has received a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the SEBI Regulations and the resolution passed by the shareholders. The Certificate would be placed at the Annual General Meeting for inspection by members.

The Members of the Company through resolutions passed by Postal Ballot on March 30, 2016, have approved Sterlite Technologies Limited Employee Stock Appreciation Rights 2016 ("ESAR 2016") and Sterlite Technologies Limited Employee Stock Option Plan 2016 ("ESOP 2016") and grant of Stock Appreciation Rights or Employee Stock Options to employees of the Company and/or its Subsidiary (ies) under the respective Schemes.

Disclosures with respect to Stock Options, as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('the Regulations'), are available in the Annexure II to this Report and Notes to the Financial Statements and can also be accessed on the Company's website www.sterlitetechnologies.com.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), relevant amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 4, 2015 (date of last Annual General Meeting) on the website of the Company (www.sterlitetech.com), as also on the Ministry of Corporate Affairs website.

CORPORATE SOCIAL RESPONSIBILITY

The Board has constituted Corporate Social Responsibility (CSR) Committee which comprises of Mr. Arun Todarwal, Chairman, Mr. A.R. Narayanaswamy, Mr. Pravin Agarwal and Dr. Anand Agarwal, Members. The Board has also approved a CSR policy on recommendations of CSR Committee.

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 FY 2015-16.

During the year, the Company has spent ₹ 2.23 crores (around 3% of the average net profits of last three Financial Years) on CSR activities. The Annual Report on CSR activities is annexed herewith as **Annexure VI**.

GENERAL

Your 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 Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

(b) Issue of equity shares with differential rights as to dividend, voting or otherwise.

(c) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

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

(e) No cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your 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. Your 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 your Company.

For and **on behalf of the Board of Directors**

Place: Pune
Date: May 26, 2016

Pravin Agarwal
Vice Chairman &
Whole-time Director

Anand Agarwal
CEO &
Whole-time Director

ANNEXURE - I TO THE DIRECTORS' REPORT

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, 2016.

A. CONSERVATION OF ENERGY

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

(i) Energy Management System installed in plant which gives real time analysis of power consumption. The objective was to tap on the potential of energy saving and keep monitoring the opportunities for optimizing Energy usage.

(ii) Installation of Timer for air conditions and tube lights

(iii) Air Wiper Automation with Line Start/stop signal saves usage of compressed air

(iv) Buffering entry capstan chilled water automation with Line Start/Stop saves power by reducing the usage of chilled water.

(v) Intake Hood for UV chambers has been installed on new Coloring machine UV chambers to reduce the load on HVAC of coloring room.

(vi) Power shutdown of the machines which are not planned for the production throughout the month.

(vii) Roof transparent sheet cleaning done to improve the intensity of light inside the plant.

(viii) Installation of energy efficient panel ACs to save power with set temp as 35'C to reduce the ON/OFF time ratio.

(ix) Installation of APFC panel to improve Power Factor

(x) Insulation of chilled water pipe line to maintain the temperature of child water & to reduce the load of chiller plant

(xi) Stopped the water & Air leakages in FG

(xii) Based on Heat & mass balance of the Chemical Plant, One cooling tower of 500 TR has been stopped, which has resulted in reduction of energy consumption by 109,000 units / annum

(xiii) The condensate recovery system has been revamped & damaged insulation is replaced which has resulted in reduction of FO consumption in Boiler by 72 MT / annum

(xiv) Installation of VFD for 11 Nos. of AHUs, which has resulted in reduction in energy consumption by 6,50,000 units / annum

(xv) The plant has installed LED lighting for street lighting purpose which has resulted in reduction in energy consumption by 10% and increased illumination

(xvi) The plant has installed additional APFC panel to improve PF to 0.98

(xvii) Introduction of cooling water instead of chilled water in Furnace cooling application to realize 7.66 Lacs units/annum

(xviii) Introduction of direct drive instead of belt drive at Thermoset scrubber to save 1.1 Lacs units/ annum

(xix) Reduction of effluent generation at HCL and Chlorine scrubber resulting a saving of 1.0 Lac Units/ annum

(xx) Introduction of chilled water instead of Brine for process cooling to save 1.46 Lacs unit/ annum

(xxi) Auto Cut Off System installed for Air Wiper in all Sheathing Line to reduce the Air Consumption & hence reduce the running cost of Air Compressor.

(xxii) Maintain the Power factor of the Plant at the Level of 0.98-0.99

(xxiii) Replaced the DC Motor by AC motor in SHT-05 & Bun-15. Unit Saved – 54432 Unit/Year

(xxiv) Optimized the TL-05 Extruder DC Motor (from 82KW to 56KW) Unit Saved – 48510 Unit/Year

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

(a) Installation of FRP sheets in plant shed to save energy – Project Jyoti – The project was launched with the objective to really observe the shop floor from the perspective of energy usage….One of the thought process which went behind it was to use natural resource more and more and thus we realized that there is so much to tap. For maximizing the usage of sunlight in the day, we installed FRP Transparent sheets in plant shed Saving of Electrical lamp. This gave us very definitive results.

(b) Proper draining for gland leakage through pipes of all the pumps in buffering, old and new FG plant

(c) Water level controller installation for Office tank and New RO plant raw water tank.

3. The capital investments on energy conservation equipment's

(a) Replacement of Old UPS batteries for better back up at time of Power Cut.

(b) Installation of FRP Blowers at Thermoset Scrubber with an investment of ₹ 40 Lacs

(c) Installation of Cooling water system along with Plate Heat Exchanger for process cooling with an investment of ₹ 28 Lacs

(d) The plant is replacing old inefficient Cooling towers with energy efficient cooling towers

(e) The plant is replacing old inefficient chillers with energy efficient chillers

(f) The plant is replacing old air compressors with energy efficient air compressors.

B. TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption

(a) Water softening plant (RO plant) to use soft water in processes & removal of hazardous chemical from it.

(b) Centralize Hot water system for FG first water through to maintain hot water supply to reduce pin hole effect.

(c) DG synchronization panel to share the load of individual DG in case of high load.

(d) Introduction of Annealing furnace and super coating for product Quality enhancement.

(e) The plant is installing ETP with RO & MEE plant to reuse waste water for cooling tower make up.

(f) Water softening plant (RO plant) to use soft water in processes & removal of hazardous chemical from it.

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

Product Improvement was done through innovation in optimizing characteristics of an optical fibre type named as OH LITE NOVA. The product specifications exceeds the ITU-T standards and put STL in unique league of fibre producers having this type of fibre. This has enhanced value of STL among Indian and global telecom industry.

The product also addresses the telecom network challenges especially in Indian context where by end of life of optical fibre cable is much earlier than the technically guaranteed life. The product offers very low macro bending loss sensitivity, whereas macro bends are inevitable in deployment of optical fibre cable. Thus very low bending loss of the product helps to reduce the challenges in network there by increases the life of optical fibre cable.

The OF product development team has also developed non zero dispersion shifter fibre, NZDOF which support the wide band optical transmission. The number of channels available for transmission increases thus higher throughput of data is supported. There are limited number of fibre producers globally having this type of product in their portfolio.

At OFC front we added new products like Next gen Microcables with 200um upto 288F with lighter weight and more compactness is optimized to achieve longer air-blown installation distances.

200 micron fibres are compatible with existing 250 micron fibre in Optical networks and provides 38% lesser cross-section area allowing more compact high fibre density cable designs and provide a novel and reliable solution to tighter bends and limited duct space frequently encountered in real-life network deployments.

A new family of micro modules with very high fibre counts with a brand name of "Yogalite" introduced based on micro-module technology to create an optimized design suitable for use in ducts scenarios and offers a versatile and compact construction with the benefits of quick fibre preparation ready for installation.

Universal design is suited for use in most network arenas, including backbone, access and distribution.

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 – 2.64

(b) Recurring – 8.20

(c) Total – 10.84

(d) Total R&D expenditure as a % of total turnover – 0.53%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Foreign Exchange Actual Inflow : ₹ 547.41 Crores
Foreign Exchange Actual Outflow : ₹ 794.03 Crores

ANNEXURE - II TO THE DIRECTORS' REPORT

Statement as on March 31, 2016 for Employee Stock Option Scheme, 2006 and 2010 as required under Clause 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Sr. No.	Particulars	2006 Scheme		2010 Scheme	
1.	Options Granted	Total 69,46,750 options were granted as on March 31, 2016 the details of which are as follows		Total 1,54,81,330 options were granted as on March 31, 2016 the details of which are as follows	
		Date of Grant	No. of Options	Date of Grant	No. of Options
		14.06.2006	23,28,500	29.12.2011	22,24,000
		19.03.2007	6,36,000	27.07.2012	26,68,800
		28.09.2007	13,07,750	30.04.2014	37,13,800
		14.06.2008	2,55,500	30.03.2015	57,24,600
		26.06.2009	24,19,000	28.01.2016	11,50,130
2.	Pricing formula	Options vest at a nominal value i.e. ₹ 2 per option			
3.	Options vested	29,78,803		19,31,618	
4.	Options exercised	29,71,517		14,94,044	
5.	Total number of ordinary shares arising as a result of exercise of Options	29,71,517		14,94,044	
6.	Options Lapsed	39,75,241		61,32,794	
7.	Variation of terms of option	None		None	
8.	Money raised by exercise of option	₹ 29,71,517/-		₹ 29,88,088/-	
9.	Total number of options in force	0		78,54,492	
10.	Employee-wise details of options granted to				
	Number of options granted to Senior Managerial Personnel				
I.	Dr. Anand Agarwal CEO & Whole-time Director	3,79,500		6,30,000	
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		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		None	
11.	Diluted earnings per share pursuant to issue of ordinary shares on exercise of Options calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share)	₹ 4.50		₹ 4.50	

Sr. No.	Particulars	2006 Scheme	2010 Scheme
12.	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.		
13.	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)	₹ 2	₹ 2
	Weighted Average Fair value (per option)	₹ 35.23	Grant I - ₹ 25.87
			Grant II – ₹ 29.77
			Grant III – ₹ 28.22
			Grant IV – ₹ 48.66
			Grant V- ₹ 79.99
14.	A description of method and significant assumptions used during the year to estimate the fair values of options	The fair value of each option is estimate using the Black Scholes Option Pricing model after applying following weighted average Assumptions	

	GRANT					GRANT
	V	I	II	III	IV	V
1. Risk Free Interest rate (%)	6.05	8.33	8.04	8.66	7.84	7.22
2. Expected Life (yrs)	1.5	1.5	1.5	1.7	1.7	1.8
3. Expected Volatility (%)	77.57	48.31	53.93	44.41	51.55	55.34
4. Expected Dividend Yield (%)	0.60	0.73	0.79	0.79	0.59	0.72
5. The price of underlying share at the time of grant (₹)	35.23	25.87	29.77	30.40	55.60	83.25

Note:

The Members of the Company through resolutions passed by Postal Ballot on March 30, 2016, have approved Sterlite Technologies Limited Employee Stock Appreciation Rights 2016 ("ESAR 2016") and Sterlite Technologies Limited Employee Stock Option Plan 2016 ("ESOP 2016") and grant of Stock Appreciation Rights or Employee Stock Options to employees of the Company and/or its Subsidiary (ies) under the respective Schemes.

ANNEXURE - III TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To :
The Members,
Sterlite Technologies Limited,
E1, MIDC Industrial Area, Waluj,
Aurangabad - 431 136,
Maharashtra

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sterlite Technologies Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and 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 authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31 March, 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and 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 31 March, 2016 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

 (b) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

 (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);

 (d) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014;

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

 (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

 (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and

 (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

(vi) No law is specifically applicable 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, effective from 1 July, 2015.

(ii) The erstwhile Listing Agreement entered into by the Company with stock exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from 1 December, 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 Board Meetings, agenda and detailed notes on agenda were generally 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 meeting.

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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that during the Audit Period-

- The Company has adopted a new set of Articles of Association aligned toin accordance with the provisions of the Companies Act, 2013 and the rules thereunder the Act, by passing a Special Resolution at the Annual General Meeting of the Company held on 4 August, 2015;
- On 29 September, 2015, the Company completed the 100% acquisition of Elitecore Technologies Private Limited (ETPL), a global telecom software product company. Consequently, the Board of the Company on 26 October, 2015, approved a Scheme of Amalgamation between ETPL (wholly owned subsidiary) and the Company, subject to approvals from competent Courts and other necessary approvals. After receipt of court orders, the said scheme was made effective by the company on May 20, 2016 having appointed date as September 29, 2015.
- Effective from 6 October, 2015, the Registered Office of the Company was shifted from Silvassa, Dadra & Nagar Haveli to E 1, MIDC Industrial Area, Waluj, Aurangabad - 431 136 , Maharashtra
- Pursuant to commercial understanding with Debenture holders, the Company has modified the redemption date of its 10.60% 2000 secured non-cumulative redeemable non-convertible debentures aggregating to ₹ 200 crs, from 18 March, 2018 to 11 July, 2016 or date of completion of demerger scheme i.e. date of allotment of shares by the Sterlite Power Transmission Limited in terms of the scheme, whichever is earlier.
- The Scheme of Arrangement for demerger of the power products and transmission grid business of the Company and its transfer to Sterlite Power Transmission Limited has been approved by the Hon'ble High Court of Judicature at Bombay vide by its orders dated 22 April, 2016. The appointed date of the Scheme shall be made effective having appointed date as 1 April, 2015.
- Pursuant to commercial understanding with Debenture holders, during the Audit Period the Company has prepaid ₹ 180 Crores against 1,800 debentures and modified the redemption date for remaining 700 Debentures valuing ₹ 70 Crores to May 5, 2016 under private placement of 2,500 secured non-cumulative redeemable non-convertible debentures aggregating to ₹ 250 crores.

Place: Pune
Date: May 26, 2016

Dr. K R Chandratre
Practicing Company Secretary
FCS No. 1370
CP No. 5144

ANNEXURE - IV TO THE DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
as on the Financial Year ended on 31.03.2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i) CIN:- L31300MH2000PLC269261

(ii) Registration Date : March 24, 2000

(iii) Name of the Company : Sterlite Technologies Limited

(iv) Category / Sub-Category of the Company: Public Company / Limited by shares

(v) Address of the Registered office and contact details

E1, MIDC Industrial Area, Waluj,
Aurangabad - 431136, Maharashtra, INDIA
Tel: +0240-2558400
Fax + 0240-2564598

(vi) Whether listed company Yes / ~~No~~

(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

Karvy Computershare Private Limited
Karvy Selenium, Tower B, Plot number 31 & 32, Financial District
Gachibowli, Hyderabad - 500 008 | INDIA
Tel: +91 040 67161524

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products / services	NIC Code of the Product/ service*	% to total turnover of the company
1.	Fibre Optical Cable	3890	40
2.	Optical Fibre	3890	19
3.	Copper Telecom Cables	3130	17
4.	Fibre Optical Cable Laying Services	3890	18

* As per IEM issued from Department of Industrial Policy and Promotion, Ministry of Commerce, New Delhi.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section	CIN
1.	**Speedon Network Limited** Survey No. 68/1, Rakholi Village, Madhuban Dam Road, Silvassa, Dadara and Nagar Haveli - 396230	Subsidiary	100%	2 (87)	U32202DN2011PLC000373
2.	**Sterlite Telesystems Limited** Survey No. 68/1, Rakholi Village, Madhuban Dam Road, Silvassa, Dadara & Nagar Haveli - 396230, India	Subsidiary	100%	2 (87)	U64200DN2015PLC000481
3.	**Maharashtra Transmission Communication Infrastructure Ltd** Prakashganga, Plot No C 19, E Block Bandra Kurla Complex, Bandra (East), Mumbai - 400051	Subsidiary	72%	2 (87)	U64201MH2012PLC234316
4.	**Sterlite Power Technologies Private Limited** C 2 The Mira Corporate Suites,1 & 2 Ishwar Nagar, Mathura Road, New Delhi -110065	Subsidiary	100%	2 (87)	U29190DL2014PTC272744
5.	**Elitecore Technologies (Mauritius) Limited** 1st Floor, Wing B, Old Swan Building, Intendance Street, Port Louise, Mauritius	Subsidiary	100%	2 (87)	NA
6.	**Elitecore Technologies Sdn Bhd. (Malaysia)** Level 2, No. 11, Jalan PJU 1A/41B, NZX Commercial Centre, Ara Jaya, 47301, Petaling Jaya, Selangor	Subsidiary	100%	2 (87)	NA
7.	**Sterlite Technologies America, LLC** 15 Third Floor 230 West 41st New York 10036-0000	Subsidiary	100%	2 (87)	NA
8.	**Sterlite Technologies Europe Ventures Ltd.** 221 Chr. Haggipavlou Street, Halios Court, 3rd Floor, Po Box 51625 3507 Limassol, Cyprus	Subsidiary	100%	2 (87)	NA
9.	**Sterlite Global Ventures (Mauritius) Ltd.** C/o Multiconsult Limited Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius	Subsidiary	100%	2 (87)	NA
10.	**Sterlite Technologies UK Ventures Limited** Third Floor, 126-134 Baker Street, London W1U 6UE	Subsidiary	100%	2 (87)	NA
11.	**Jiangsu Sterlite Tonggaung Fibre Co. Ltd** 777 Beihai Beihai Rd, Haimen Town, Hai Men City, Jiangsu	Subsidiary	75%	2 (87)	NA
12.	**Sterlite Conduspar Industrial Ltda** Sao Jose dos Pinhais, State of Parana, at Rua Dr. Muricy, 4000, Barracoa Fundos, Bairro Coesteria, CEP 83015-290	Subsidiary	58%	2 (87)	NA
13.	**Sterlite (Shanghai) Trading Company Limited (SSTCL)** 1902 Far East International Plaza, 317 Xian Xia Road Shanghai 200051 China	Subsidiary	100%	2 (87)	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year 31/03/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)
PROMOTER AND PROMOTER GROUP									
INDIAN									
Individual /HUF	18,60,056	0	18,60,056	0.47	20,25,056	0	20,25,056	0.51	0.04
Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	47,64,295	0	47,64,295	1.21	47,64,295	0	47,64,295	1.21	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total A(1) :	**66,24,351**	**0**	**66,24,351**	**1.68**	**67,89,351**	**0**	**67,89,351**	**1.72**	**0.04**
FOREIGN									
Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	20,94,02,750	0	20,94,02,750	53.14	20,94,02,750	0	20,94,02,750	52.99	-0.15
Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total A(2) :	**20,94,02,750**	**0**	**20,94,02,750**	**53.14**	**20,94,02,750**	**0**	**20,94,02,750**	**52.99**	**-0.15**
Total A=A(1)+A(2)	**21,60,27,101**	**0**	**21,60,27,101**	**54.82**	**21,61,92,101**	**0**	**21,61,92,101**	**54.71**	**-0.11**
PUBLIC SHAREHOLDING									
INSTITUTIONS									
Mutual Funds /UTI	1,40,41,196	5,025	1,40,46,221	3.56	2,75,87,778	5,025	2,75,92,803	6.98	3.42
Financial Institutions / Banks	2,17,15,387	21,435	2,17,36,822	5.52	1,93,03,939	20,435	1,93,24,374	4.89	-0.63
Central Government / State Government(s)	500	0	500	0.00	500	0	500	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	9,13,737	1,000	9,14,737	0.23	9,13,737	1,000	9,14,737	0.23	0.00
Foreign Institutional Investors	1,15,69,109	10,205	1,15,79,314	2.94	53,48,122	10,205	53,58,327	1.36	-1.58
Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Others	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investor	0	0	0	0.00	1,01,12,724	0	1,01,12,724	2.56	2.56
Sub-Total B(1) :	**4,82,39,929**	**37,665**	**4,82,77,594**	**12.25**	**6,32,66,800**	**36,665**	**6,33,03,465**	**16.02**	**3.77**

Category of Shareholder	No. of Shares held at the beginning of the year 31/03/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
NON-INSTITUTIONS									
Bodies Corporate	1,75,69,395	1,10,595	1,76,79,990	4.49	1,21,31,991	98630	1,22,30,621	3.09	-1.39
Individuals									
(i) Individuals holding nominal share capital upto ₹ 1 lakh	7,82,01,099	58,03,068	8,40,04,167	21.32	7,40,33,270	56,94,253	7,97,27,523	20.17	-1.15
(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	2,34,02,368	76,360	2,34,78,728	5.96	1,86,76,906	76360	1,87,53,266	4.75	-1.21
Others									
CLEARING MEMBERS	4,62,448	0	4,62,448	0.12	5,76,038	0	5,76,038	0.15	0.03
DIRECTORS	3,76,445	0	3,76,445	0.10	4,67,445	0	4,67,445	0.12	0.02
FOREIGN NATIONALS	84,050	0	84,050	0.02	37,650	0	37,650	0.01	-0.01
NON RESIDENT INDIANS	30,11,898	5,63,330	35,75,228	0.91	32,49,592	5,58,440	38,08,032	0.96	0.05
OVERSEAS CORPORATE BODIES	200	0	200	0.00	200	0	200	0.00	0.00
TRUSTS	7000	500	7500	0.00	6005	500	6505	0.00	0.00
Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total B(2) :	12,31,14,903	65,53,853	12,96,68,756	32.91	10,91,79,097	64,28,183	11,56,07,280	29.25	-3.66
Total B=B(1)+B(2) :	**17,13,54,832**	**65,91,518**	**17,79,46,350**	**45.16**	**17,24,45,897**	**64,64,848**	**17,89,10,745**	**45.27**	**0.11**
Total (A+B) :	**38,73,81,933**	**65,91,518**	**39,39,73,451**	**99.98**	**38,86,37,998**	**64,64,848**	**39,51,02,846**	**99.98**	**0.00**
Shares held by custodians, against which Depository Receipts have been issued									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public (C)	85,550	0	85,550	0.02	85,550	0	85,550	0.02	0.00
GRAND TOTAL (A+B+C) :	**38,74,67,483**	**65,91,518**	**39,40,59,001**	**100.00**	**38,87,23,548**	**64,64,848**	**39,51,88,396**	**100.00**	

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year March 31, 2015			Share holding at the end of the year March 31, 2016			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	TWIN STAR OVERSEAS LTD	20,94,02,750	53.14	0.00	20,94,02,750	52.99	0.00	(0.15)

Note:- The Company has published details of only Promoter Category which is decided as per the declaration received under Regulation 30 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011.

(iii) Change in Promoters' Shareholding (please specify, if there is no change):- There is no change in the Promoters' Shareholding during FY2015-16.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of the Share Holder	Shareholding at the beginning of the Year		changes during the year			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	Increase/ decrease in shareholding	Reason	No of Shares	% of total shares of the Company
1.	LIFE INSURANCE CORPORATION OF INDIA	21423403	5.44	31/03/15				
				24/07/15	-567020	Transfer	20856383	5.29
				31/07/15	-680896	Transfer	20175487	5.12
				07/08/15	-793182	Transfer	19382305	4.92
				14/08/15	-273322	Transfer	19108983	4.85
				30/09/15	-23287	Transfer	19085696	4.84
				09/10/15	-117141	Transfer	18968555	4.81
2.	RELIANCE CAPITAL TRUSTEE CO. LTD. A/C RELIANCE DIV	8480471	2.15	31/03/15				
				22/05/15	1164790	Transfer	9645261	2.45
				29/05/15	50800	Transfer	9696061	2.46
				05/06/15	807800	Transfer	10503861	2.67
				12/06/15	192200	Transfer	10696061	2.71
				03/07/15	-100000	Transfer	10596061	2.69
				17/07/15	-100000	Transfer	10496061	2.66
				24/07/15	-200000	Transfer	10296061	2.61
				30/10/15	5700	Transfer	10301761	2.61
				18/12/15	-50000	Transfer	10251761	2.60
				31/12/15	-63625	Transfer	10188136	2.58
				15/01/15	-54300	Transfer	10133836	2.57
				31/03/16	-100000	Transfer	10033836	2.54
3.	DSP BLACKROCK EQUITY FUND	5521232	1.40	31/03/15				
				17/04/15	-86906	Transfer	5434326	1.38
				08/05/15	-57367	Transfer	5376959	1.36
				22/05/15	-1116508	Transfer	4260451	1.08
				17/07/15	3282986	Transfer	7543437	1.91
				31/07/15	484633	Transfer	8028070	2.04
				28/08/15	111109	Transfer	8139179	2.06
				28/08/15	-45322	Transfer	8093857	2.05
				29/01/16	1303111	Transfer	9396968	2.38
				19/02/16	218137	Transfer	9615105	2.43
				26/02/16	1272261	Transfer	10887366	2.76
				04/03/16	88218	Transfer	10975584	2.78
				11/03/16	1107	Transfer	10976691	2.78
				18/03/16	49574	Transfer	11026265	2.79
				25/03/16	24790	Transfer	11051055	2.80

S. No.	Name of the Share Holder	Shareholding at the beginning of the Year		changes during the year			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	Increase/ decrease in shareholding	Reason	No of Shares	% of total shares of the Company
4.	SUNDARAM MUTUAL FUND A/C SUNDARAM SMILE FUND	0	0.00	31/03/15				
				22/05/15	1896097	Transfer	1896097	0.48
				29/05/15	138349	Transfer	2034446	0.52
				05/06/15	10000	Transfer	2044446	0.52
				12/06/15	136651	Transfer	2181097	0.55
				19/06/15	25000	Transfer	2206097	0.56
				26/06/15	35000	Transfer	2241097	0.57
				31/07/15	1251735	Transfer	3492832	0.89
				07/08/15	894490	Transfer	4387322	1.11
				14/08/15	19855	Transfer	4407177	1.12
				21/08/15	398128	Transfer	4805305	1.22
				30/10/15	75531	Transfer	4880836	1.24
				06/11/15	25000	Transfer	4905836	1.24
				20/11/15	41069	Transfer	4946905	1.25
				04/12/15	224098	Transfer	5171003	1.31
				11/12/15	75761	Transfer	5246764	1.33
				31/12/15	74297	Transfer	5321061	1.35
				05/02/16	86763	Transfer	5407824	1.37
				31/03/16	20034	Transfer	5427858	1.37
5.	AKASH BHANSHALI	3709005	0.94	31/03/15				
				17/07/15	-400000	Transfer	3309005	0.84
				09/10/15	-270861	Transfer	3038144	0.77
				04/12/15	-200000	Transfer	2838144	0.72
6.	GOVERNMENT PENSION FUND GLOBAL	3366212	0.85	31/03/15				
				17/04/15	-28708	Transfer	3337504	0.85
				01/05/15	-100000	Transfer	3237504	0.82
				08/05/15	-30859	Transfer	3206645	0.81
				22/05/15	-783493	Transfer	2423152	0.61
				24/07/15	700853	Transfer	3124005	0.79
				31/07/15	70000	Transfer	3194005	0.81
				29/01/16	-1476800	Transfer	1717205	0.43
7.	COPTHALL MAURITIUS INVESTMENT LIMITED	0	0.00	31/03/15				
				16/10/15	736848	Transfer	736848	0.19
				23/10/15	1124793	Transfer	1861641	0.47
				30/10/15	104690	Transfer	1966331	0.50
				06/11/15	174995	Transfer	2141326	0.54
				13/11/15	156686	Transfer	2298012	0.58
				15/01/16	386050	Transfer	2684062	0.68
				22/01/16	53998	Transfer	2738060	0.69
				26/02/16	180038	Transfer	2918098	0.74

S. No.	Name of the Share Holder	Shareholding at the beginning of the Year		changes during the year			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	Increase/ decrease in shareholding	Reason	No of Shares	% of total shares of the Company
8.	VALLABH BHANSHALI	2678100	0.68	31/03/15				
				10/07/15	-300000	Transfer	2378100	0.60
				17/07/15	-100000	Transfer	2278100	0.58
				11/12/15	-100000	Transfer	2178100	0.55
9.	DIMENSIONAL EMERGING MARKETS VALUE FUND	2096820	0.53	31/03/15				
				10/04/15	12657	Transfer	2109477	0.54
				24/04/15	34871	Transfer	2144348	0.54
				01/05/15	35422	Transfer	2179770	0.55
				22/05/15	25567	Transfer	2205337	0.56
				30/06/15	29199	Transfer	2234536	0.57
				03/07/15	16065	Transfer	2250601	0.57
				10/07/15	1531	Transfer	2252132	0.57
				17/07/15	109107	Transfer	2361239	0.60
				24/07/15	23397	Transfer	2384636	0.61
				31/07/15	72795	Transfer	2457431	0.62
				07/08/15	53015	Transfer	2510446	0.64
				04/09/15	200431	Transfer	2710877	0.69
				11/09/15	149743	Transfer	2860620	0.72
				18/09/15	30460	Transfer	2891080	0.73
				06/11/15	14386	Transfer	2905466	0.74
				13/11/15	35478	Transfer	2940944	0.75
				20/11/15	20223	Transfer	2961167	0.75
				27/11/15	17039	Transfer	2978206	0.75
				25/12/15	95584	Transfer	3073790	0.78
				31/12/15	39074	Transfer	3112864	0.79
				08/01/16	13883	Transfer	3126747	0.79
				15/01/16	45016	Transfer	3171763	0.80
				29/01/16	12647	Transfer	3184410	0.81
				05/02/16	16096	Transfer	3200506	0.81
				19/02/16	12732	Transfer	3213238	0.81
10.	BLACKROCK INDIA EQUITIES FUND (MAURITIUS) LIMITED	0	0.00	31/03/15				
				21/08/15	804317	Transfer	804317	0.20
				28/08/15	-20406	Transfer	783911	0.20
				11/09/15	216089	Transfer	1000000	0.25
				11/12/15	100000	Transfer	1100000	0.28
				18/12/15	100000	Transfer	1200000	0.30
				31/12/15	169000	Transfer	1369000	0.35
				22/01/16	-75757	Transfer	1293243	0.33
				05/02/16	391202	Transfer	1684445	0.43
11.	LATA BHANSHALI	1635000	0.41	31/03/15				
				10/07/15	-360000	Transfer	1275000	0.32
				17/07/15	-289154	Transfer	985846	0.25

S. No.	Name of the Share Holder	Shareholding at the beginning of the Year		changes during the year			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	Increase/ decrease in shareholding	Reason	No of Shares	% of total shares of the Company
12.	NAGREEKA CAPITAL AND INFRASTRUCTURE LTD	1586000	0.40	31/03/15				
				03/04/15	27350	Transfer	1613350	0.41
				10/04/15	37674	Transfer	1651024	0.42
				17/04/15	24874	Transfer	1675898	0.43
				24/04/15	-24610	Transfer	1651288	0.42
				01/05/25	-65288	Transfer	1586000	0.40
				15/05/15	223368	Transfer	1809368	0.46
				22/05/15	10000	Transfer	1819368	0.46
				29/05/15	-192177	Transfer	1627191	0.41
				05/06/15	-41191	Transfer	1586000	0.40
				12/06/15	230606	Transfer	1816606	0.46
				19/06/15	-115514	Transfer	1701092	0.43
				26/06/15	90000	Transfer	1791092	0.45
				03/07/15	4565	Transfer	1795657	0.46
				10/07/15	80000	Transfer	1875657	0.48
				10/07/15	-209657	Transfer	1666000	0.42
				07/08/15	183133	Transfer	1849133	0.47
				14/08/15	-1028349	Transfer	820784	0.21
				21/08/15	-667651	Transfer	153133	0.04
				11/09/15	136000	Transfer	289133	0.07

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Director/KMP	Shareholding at the beginning of the Year		changes during the year			Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	Increase/ decrease in shareholding	Reason	No of Shares	% of total shares of the Company
1.	Anil Agarwal - Chairman	Nil	Nil	No change during the year			Nil	Nil
2.	Pravin Agarwal - Vice Chairman & Whole-time Director	6,54,500	0.17	No change during the year			6,54,500	0.17
3.	Arun Todarwal - Independent Director	925	0.00	08/07/2015	500	Transfer	1,425	0.00
				28/08/2015	500	Transfer	1,925	0.00
4.	A. R. Narayanaswamy - Independent Director	Nil	Nil	No change during the year			Nil	Nil
5.	C. V. Krishnan - Independent Director	Nil	Nil	No change during the year			Nil	Nil
6.	Avaantika Kakkar - Independent Director	Nil	Nil	No change during the year			Nil	Nil
7.	Pratik Agarwal - Non-Executive Director	2,81,140	0.07	29/05/2015	93,500	Transfer	3,74,640	0.09
8.	Anand Agarwal (KMP) - CEO & Whole-time Director	3,75,520	0.10	16/07/2016	90,000	ESOP	4,65,520	0.12
				31/03/2016	3,000	ESOP	4,68,520	0.12
9.	Anupam Jindal (KMP) - Chief Financial Officer	39,400	0.01	16/07/2016	32,500	ESOP	71,900	0.02
				24/02/2016	1,800	ESOP	73,700	0.02
10.	Amit Deshpande (KMP) - Company Secretary	Nil	Nil	28/08/2015	6,000	ESOP	6,000	0.00

V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year *				
(i) Principal Amount	1692.29	0.45	-	1692.74
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	17.66	-	-	17.66
Total (i+ii+iii)	**1709.95**	**0.45**	**-**	**1710.40**
Change in Indebtedness during the Financial Year				
• Addition	170.17	202.38	-	372.55
• Reduction	292.67	-	-	292.67
Net Change	**(122.50)**	**202.38**	**-**	**79.88**
Indebtedness at the end of the Financial Year *				
(i) Principal Amount	704.70	202.82	-	907.52
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	2.98	-	-	2.98
Total (i+ii+iii)	**707.68**	**202.82**	**-**	**910.50**

* Previous year figures are not comparable, since current year figures are post Demerger of Power Products and Transmission Grid Business from the Company with effect from April 1, 2015 and also include effect of merger of Elitecore Technologies Private Limited into the Company with effect from September 29, 2015.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

₹ In Crores

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Pravin Agarwal	Dr. Anand Agarwal	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	7.76	4.36	12.12
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	1.18	0.65	1.83
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	#	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-
5.	Others, please specify			
	Superannuation (LIC)	0.01	-	0.01
	Gratuity	0.17	0.07	0.24
	Provident Fund - Employer contribution	0.43	0.18	0.61
	Total (A)	**9.55**	**5.27**	**14.82**
	Ceiling as per the Act	₹ 26.19 crores (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

#Details of Stock Options are mentioned in details of Shareholding of Directors and Key Managerial Personnel

B. Remuneration to other directors:

₹ In Lacs

S. No.	Particulars of Remuneration	Name of Director					Total Amount
		Arun Todarwal	A R Narayanaswamy	C V Krishnan	Avaantika Kakkar	Pratik Agarwal	
1.	Independent Directors						
	• Fee for attending board/ committee meetings	5.55	3.90	2.85	2.80	NA	15.10
	• Commission	12.50	12.50	0.00	12.50	NA	37.50
	• Others, please specify	Nil	Nil	Nil	Nil	NA	Nil
	Total (1)	**18.05**	**16.40**	**2.85**	**15.30**	**NA**	**52.60**
2.	Other Non-Executive Directors						
	• Fee for attending board/ committee meetings	NA	NA	NA	NA	3.00	3.00
	• Commission	NA	NA	NA	NA	12.50	12.50
	• Others, please specify	NA	NA	NA	NA	Nil	
	Total (2)	**NA**	**NA**	**NA**	**NA**	**15.50**	**15.50**
	Managerial Remuneration Total =(1+2)	**18.05**	**16.40**	**2.85**	**15.30**	**15.50**	**68.10**
	Overall Ceiling as per the Act	₹ 2.62 crores (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

₹ In Crores

S. No.	Particulars of Remuneration	Name of KMP			Total Amount
		CEO	CFO	Company Secretary	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	4.36	1.05	0.33	5.74
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	0.65	0.23	0.04	0.92
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	#	#	#	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify				
	Superannuation (LIC)	-	-	-	-
	Gratuity	0.07	0.02	0.00	0.09
	Provident Fund - Employer contribution	0.18	0.04	0.01	0.23
	Total	**5.27**	**1.34**	**0.38**	**6.99**

#Details of Stock Options are mentioned in details of Shareholding of Directors and Key Managerial Personnel

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES – Not Applicable

ANNEXURE - V TO THE DIRECTORS' REPORT

FORM NO. AOC.2

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 transactions under third proviso thereto

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

1. **Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable**
    (a) Name(s) of the related party and nature of relationship
    (b) Nature of contracts/arrangements/transactions
    (c) Duration of the contracts/arrangements/transactions
    (d) Salient terms of the contracts or arrangements or transactions including the value, if any
    (e) Justification for entering into such contracts or arrangements or transactions
    (f) Date(s) of approval by the Board
    (g) Amount paid as advances, if any:
    (h) Date on which the special resolution was passed in general meeting as required under first provison to section 188

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

I. Details of Transaction with Twin Star Overseas Limited

(a) Name(s) of the related party and nature of relationship:

Twin Star Overseas Limited (Holding Company) (TSOL)

(b) Nature of contracts/arrangements/transactions:

Sale of equity shares of certain other subsidiaries to TSOL.

(c) Duration of the contracts/arrangements/transactions: N.A.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Sale of equity shares of Twin Star Technologies Limited (erstwhile Sterlite Display Limited) (TSTL) and Sterlite Power Technologies Private Limited (SPTPL) to Twin Star Overseas Limited for consideration at such price not less than the cost of the said securities appearing in the books of the Company. The consideration will be discharged by Twin Star Overseas Limited to the Company in cash as below:

(i) For TSTL shares ₹ 5 Lacs

(ii) For SPTPL shares ₹ 1 Lacs

(e) Date(s) of approval by the Board, if any: May 18, 2015 for TSTL and January 28, 2016 for SPTPL

(f) Amount paid as advances, if any: - **Not Applicable**

For **Sterlite Technologies Limited**

Place: Pune
Date: May 26, 2016

Pravin Agarwal
Vice Chairman &
Whole-time Director

Anand Agarwal
CEO &
Whole-time Director

ANNEXURE - VI TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2015-16

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company believes that in partnership with Government of India, and other development players (both national and international) the Company can positively impact and contribute to realization of integrated development for rural, semi-urban and urban areas. Sustainable development of our businesses is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially our neighbors and communities the Company work with.

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 FY 2015-16, which will remain focus area for Company's CSR activities in future as well.

A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken are covered in Company's CSR Policy which can be seen on the link as mentioned herein below:

Weblink: https://www.sterlitetech.com/Code-of-Conduct-and-Policies

2. The Composition of the CSR Committee.

(a) Mr. Arun Todarwal (Independent Director)

(b) Mr. A.R. Narayanaswamy (Independent director)

(c) Mr. Pravin Agarwal

(d) Dr. Anand Agarwal

3. Average net profit of the company for last three Financial Years.

Average net profit : ₹ 80.30 crores.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above).

The company is required to spend 2% of last three year average net profit: ₹ 1.61 crores

5. Details of CSR spent during the Financial Year.

(a) Total amount to be spent for the Financial Year: ₹ 1.61 crores

(b) Amount unspent, if any: NIL

(c) Amount Actually spent on CSR: ₹ 2.23 crores (approx. 3%)

(d) Manner in which the amount spent during the Financial Year is detailed below.

Sr. No.	CSR project or Activity Identified.	Sector	Location	Amount outlay (budget) project or programs wise (Lacs)	Amount spent on the projects (Lacs)	Cumul-ative expenditure upto to the reporting period (Lacs)	Amount spent: Direct or through implementing agency *
1	Jeewan Jyoti Women empowerment through vocational skill training program Running currently three skill programs viz, Patient Assistant, Computers and Tailoring with placement support in rural area.	Skill development /vocational training	Pune	92.80	108.01	164.77	Direct
2.	Virtual Classroom project: technology based quality education program for urban slum underprivileged children. Joint initiative of Sterlite Tech Foundation and Mumbai Corporation.	Education	Mumbai	53.00	56.94*	83.83	Direct
3.	Education needs, curricular development, preservation of heritage culture.	Education	Pune	15	17.41	28.92	Direct
4.	Model village : Pophala Development of village through quality education initiatives, Basic health care services, women empowerment, Agricultural development, Natural resource Management (Check dams, contours, green zone development, etc)	Education, Health, Empowerment and social Infrastructure	Aurangabad	3.90	3.90	17.84	Direct
5.	Project 'Sight First ' providing the vision to the elders and empowering them. The eye cataract operations initiative	Health	Aurangabad	3.5	3.5	5.25	In-direct
6.	Patient Assistant vocational training program for Girls/ women with 100% placement in hospitals.	Empowerment Skill training	Aurangabad	4.55	4.55	7.6	In-direct (SPMESM)

Sr. No.	CSR project or Activity Identified.	Sector	Location	Amount outlay (budget) project or programs wise (Lacs)	Amount spent on the projects (Lacs)	Cumul-ative expenditure upto to the reporting period (Lacs)	Amount spent: Direct or through implementing agency *
7.	Medical Mobile Unit : providing basic health care services in rural areas, Health awareness, preventive care, addressing local health issues, etc	Health	Silvassa	13.20	13.20	22.20	In-direct (Indian Red Cross Society)
8.	Support to Sports & Education	Health & Education	Silvassa	16.05	16.00	18.62	In-direct (Bharti Foundation & SSR Memorial Trust)
	TOTAL			202.00	223.51	349.03	

Details of implementing agency: 1. Jnana Prabodhini, Pune, 2. Swaroop Wardhini, Pune, 3. Savitribai Phule Mahila Ekta Samaj Mandal, Aurangabad, 4. Global Medical Foundation and Dr Nayana Research Centre, Aurangabad, 5. Indian Red Cross Society, Silvassa, D&NH, 6. SSR Memorial Foundation, Silvassa 7. Bharti Foundation, Delhi 7. Shree Bhartiya Sanskriti, Kolkata 8. Swami Dayanand Education Society, 9. Pearson education services Pvt. Ltd.

Note:- All CSR activities have been carried out directly by the Company through administrative support of several Implementing Agencies as mentioned above and other Non-Governmental Organisations or Charitable Institutions.

1. In case the company has failed to spend the two per cent of the average net profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report. – Not Applicable

2. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company, is reproduced below

   'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

Place: Pune
Date: May 26, 2016

Anand Agarwal
CEO & Whole-time Director

Arun Todarmal
Chairman CSR Commitee

ANNEXURE - VII TO THE DIRECTORS' REPORT

A. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2015-16.

(₹ In Crores)

S. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for Financial Year 2015-16	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees
1.	Mr. Anil Agarwal, Non-Executive Chairman	Nil	Nil	Nil
2.	Mr. Pravin Agarwal, Vice Chairman & Whole-time Director	9.55	25%	233
3.	Dr. Anand Agarwal (KMP), CEO & Whole-time Director	5.27	67%	128
4.	Mr. Arun Todarwal, Independent Director	0.18	20%	4
5.	Mr. A. R. Narayanaswamy, Independent Director	0.16	7%	4
6.	Mr. C. V. Krishnan, Independent Director	0.03	-25%	1
7.	Ms. Avaantika Kakkar*, Independent Director	0.15	150%*	4
8.	Mr. Pratik Agarwal, Non-Executive Director	0.16	33%	4
9.	Mr. Anupam Jindal (KMP), Chief Financial Officer	1.34	30%	33
10.	Mr. Amit Deshpande (KMP), Company Secretary	0.38	81%	9

*Remuneration paid to Ms. Kakkar in FY 14-15 was for part of the year. Hence the % increase in remuneration would not be comparable.

Note: As the liabilities for leave encashment are provided on an actuarial basis for the Company as a whole, the said amounts are not included above.

B. The percentage increase in the median remuneration of employees in the Financial Year is 5.6%.

C. The number of permanent employees on the rolls of company is 1798 (as on 31st Mar, 2016 excluding Power Business).

D. The explanation on the relationship between average increase in remuneration and Company performance:- The Key Performance Indicators (KPI) are set for each year with main focus on Order Bookings, Revenues, Profits, etc. which are keenly monitored and measured against the set targets. With increase in PAT and healthy order bookings the average percentage in increment is finalised.

E. Comparison of the Remuneration of the KMP against the performance of the Company:- The average percentage increase in the remuneration of Key Managerial Personnel was 37.7% whereas the Profit after Tax of the Company was increased by 28%.

F. (a) Variations in the market capitalisation of the company: March 31, 2016 was ₹ 3,580 crores (₹ 2,159 crores as on March 31, 2015).

(b) Price earnings ratio of the Company was 24x (Telecom Consol Basis) as at March 31, 2016 and was 18x as at March 31, 2015 (Telecom Consol Basis).

(c) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer: Sterlite Technologies Limited was formed by the demerger of the erstwhile division of Sterlite Industries (India) Limited as per the scheme approved by Hon. Bombay High Court on August 2, 2000. The closing share price (post adjusting for bonus and split) after the trading commenced on 26 October 2000 was ₹ 181.42 and the closing share price as on 31st March 2016 was ₹ 90.6 indicating the decrease of 50%.

G. Average percentile increase made in the salaries of employees other than the managerial personnel in the last Financial Year viz. FY 2015-16 was 10.8%.

H. The key parameters for any variable component of remuneration availed by the directors are considered by the Board of Directors based on the business performance against the Key Performance Indicators set for business and also as per recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

I. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable

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

CORPORATE GOVERNANCE REPORT

1. 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 involving moral hazard. All actions and strategic plans are directed towards delivering value to all stakeholders, as well as conform to the highest standards of corporate behavior. Your Company perceives good corporate governance practices as a 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. All actions and strategic plans are directed towards delivering value to all stakeholders, as well as conform to the highest standards of corporate behavior. Excellence is our only core value. Your Company is continuously striving to attain excellence in products, facilities, packaging and transportation, accompanied by excellent documentation and backed by client service. Similar to our personal performance monitoring, wherein our focus is towards being outstanding or excellent, all our products and business processes need to be 'Excellent' - first in our own perception and then in our customers' perception. So, as we move forward, 'Excellence' will be the unique value for Sterlite - which drives us, and against which we measure ourselves.

The Company has 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 realize the goals that are laid down by the Board and the Executive Committee.

2. BOARD OF DIRECTORS

The Board of Directors consists of two Whole Time Directors and six Non-Executive Directors including one woman director. Mr. Anil Agarwal is Non-Executive Chairman. In the Board Meeting held on May 18, 2015, Mr. Pravin Agarwal was elected as the Vice Chairman of the Board of Directors of the Company. In the absence of Mr. Anil Agarwal, the meetings are chaired by Mr. Pravin Agarwal, Vice Chairman & Whole-time Director. The Board composition is in compliance with the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), requiring that not less than half the Board of Directors should consist of Independent Directors.

DISCLOSURES/INTEREST IN OTHER COMPANIES

All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under Listing Regulations. None of the Directors on the Company's Board 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. All the Directors have made necessary disclosures regarding Committee positions and Directorship held by them in other companies. The appointment of the Whole-time Directors, including the tenure and terms of remuneration are also approved by the members.

BOARD MEETINGS

During the Financial Year 2015-16, six meetings of the Board of Directors were held on April 20, 2015; May 18, 2015; July 23, 2015; September 21, 2015; October 26, 2015 and January 28, 2016. The maximum time-gap between any two consecutive meetings did not exceed one hundred and twenty days. Video/Tele-conferencing facilities are made available to facilitate Directors travelling abroad, or present at other locations, to participate in the meetings. All material information was circulated to the directors before the meeting or placed at the meeting including the minimum required information as enumerated in Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of the Listing Regulations is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board reviews the declaration made by the Chief Executive Officer regarding compliance with all applicable laws on a quarterly basis as also steps taken to remediate instances of non-compliances, if any. Chief Executive Officer and Chief Financial Officer have certified to the Board in accordance with Listing Regulations pertaining to CEO and CFO certification for the Financial Year ended March 31, 2016.

The composition of the Board of Directors, their attendance in Board Meetings and last Annual General Meeting, number of other Directorship(s) and Committee membership(s)/ chairmanship(s) and their shareholding details in the Company are as follows:

Name	Designation	Board Meetings attended	Attendance at the Last AGM	Directorships in other Companies[1]	Committee Memberships & (Chairmanships) in other Companies[3]	Number of shares held in the Company
Anil Agarwal	Non- Executive Chairman	02	No	03	Nil	Nil
Arun Todarwal[2]	Non-Executive	06	Yes	09	07 [03]	1,925
A. R. Narayanaswamy[2]	Non-Executive	05	No	10	09 [03]	Nil
C V Krishnan[2]	Non-Executive	04	No	Nil	Nil	Nil
Avaantika Kakkar [2]	Non-Executive	05	No	09	09	Nil
Pravin Agarwal	Vice Chairman & Whole-time Director	06	Yes	06	Nil	6,54,500
Anand Agarwal	CEO & Whole-time Director	06	No	07	Nil	4,68,520
Pratik Agarwal	Non-Executive	06	No	09	Nil	3,74,640

1. All public, private, foreign, Section 8 Companies are included.

2. Independent Directors

3. Includes only Audit and Stakeholders' Relationship Committees.

Notes:

(a) Mr. Pravin Agarwal and Dr. Anand Agarwal, Whole-time Directors of the Company, are not appointed as Independent Director of any Listed Company.

(b) Mr. Anil Agarwal and Mr. Pravin Agarwal are brothers. Mr. Pratik Agarwal is son of Mr. Pravin Agarwal

(c) None of the Independent Directors' of the Company served as Independent Director in more than 7 listed companies

3. COMMITTEES OF THE BOARD

I. AUDIT COMMITTEE

The Company has the Audit Committee which is governed by a Charter which is in accordance with the requirements of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The primary objective of the Audit Committee of the Board of Directors of a Company 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. Review of the Company's financial reporting process and the disclosure of its financial information to ensure the financial statement is correct, sufficient and credible.
2. Reviewing the adequacy of internal audit function, the structure of the internal audit department, reporting structure coverage and frequency of internal audit.
3. Recommending the appointment, terms of appointment and removal of statutory auditor and the fixation of audit fees, payment to Statutory Auditors for any other services rendered and any other related payments.
4. Reviewing the Statutory and Internal Auditor's independence and performance and scrutinizing the effectiveness of the entire Audit process.
5. Reviewing the adequacy of Internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage.
6. 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.
7. Reviewing, with the management, the quarterly and annual financial statements and the Auditors' report before submission to the board for approval, focusing primarily on:
   (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report.
   (b) Compliance with accounting standards and changes in accounting policies and practices and reasons for the same.
   (c) Major accounting entries involving estimates based on exercise of judgment by Management.
   (d) Audit Qualifications and significant adjustments arising out of audit.
   (e) Significant adjustments made in the financial statements arising out of Audit findings.
   (f) Compliance with listing and other legal requirements relating to financial statements.
   (g) Disclosure of any related party transactions.
8. 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.
9. Reviewing with management, the periodical financial statements.
10. Reviewing with the management, external and internal auditors, the adequacy of internal financial control systems, frequency of internal audit, significant findings by internal auditors and follow up there on.
11. Discussion with external auditors, nature and scope of audit as well as have post-audit discussions.
12. Reviewing the Company's financial and risk management policies.
13. Reviewing Whistle Blower Mechanism (Vigil mechanism as per of the Companies Act, 2013)
14. Reviewing Management Discussion and Analysis Report, Management letters / letters of internal control weaknesses issued by the statutory auditors, if any; Internal audit reports relating to internal control weaknesses.
15. Approving any transactions or subsequent modifications of transactions with related parties.
16. Reviewing inter-corporate loans and investments.
17. Valuation of undertakings or assets of the Company, if necessary.
18. Reviewing of financial statements and investments made by subsidiary companies.
19. Look into the 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;

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

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

COMPOSITION AND MEETINGS

The Audit Committee comprises of three Non-Executive Directors who are independent and one Executive Director. The representatives of internal and statutory auditors are permanent invitees of the Audit Committee. Mr. Arun Todarwal, Chairman of the Committee (Non-Executive Independent Director) is a Chartered Accountant and has accounting and financial expertise. The other Committee members are financially literate. The quorum of the Committee is two members or one-third of its members, whichever is higher which should include two independent directors.

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company. The Audit Committee met five time for the Financial Year 2015-16 on May 18, 2015; July 23, 2015; September 21, 2015; October 26, 2015 and January 28, 2016. The Composition of the Audit Committee and attendance at committee meetings is as follows:

Name	Category	Number of Meetings attended
Arun Todarwal, Chairman	Non-Executive & Independent	05
A. R. Narayanaswamy	Non-Executive & Independent	04
C V Krishnan	Non-Executive & Independent	03
Pravin Agarwal	Vice Chairman & Whole-time Director	05

The meetings are usually attended by the Executive Directors, the Statutory Auditor, Internal Auditor, and the Chief Financial Officer. The Business and Operation Heads are also invited to the meetings, as required. The Company Secretary acts as the Secretary to the 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 contemplated under Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors.

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 and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying 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;
5. Administration of Employee Stock Option Scheme(s);
6. Reviewing and recommending the remuneration of Whole-time Directors of the Company.

COMPOSITION AND MEETINGS

The Committee comprises three Non-Executive Directors, who are Independent. Mr. Arun Todarwal is the Chairman of the Committee. The Chairman of the Committee was present at the last Annual General Meeting. The Committee met thrice during the Financial Year 2015-16 on May 18, 2015; October 26, 2015 and January 28, 2016. The Composition of the Nomination and Remuneration Committee and attendance at Committee meetings is as follows:

Name	Category	Number of Meetings attended
Arun Todarwal, Chairman	Non-Executive & Independent	03
A. R. Narayanaswamy	Non-Executive & Independent	03
C V Krishnan	Non-Executive & Independent	01

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee oversees redressal of stakeholders' grievances. The Committee composition is given below. The Committee met four times during the Financial Year 2015-16 on May 18, 2015; July 23, 2015; October 26, 2015 and January 28, 2016. During the year, the Company received 212 complaints for various matters like non-receipt of share certificates, non-issue of duplicate certificates, rejection of demat request, etc. All the complaints were resolved by the Company to the satisfaction of investors. The details of Committee meetings and attendance of Directors are as under:-

Name	Category	Number of Meetings attended
Avaantika Kakkar, Chairperson	Non-Executive & Independent	03
Arun Todarwal	Non-Executive & Independent	04
Pravin Agarwal	Vice Chairman & Whole-time Director	04

IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the Corporate Social Responsibility Policy. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013 and rules made thereunder. The terms of reference of the Corporate Social Responsibility Committee 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.

The Corporate Social Responsibility Committee met once during the Financial Year 2015-16 on May 18, 2015. The Composition of the Corporate Social Responsibility Committee is as follows:

Name	Category	Number of Meetings attended
Arun Todarwal, Chairman	Non-Executive & Independent	01
A.R. Narayanaswamy	Non-Executive & Independent	01
Pravin Agarwal	Vice Chairman & Whole-time Director	01
Anand Agarwal	CEO & Whole-time Director	01

4. SEPERATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on March 22, 2016 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.

5. 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 the processes for evaluation of performance of Independent Director and the Board.

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. A structured evaluation was conducted after taking into consideration inputs received from the Directors, covering various aspects including but not limited to knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

(a) Appointment criteria and qualification:

The N&R Committee 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 Companies Act, 2013 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 Companies Act, 2013 or under any other applicable Acts, 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 N&R 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 N&R Committee 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 Companies Act, 2013 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 Companies Act, 2013 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 Companies Act, 2013 and Listing Regulations, as amended from time to time.

DETAILS OF REMUNERATION PAID TO THE DIRECTORS

Mr. Pravin Agarwal and Dr. Anand Agarwal are the two 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, 2015. 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 was appointed as Whole-time Director and designated as Chief Executive Officer of the Company for a period of 5 years with effect from July 30, 2015. As per the terms of appointment, the agreement can be terminated by giving 90 days' notice or equivalent pay by either of the sides.

A sitting fee of ₹ 50,000/- for attendance at each meeting of the Board and ₹ 25,000/- for Audit Committee, and ₹ 10,000/- for meetings of other Committees is paid to its Members (excluding Executive Directors). The remuneration by way of commission to the 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, the 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) is as follows:

(₹ in lacs)

Director	Salary / Perquisites*	Incentive/ Commission	Sitting Fee	Total
Anil Agarwal	-	-	-	-
Arun Todarwal	-	12.50	5.55	18.05
A. R. Narayanaswamy	-	12.50	3.90	16.40
C V Krishnan	-	-	2.85	2.85
Avaantika Kakkar	-	12.50	2.80	15.30
Pravin Agarwal	880.27	75.00	-	955.27
Anand Agarwal	441.64	85.00	-	526.64
Pratik Agarwal	-	12.50	3.00	15.50

* As the liabilities for leave encashment are provided on an actuarial basis for the Company as a whole, the said amounts are not included above.

Note: Under ESOP 2010 Scheme, Dr. Anand Agarwal was granted 1,00,000 Stock Options on December 29, 2011 (Grant I); 1,80,000 Stock options on April 30, 2014 (Grant III) and 3,50,000 stock options on March 30, 2015 (Grant IV), each option convertible in one equity share of ₹ 2 each. Out of these, 30,000 options (Grant I) and 1,80,000 options (Grant III) are eligible for vesting during the period of five years, as per the scheme. During the year under review 3,000 (Grant I) and 90,000 (Grant III) options vested, in respect of which equal shares were allotted to Dr. Anand Agarwal, on exercise.

6. INDUCTION AND TRAINING OF BOARD MEMBERS

On 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 Whole-time Director & CEO on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Directors about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site etc. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members. The familiarization programme of directors forms part of Nomination and Remuneration Policy of the Company and can be viewed on the website of the Company in "Investors" section at the link https://www.sterlitetech.com/Code-of-Conduct-and-Policies

7. PROFILE OF DIRECTOR TO BE APPOINTED/REAPPOINTED

Sr. No.	Particulars as on April 1, 2016
	Mr. Pratik Agarwal (DIN: 03040062, Date of Birth- December 2, 1982 ; Date of Joining Board – April 26, 2013; Shareholding – 3,74,640) Mr. Pratik Agarwal is a Vice Chairman of Sterlite Power Grid Ventures Limited and a Non-Executive Director of Sterlite Technologies Limited. He joined Vedanta Group in 2004. Under his leadership, the Group entered the power transmission business and has bagged 10 critical projects including first 765 kV project by a private player. Because of his astute business skills, Pratik leads strategic business initiatives in the infrastructure ownership space as a well as corporate strategy for the organization. He is also playing an active role in policy advocacy as a Chairman of FICCI Task Force on Power Transmission & Electric Power Transmission Association. Pratik is a graduate in Business Administration from The Wharton School, University of Pennsylvania, and has an MBA from London Business School
	Directorships including Memberships and Chairmanships of Committees in other Companies 1. Speedon Network Limited 2. Sterlite Ports Limited 3. Sterlite Infraventures Limited 4. Pragun Jindal Philanthropic Organisation 5. Jindal Aluminium Limited. 6. Sterlite Power Grid Ventures Limited 7. Vizag General Cargo Berth Private Limited 8. Paradip Multi Cargo Berth Private Limited 9. Maritime Ventures Private Limited

8. GENERAL BODY MEETINGS / COURT CONVENED MEETING

GENERAL BODY MEETINGS

During the preceding three years, the Company's Annual General Meetings were held at Survey No. 68/1, Madhuban Dam Road, Rakholi – 396230, Union of Territory of Dadra & Nagar Haveli, India (then Registered Office of the Company). The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

Date	Time	Special Resolutions Passed
August 6, 2013	12:30 pm	NIL
August 19, 2014	12.30 pm	• Enhancement of Borrowing Limit in terms of Section 180(1)(c) of the Companies Act, 2013
		• Creation of Charge/Mortgage etc. on the Company's movable or immovable properties, in terms of Section 180(1)(a) of the Companies Act, 2013
		• To offer or invite for subscription of Non-Convertible Debentures on private placement basis
		• Raising of the funds through Qualified Institutions 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
		• Approve related party transactions

Date	Time	Special Resolutions Passed
August 04, 2015	12.30 pm	• Re-appointment of Mr. Pravin Agarwal as a Whole-time Director of the Company
		• Re-appointment of Dr. Anand Agarwal as a Whole-time Director of the Company
		• Payment of remuneration to Non-Executive Directors of the Company
		• To offer or invite for subscription of Non-Convertible Debentures on private placement basis
		• Raising of the funds through Qualified Institutions 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 adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013
		• Approve related party transactions

The Company had provided facility of e-voting pursuant to provisions of the Companies Act, 2013 and the Listing Regulations to its Members. A scruitinizer was appointed by the Company to monitor and review the e-voting process. On completion of e-voting process, the Scruitinizer presented a report to the Chairman. All the resolutions were passed with requisite majority.

COURT CONVENED MEETING

Court Convened Meeting of the Shareholders of the Company was held on December 15, 2015 at Sterlite Technologies Limited, Centre Of Excellence, E1, MIDC Area, Waluj,Aurangabad - 431 136 to approve Scheme of Arrangement between Sterlite Technologies Limited and Sterlite Power Transmission Limited and their respective shareholders and creditors under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013, which was passed with requisite majority.

POSTAL BALLOT

During the Financial Year 2015-16 the Company conducted 2 Postal Ballots, details of which are provided below.

1. Postal Ballot - Shifting of Registered Office

Particulars	Details
Board Meeting Approval Date	May 18, 2015
Cut off Date	June 12, 2015
Voting Start Date & Time	June 29, 2015 10.00 am
Voting End Date & Time	July 28, 2015 5.00 pm
Number of Resolutions	1
Result Date/Date of Passing resolution	July 30, 2015

Person who conducted the Postal Ballot Exercise: Mr. Narasimhan, Proprietor BN & Associates

Details of Voting Pattern for Postal Ballot

Particulars	Type of resolution	No. of Votes Polled	Votes cast in favour		Votes cast against	
			No. of shares	%	No. of shares	%
Shifting of registered office of the Company from the Union territory of Dadra and Nagar Haveli to the State of Maharashtra at Aurangabad	Special	241252361	241246427	99.998	5934	0.02

The resolution was passed with requisite majority.

2. Postal Ballot – Approval of ESAR 2016 and ESOP 2016 Schemes

Particulars	Details
Board Meeting Approval Date	January 28, 2016
Postal Ballot Notice Date	January 28, 2016
Cut-off Date for AGM/EGM	February 19, 2016
Voting Start Date & Time	February 28, 2016 10.00 am
Voting End Date & Time	March 28, 2016 5.00 pm
Number of Resolutions	4
Result Date/ Date of passing resolutions	March 30, 2016

Person who conducted the Postal Ballot Exercise: Mr. Narasimhan, Proprietor BN & Associates

Details of Voting Pattern for Postal Ballot

Particulars	Type of resolution	No. of Votes Polled	Votes cast in favour		Votes cast against	
			No. of shares	%	No. of shares	%
Sterlite Technologies Limited Employee Stock Appreciation Rights 2016 and grant of Stock Appreciation Rights (SARs) to the employees of the Company thereunder	Special	253146837	242668082	95.86	10478755	4.14
Approval of Grant of Stock Appreciation Rights (SARs)/options to the Employees/ Directors of the Subsidiary Company (ies) of the Company under ESAR 2016.	Special	253146737	242663372	95.86	10483365	4.14

Particulars	Type of resolution	No. of Votes Polled	Votes cast in favour		Votes cast against	
			No. of shares	%	No. of shares	%
Approval of Sterlite Technologies Limited Employee Stock Option Plan 2016 ("ESOP 2016")	Special	253146637	237143432	93.68	16003205	6.32
Approval of Grant of options to the Employees/Directors of the Subsidiary Company (ies) of the Company under ESOP 2016.	Special	253146237	237137612	93.68	16008625	6.32

The resolutions were passed with requisite majority.

Procedure for Postal Ballot

Pursuant to Section 108 & 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company provides with the facility to shareholders to exercise their right to vote on the matters set out in the postal ballot by electronic means i.e. through e-voting services provided by M/s. Karvy Computershare Private Limited, Registrar and Share Transfer Agent (RTA). The Postal Ballot Notice are sent to all the members of the Company whose names appear on the Register of Members / Beneficial owners from National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) as on the cut-off date.

Members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot in physical Form through post/courier. The voting rights of members shall be in proportion to their share of the paid up equity share capital of the Company as on cut-off date.

Members desirous of exercising their votes through physical ballot forms are requested to return the form duly completed and signed in the attached self-addressed, business reply envelope, so as to reach the Scrutinizer before close of voting period. Members desirous of exercising their votes through e-voting are requested to complete the process of e-voting before closure of business hours of last day for e-voting.

The Scrutinizer submits his report to the Chairman or in his absence, any person authorised by him, after the completion of the scrutiny of the postal ballots (physical and e-voting). The results of the voting by Postal Ballot are announced at Corporate Office of the Company situated at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune – 411 001 and are also displayed at the Registered Office of the Company at E 1, MIDC Area, Waluj, Aurangabad – 431 136 and the Corporate Office of the Company. The results of the Postal Ballot, along with the scrutinizer's report, will on such announcement date, are posted on the Company's website: www.sterlitetech.com and Karvy Computershare e-voting website i.e. https://evoting.karvy.com besides communicating to the Stock Exchanges where the Company's shares are listed. The date of declaration of the results of the Postal Ballot by the Company is deemed to be the date of passing of the said resolution.

9. SUBSIDIARY COMPANIES

The Company does not have any material subsidiary company. The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Listing Regulations and the same is displayed on the website of the Company at link https://www.sterlitetech.com/Code-of-Conduct-and-Policies.

Annual Financial Statements of the subsidiary companies are placed before the Audit Committee and the Board of the Company. Significant issues pertaining to all subsidiary companies are also discussed at Audit Committee meetings. Apart from disclosures made in the Directors' Report there were no strategic investments made by the Company's non-listed subsidiaries during the year under review. The performance of all its subsidiaries is also quarterly reviewed by the Board. The minutes of all the subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to significant transactions and arrangements entered into by the subsidiary companies.

10. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the Financial Year were in the ordinary course of business (except for those mentioned in AOC 2) and on an arm's length pricing basis. There were no materially significant transactions with related parties during the Financial Year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has 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.sterlitetech.com/Code-of-Conduct-and-Policies.

11. IMPLEMENTATION OF 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 www.sterlitetech.com. The Code serves as a guide to the employees of the Company to make informed and prudent decisions and act on them. As required under the Listing Regulations, the affirmation of compliance with the Code from Directors and Senior Management personnel has been obtained for this Financial Year. Further, the Company is committed to maintaining a productive environment for all its employees at various levels in the organization, free of sexual harassment & discrimination on the basis of gender. Towards this, the Company has framed the 'Policy on prevention and prohibition of sexual harassment'.

12. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of trading by insiders of the Company ("the Code") as per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code is effective from May 18, 2015. The Code requires pre-clearance for dealing in the Company's securities 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. The Company Secretary is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code for Financial Year 2015-16. Various forms have been designed to receive periodical information from the Directors, Officers and Designated Employees of the Company, as required in terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Further, the Trading Window for dealing in securities of the Company has been closed for the Directors and employees of the Company as per the Code. Timely disclosures are made to the Stock Exchanges of the transactions by any employee or director in excess of ₹ 10 Lakhs in a quarter.

13. DISCLOSURE REGARDING PREVENTION OF SEXUAL HARASSMENT

The company is committed to maintaining a productive environment for all its employees at various levels in the organization, 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. The Company has also set up "Prevention of Sexual Harassment Committee" ("the Committee") to redress the Complaints received regarding sexual harassment.

The Committee has not received any complaints of sexual harassment during the Financial Year -2015-16.

14. RECONCILIATION OF SHARE CAPITAL AUDIT

1. Pursuant to Regulation 40(9) of the Listing Regulations, the Company submits to Stock Exchanges, a certificate, on half yearly basis, issued by a Company Secretary in Practice for due compliance of share transfer formalities by the Company.
2. A qualified Practising Company Secretary carried 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 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 dematerialized form (held with NSDL and CDSL).

15. DISCLOSURES

(a) Disclosures on materially significant related party transactions - As required under Accounting Standard 18, transactions with related parties are furnished under Note 46 of Notes to the Accounts. There are no transactions of material nature with the Promoters , Directors or their relatives that may have potential conflict with the interest of the Company. Disclosures have been received from Directors and Senior Management relating to the financial transactions in which they or their relatives may have personal interest. However, none of these transactions have a potential conflict with the interest of the Company at large. The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization 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.

(b) The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter relating to capital markets.

(c) The Company has a Vigil mechanism and adopted a 'Whistleblower Policy', which has been communicated to all employees along with Code of Business Conduct & Ethics. The Whistleblower policy is the mechanism to help the directors, employees of the Company, 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 victimization, subsequent discrimination or disadvantage. The policy encourages to raise 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 sent to the designated E-Mail ID: stl.whistleblower@vedanta.co.in. The Director - Management Assurance reviews the 'Complaint', and may investigate it himself or may assign another person to investigate, or assist in investigating the 'Complaint'. At least once in every six months and whenever else as deemed necessary, Director – Management Assurance submits a report to the Audit Committee and any other member of Company management that the Audit Committee directs to receive such report, that summarizes each 'Complaint' made within the last 12 months. The Whistleblower Policy also contains mechanism of redressal available for directors, employees of the Company, its subsidiaries and all external stakeholders, if they feel that they has been retaliated against due to disclosure of concern. No person has been denied access to the Audit Committee. The Whistleblower policy has also been extended to external stakeholders like vendors, customers, etc. The details of the Whistleblower Policy are available at the link https://www.sterlitetech.com/Code-of-Conduct-and-Policies.

(d) The Company has complied with all the mandatory requirements of Regulation 27 read with Schedule II the Listing Regulations. Comments on adoption of non-mandatory requirements are given at the end of this report.

(e) The Company has not received any complaints relating to child labour, forced labour, involuntary labour and sexual harassment during the Financial Year 2015-16. As for protection against sexual harassment, the Company has formed an Internal Complaints Committee to which employees can write their complaints. Also the Company has Policy on prevention and prohibition of sexual harassment which has formalized a free and fair enquiry process with clear timeline.

(f) 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 analyze 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.

(g) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations. This Corporate Governance Report of the Company for the Financial Year ended as on March 31, 2016 are in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement or Listing Regulations, as applicable.

16. MEANS OF COMMUNICATION

(a) Quarterly Financial Results are published in English in all-India Editions of The Business Standard or The Economic Times and are also published in the Aurangabad Edition of Divya Marathi.

(b) Results are also posted on the Company's website: www.sterlitetech.com and the websites of BSE Limited and National Stock Exchange of India Limited.

(c) The Company also displays official news releases and the presentations made to institutional investors or to analysts on the website.

(d) Management Discussion & Analysis is a part of the Annual Report.

(e) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

(f) **BSE Corporate Compliance & Listing Centre (the Listing Centre):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.

(g) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

17. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	Day, Date – Tuesday, August 30, 2016 Time – 11 a.m. IST E 1 MIDC Industrial Area Waluj, Aurangabad - 431136, Maharashtra, INDIA
Book Closure Dates:	Saturday, August 27, 2016 to Tuesday, August 30, 2016 (both days inclusive)
Dividend Payment Date:	Dividend, if declared in the Annual General Meeting will be paid within the statutory time limits.

Financial Calendar for Financial Year 2016-17 (Financial Year April 1 to March 31)

First Quarter Results	End of July 2016
Half Yearly Results	End of October 2016
Third Quarter Results	End of January 2017
Fourth Quarter/Annual Results	End of April 2017

LISTING OF SHARES ON STOCK EXCHANGES

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. Annual listing fees for the Financial Year ended March 31, 2016 have been paid to BSE Limited and National Stock Exchange of India Limited. The Stock Codes of the Exchanges are as under:

Exchange	Code	Address
BSE	532374	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001
NSE	STRTECH	**National Stock Exchange of India Ltd.** Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051.

STOCK PRICE DATA

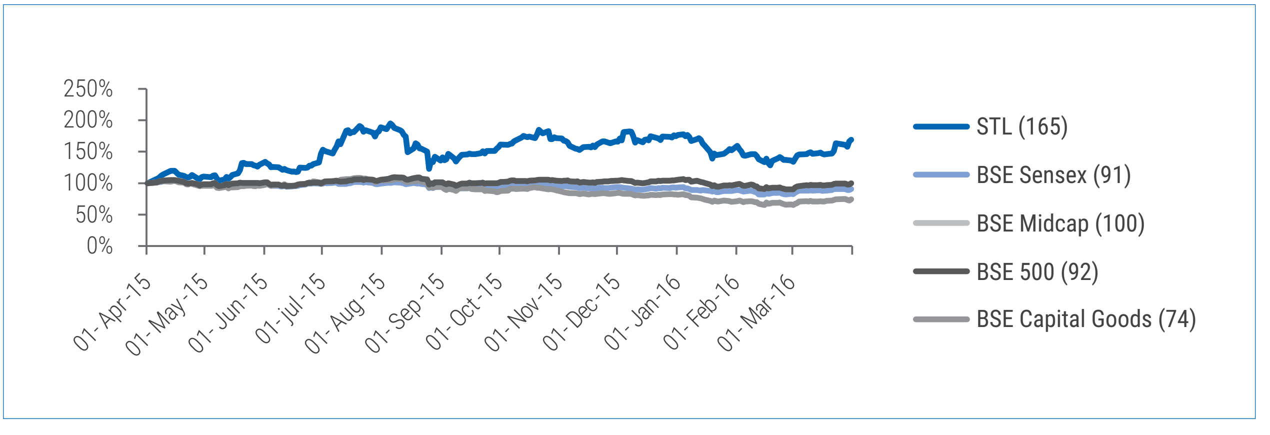
Stock Price data for the period April 1, 2015 to March 31, 2016 is as detailed below:

Month	Monthly High (₹) NSE	Monthly Low (₹) NSE	Monthly High (₹) BSE	Monthly Low (₹) BSE
Apr-15	67.45	54.70	67.40	54.80
May-15	76.20	56.60	76.20	56.45
Jun-15	85.90	63.40	85.95	63.50
Jul-15	106.90	78.40	106.90	78.55
Aug-15	109.90	65.65	109.90	65.70
Sep-15	89.15	72.30	89.25	72.25
Oct-15	101.90	87.50	101.85	87.60
Nov-15	94.00	80.00	94.00	80.50
Dec-15	108.55	88.10	108.50	88.50
Jan-16	99.50	75.10	99.60	74.40
Feb-16	87.95	69.50	88.05	69.40
Mar-16	93.70	73.45	93.65	73.30

Sources: Data Compiled from BSE & NSE official websites.

STOCK PERFORMANCE

The performance of the Company's stock prices is given in the charts below:



DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016

Sr. no	Category	Cases	% of Cases	No. of shares	% of shareholding
1.	1 - 5000	1,16,696	95.23	4,64,07,222	11.74
2.	5001- 10000	3,308	2.70	1,20,44,868	3.05
3.	10001 - 20000	1,335	1.09	95,63,633	2.42
4.	20001 - 30000	390	0.32	49,34,086	1.25
5.	30001 - 40000	229	0.19	40,58,385	1.03
6.	40001 - 50000	127	0.10	29,45,939	0.75
7.	50001 - 100000	247	0.20	84,80,862	2.15
8.	100001 & ABOVE	214	0.17	30,67,53,401	77.62
	Total	**1,22,546**	**100.00**	**39,51,88,396**	**100.00**

EQUITY HOLDING PATTERN AS ON MARCH 31, 2016

Category	Number of Shares	% of Equity
Promoter Group	21,61,92,101	54.71
Banks, Directors, Mutual Funds, Trusts, UTI, LIC, Govt & Insurance Companies, Indian Financial Institutions, etc.	4,83,06,364	12.22
Foreign Bodies Corporates, FIIs, Foreign National, Foreign Portfolio Investors and NRIs	1,93,16,933	4.89
Bodies Corporates	1,19,88,027	3.03
Individuals (Public) & HUFs	9,68,22,314	24.50
Clearing Members	5,76,038	0.15
GDRs	85,550	0.02
Others (Employees/NBFC)	19,01,069	0.48
Total	**39,51,88,396**	**100.00**

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's equity shares are compulsorily traded in the electronic form. As on March 31, 2016, 38,87,23,548 shares representing 98.36% 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.

UNPAID/UNCLAIMED DIVIDEND

In terms of section 124 of the Companies Act, 2013, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and protection Fund (IEPF). Unclaimed dividend(s) will be transferred to IEPF, within a period as stipulated under the Companies Act, 2013, as under:

- Dividend for the year 2008-09: Due for transfer from August 29, 2016
- Dividend for the year 2009-10: Due for transfer from August 19, 2017
- Dividend for the year 2010-11: Due for transfer from October 25, 2018
- Dividend for the year 2011-12: Due for transfer from October 17, 2019

- Dividend for the year 2012-13: Due for transfer from September 11, 2020
- Dividend for the year 2013-14: Due for transfer from September 24, 2021
- Dividend for the year 2014-15: Due for transfer from September 9, 2022

During the year under review, the dividend for the year 2007-08 amounting to ₹ 11,36,143/- which was unclaimed for a period of seven years from the date of transfer to unpaid dividend account, was transferred to the Investor Education Protection Fund (IEPF).

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 04, 2015 (date of last Annual General Meeting) on the Company's website (www.sterlitetech.com) and on the website of the Ministry of Corporate Affairs.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date & likely impact on equity – The Company has 85,550 GDRs outstanding as on March 31, 2016.

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, 2015	5487	21,74,110
Shareholders approached for transfer/delivery during FY 2015-16	36	14,150
Shares transferred/delivered during FY 2015-16	36	14,150
Balance as on March 31, 2016	5451	21,59,960

The voting rights on the shares in the suspense account as on March 31, 2016 shall remain frozen till the rightful owners of such shares claim the shares.

SHARE TRANSFER SYSTEM

Two Directors and some Executives of the Company have been given powers to deal with all the matters related to transfers, transmission, issuance of duplicate share/debenture certificates, split and/or consolidation requests. In addition, the Company Secretary and authorised officials of the Registrar and Transfer Agents of the Company have been given powers to endorse registration of transfers on share certificates. The Company's shares being in compulsory demat list are also transferred through the depository system. The Company has entered into agreements with both the depositories NSDL & CDSL. Karvy Computershare Private Limited, Hyderabad is the Registrar and Transfer Agent for both physical and electronic mode of transfer of shares. Transfers of shares held in the physical mode are approved on a 10 days cycle. Physical Shares sent for transfer are duly transferred within 10-15 days of receipt of documents, if found in order. Shares under objection are returned within 7-10 days.

REGISTRAR & TRANSFER AGENTS

Karvy Computershare Private Limited, Hyderabad 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 Karvy Computershare Private Limited at the following address:

Karvy Computershare Private Limited
(Unit – Sterlite Technologies Limited)
Karvy Selenium Tower-B | Plot No. 31 & 32,
Financial District, Gachibowli, Nanakramguda, Serilingampally
Hyderabad 500 008 India
Phone No.: +91 040 67161524
E-mail: einward.ris@karvy.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:

Sterlite Technologies Limited
4th Floor, Godrej Millennium
9 Koregaon Road, Pune – 411 001
Maharashtra, India
Phone: +91-20-30514000
Fax: +91-20-30514113 E-mail: communications@sterlite.com

REGISTERED OFFICE:

E1, MIDC Industrial Area,
Waluj, Aurangabad ,
Maharashtra
Pin - 431136 INDIA

DEBENTURE TRUSTEE

Axis Trustee Services Limited
Axis House, 2nd Floor, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli, Mumbai - 400025, Maharashtra, INDIA
Phone No. +91-22-24255216 Fax No. +91-22-24254200

DEPOSITORY BANK (GDRS)

Deutsche Bank AG
Trust & Securities Services
The Capital, C-70, G Block, 14th Floor,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051. India
Phone No. +91-22-71804386

PLANT LOCATIONS

Optical Fibre	• E1, E2, E3, MIDC, Waluj, Aurangabad – 431136, India • AL-23, Shendra MIDC SEZ, Aurangabad - 431 201, Maharashtra, India
Fibre Optic Cables & OPGW Cables	Survey No. 68/1, Rakholi Village, Madhuban Dam Road, Silvassa – 396230, Union Territory of Dadra & Nagar Haveli, India
Copper Telecom Cables & Structured Data Cables	Survey No. 33/1/1, Waghdara Road, Dadra – 396191, Union Territory of Dadra & Nagar Haveli, India

COMPLIANCE CERTIFICATE OF THE PRACTISING COMPANY SECRETARY

Certificate from Dr. K.R. Chandratre, Practising Company Secretary, confirming compliance with conditions of Corporate Governance as stipulated under Listing Regulations is attached to this Report.

The status of compliance in respect of non-mandatory requirements of Corporate Governance is as follows:

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. Also, results are uploaded on Company's website. The copy of results is furnished to all the shareholders who request for the same. Therefore, the Company does not circulate the half-yearly results to its shareholders.
3. Audit Qualifications
   Please refer to the explanation by the Board of Directors in the Directors' Report on the qualification of auditors on the accounts for the Financial Year 2015-16.
4. Separate Posts of Chairman and CEO
   The Company has separate posts of Chairman and CEO
5. Reporting of Internal Auditor
   The Internal Auditor of the Company reports directly to Audit Committee.

CEO AND CFO CERTIFICATION

The Chief Executive Officer and Whole-time 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 Chief Executive Officer and Whole-time 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 Listing Regulations. The annual certificate given by the Chief Executive Officer and Whole Time Director and the Chief Financial Officer is published in this Report.

CEO AND CFO CERTIFICATE
(As per Schedule II of Listing Regulations)

To,
The Board of Directors
Sterlite Technologies Limited

As per the requirements of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations); We, Dr. Anand Agarwal, CEO & Whole-time Director of the Company & Mr. Anupam Jindal, Chief Financial Officer (CFO) certify that:

1. We have reviewed financial statements and the cash flow statements of the Company and the subsidiaries for year ended March 31, 2016 and that 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for and that we have evaluated the effectiveness of the internal control systems of the Company. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. 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**

Place: Pune
Date: May 26, 2016

Dr. Anand Agarwal
CEO & Whole-time Director

Anupam Jindal
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, 2016.

For **Sterlite Technologies Limited**

Place: Pune
Date: May 26, 2016

Anand Agarwal
CEO & Whole-time Director

CERTIFICATE ON COMPLIANCE WITH CLAUSE 49 OF THE ERSTWHILE LISTING AGREEMENT AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015 BY STERLITE TECHNOLOGIES LIMITED

I have examined compliance by Sterlite Technologies Limited (the Company) with the requirements under Clause 49 of the erstwhile Listing Agreement entered into by the Company with the Stock Exchanges and under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) relating to corporate governance requirements for the year ended on 31 March 2016.

In my opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance under Clause 49 and under the Listing Regulations. The examination is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance Report of the Company.

I state that no investor's grievance is pending unresolved by the Company for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

I further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Pune
Date: May 26, 2016

Dr. K R Chandratre
Practising Company Secretary
FCS No. 1370.
Certificate of Practice No. 5144

INDEPENDENT AUDITOR'S REPORT

To the Members of Sterlite Technologies Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Sterlite Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements..

BASIS FOR QUALIFIED OPINION

As stated in Note no. 45(A) to the accompanying standalone financial statements, the Company had in an earlier year received an order of CESTAT upholding a demand of ₹ 188 crores (including penalties and excluding interest) (₹ 188 crores as at March 31, 2015) in a pending excise/customs matter. The Company's appeal against this order with the Honourable Supreme Court has been admitted. Based on the current status and legal advice received, provision for liability as recorded and disclosed in Note no. 8 in the accompanying standalone financial statements is considered adequate by Management. In the event the decision of the Honourable Supreme Court goes against the Company on any of the grounds of appeal, additional provision against the said demand may be required. Pending disposal of the matter by the Honourable Supreme Court, we are unable to comment on the adequacy of the provisions made towards the amount of excise / customs duty payable. Our audit opinion on the standalone financial statements for the year ended March 31, 2015 was also qualified in respect of this matter.

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by 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, 2016, of its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 ("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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose of our audit;
   (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
   (f) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;
   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report dated May 26, 2016 in "Annexure 2" to this report;
   (h) With respect to the other matters to be included in the Auditor's 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) Except for the possible effect of the matter described in the Basis for Qualified Opinion above, the Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Notes 8, 33 and 45(A) 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 8 and 10 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.

Place of Signature: Pune
Date: May 26, 2016

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number : 105754

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

Re: Sterlite Technologies Limited (the “Company”)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the company, except for leasehold land aggregating ₹ 5.83 crore acquired in an earlier year, for which registration of title deeds in the name of the Company is in progress.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public..

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013, related to the manufacture of data cables, 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 same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, service tax, sales tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs in Crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	188.00	2001–2003	Supreme Court
		0.70	2002-2003	Bombay High Court
		28.77	2001-2008	CESTAT
		6.45	2001-2003	Commissioner
Customs Act, 1962	Custom Duty	67.24	2001-2004	CESTAT
Finance Act, 1994	Service Tax	0.63	2003-2007	Bombay High Court

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government. As stated in Note no. 33 to the standalone financial statements, the Company continues to dispute amounts aggregating ₹ 18.87 Crores debited by a bank in the earlier years, towards import consignments under Letters 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.

(ix) In our opinion and according to information and explanations given by the management, monies raised by the company by way of term loans were applied for the purpose for which the loans were obtained. Further, according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments during the year.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and hence not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Place of Signature: Pune
Date: May 26, 2016

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number : 105754

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF STERLITE TECHNOLOGIES LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Sterlite Technologies Limited ("the Company") as of March 31, 2016 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

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 issued by the Institute of Chartered Accountants of India. 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified 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 Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2016:

The Company's internal financial controls over evaluation and assessment of provision for an excise/customs matter pending with the Honourable Supreme Court were not operating effectively which could potentially result in the Company not recognising sufficient provision there against.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2016, 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 issued by the Institute of Chartered Accountants of India , and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2016.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Sterlite Technologies Limited, which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 financial statements of Sterlite Technologies Limited and this report affects our report dated May 26, 2016, which expressed a qualified opinion on those financial statements.

Place of Signature: Pune
Date: May 26, 2016

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number : 105754

BALANCE SHEET AS AT 31 MARCH 2016

(All amounts in ₹ crores unless otherwise stated)

	Note	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	79.04	78.81
Reserves and surplus	4	735.92	1,163.84
		814.96	1,242.65
Non-current liabilities			
Long-term borrowings	5	327.01	988.74
Deferred tax liabilities (net)	6	54.14	49.58
Other long term liabilities	7	103.86	22.48
Long-term provisions	8	27.70	9.16
		512.71	1,069.96
Current liabilities			
Short-term borrowings	9	340.56	563.73
Trade payables	10	351.66	884.16
Other current liabilities	10	401.46	420.04
Short-term provisions	8	68.53	46.77
		1,162.21	1,914.70
TOTAL		2,489.88	4,227.31
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	736.34	907.51
Intangible assets	11	143.90	6.79
Capital work-in-progress		126.39	32.94
		1,006.63	947.24
Non-current investments	12	128.83	1,318.25
Long-term loans and advances	13	152.15	116.82
Trade receivables	14	0.39	10.27
Other non-current assets	15	0.73	0.42
		1,288.73	2,393.00
Current assets			
Current investments	16	-	55.00
Inventories	17	189.19	398.01
Trade receivables	14	740.92	898.72
Cash and bank balances	18	39.05	260.33
Short-term loans and advances	13	96.92	216.94
Other current assets	15	135.07	5.31
		1,201.15	1,834.31
TOTAL		2,489.88	4,227.31
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S R B C & Co LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

For and on behalf of the board of directors of **Sterlite Technologies Limited**

per Paul Alvares
Partner
Membership Number : 105754

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN Number : 00022096

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

Place : Pune
Date : May 26, 2016

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ crores unless otherwise stated)

	Note	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
INCOME			
Revenue from operations (gross)	19	2,166.73	3,224.47
Less : Excise duty	19	131.07	194.37
Revenue from operations (net)		2,035.66	3,030.10
Other income	20	16.87	44.81
Total Income (I)		2,052.53	3,074.91
EXPENSES			
Cost of raw material and components consumed	21	900.84	1,944.64
Purchase of traded goods	22	33.44	42.92
(Increase) / decrease in inventories of finished goods			
work-in-progress and traded goods	22	(12.71)	(34.69)
Employee benefits expense	23	182.21	150.95
Other expenses	24	502.29	585.05
Total expenses (II)		1,606.07	2,688.87
Earning before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		446.46	386.04
Depreciation and amortisation expense	25	107.13	107.74
Finance costs	26	92.29	179.28
Profit before tax		247.04	99.02
Tax expense:			
Current tax		52.77	27.43
Deferred tax	6	19.15	(18.10)
Income tax for earlier years		(5.93)	5.45
Total tax expenses		65.99	14.78
Profit for the year		181.05	84.24
Earnings per equity share [nominal value of share ₹ 2 (31 March 2015: ₹ 2)]	27		
Basic			
Computed on the basis of profit for the year (₹)		4.59	2.14
Diluted			
Computed on the basis of profit for the year (₹)		4.50	2.12
Profit (before interest and tax) for the year from ordinary activities attributable to Discontinuing Operations (Power Products and Solutions Business) included in the above. (Refer note 43E)		-	9.24
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S R B C & Co LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

per Paul Alvares
Partner
Membership Number : 105754

Place : Pune
Date : May 26, 2016

For and on behalf of the board of directors of **Sterlite Technologies Limited**

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN Number : 00022096

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

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
A. Cash flow from operating activities		
Net profit as per statement of profit and loss	181.05	84.24
Adjustment for taxation	65.99	14.78
Profit before tax	247.04	99.02
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	107.13	107.74
Provision for doubtful debts and advances	(46.93)	(5.94)
Provision for warranty	15.79	-
Bad debts / advances written off	49.36	25.44
Dividend from subsidiary	-	(0.74)
Balances no longer payable written back	(1.82)	(19.13)
Provision for diminution in value of investment in subsidiary company	-	(6.80)
Loss on sale of fixed assets	0.21	2.07
Employees stock option expenses	13.46	4.52
Income from investments	(0.42)	(14.70)
Finance costs	92.29	179.28
Interest income	(13.17)	(3.75)
Unrealized exchange difference	(0.99)	(12.77)
	214.92	255.22
Operating profit before working capital changes	461.96	354.24
Movements in working capital :		
Increase in trade payables	17.92	280.16
Increase in long-term provisions	2.02	3.98
Increase in short-term provisions	2.57	4.69
Increase in other current liabilities	45.77	16.94
Increase in other long-term liabilities	0.81	-
Increase in trade receivable	(204.10)	(246.72)
Increase in inventories	(26.82)	(98.60)
Increase in long-term loans and advances	(10.06)	(0.34)
Decrease/(increase) in short-term loans and advances	21.21	(43.97)
Decrease/(increase) in other current assets	(126.68)	2.07
Decrease in other non-current assets	0.13	0.20
Change in working capital	(277.22)	(81.60)
Cash generated from operations	184.74	272.64
Direct taxes paid (net of refunds)	(50.74)	(17.49)
Net cash flow from operating activities	134.00	255.15
B. Cash flow from investing activities		
Purchase of fixed assets, including capital work-in-progress and capital advances	(180.21)	(80.43)
Proceeds from sale of fixed assets	0.53	7.85
Acquisition of business (refer note 45F)	(187.37)	-
Investment in subsidiaries	(7.05)	(1,206.85)
Purchase of non-current investments	(1.60)	
Sale of Investment in subsidiaries	0.05	125.10
Proceeds of current investments (net)	55.42	0.42
Dividend from subsidiary	-	0.74
Proceeds of non-current investments	0.05	164.28
Share application money refund in subsidiaries	-	186.10
Investment in bank deposits (having original maturity of more than three months)	(10.02)	(218.69)
Redemption of bank deposits (having original maturity of more than three months)	218.08	16.55
Investment in margin money deposits	(7.60)	-
Advances given to subsidiaries / joint ventures	(22.10)	(194.79)
Repayment of advances from subsidiaries	0.14	691.14
Advances received from subsidiaries	1.24	0.61
Repayment of advances to subsidiaries	(0.26)	-
Interest received	14.38	70.99
Net cash flow used in investing activities	(126.32)	(436.98)

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
C. Cash flow from financing activities		
Proceeds of long term borrowings	170.17	500.00
Repayment of long term borrowings	(87.71)	(124.39)
Proceeds/(repayment) of short term borrowings (net)	(2.58)	10.21
Proceeds of issue of shares against employee stock options	0.22	0.04
Interest paid	(107.10)	(176.22)
Dividend paid on equity shares	(23.41)	(11.73)
Tax on equity dividend paid	(4.82)	(2.01)
Net cash flow from financing activities	(55.23)	195.90
Net decrease in cash and cash equivalents	(47.55)	14.07
Cash and cash equivalents as at beginning of year	41.64	27.57
Cash and cash equivalents taken over on amalgamation of subsidiary (refer note 45F)	27.24	-
Cash and cash equivalents transferred on demerger of Power Business of the Company (refer note 45E)	0.51	-
Cash and cash equivalents as at year end *	20.82	41.64

*The Cash and cash equivalents include balance of ₹ 1.58 crores (31 March 2015: ₹ 1.33 crores) which is not available for use by the Company.

Components of cash and cash equivalents:	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Balances with banks:		
On current accounts	19.20	40.27
On unpaid dividend account	1.58	1.33
Cash in hand	0.04	0.04
Total cash and cash equivalents (refer note 18)	20.82	41.64

As per our report of even date

For S R B C & Co LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

For and on behalf of the board of directors of **Sterlite Technologies Limited**

per Paul Alvares
Partner
Membership Number : 105754

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN Number : 00022096

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

Place : Pune
Date : May 26, 2016

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 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 Company is primarily engaged in the busines of Telecom products and solutions.

Telecom products and solutions mainly include integrated optical fibre, other telecom products such as fibre optical cables, copper telecom cables, structured data cables and access equipments, fibre connectivity and system integration solution offerings for telecom networks, OSS/BSS solutions, billing & bandwith management solutions to organizations and other service design, engineering, implementation and maintenance of Optical Fibre Cable (OFC) Network.

Power products and solutions business has been demerged and transferred to Sterlite Power Transmission Limited under a Scheme of Arrangement with effect from 1 April 2015 [refer Note 45(E)]

NOTE 2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention, except in case of assets which have been impaired and derivative financial instruments which have been measured at fair value.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy explained below.

2.1 Summary of significant accounting policies

Change in accounting policy

Component Accounting

The company has adopted component accounting as required under Schedule II to the Companies Act, 2013, from 1 April 2015. The company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of property, plant and equipment.

Due to application of Schedule II to the Companies Act, 2013, the company has changed the manner of depreciation for its fixed assets. Now, the company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is adjusted against reserves. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April 2015, is depreciated over their remaining useful lives.

Refer note 45 (C) for the impact of change in accounting policy.

(a) Use of estimates

The preparation of financial statements in conformity with the Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Tangible fixed assets

Fixed assets, are stated at cost (net of cenvat), net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs 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.

The company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from derecognition of fixed assets 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.

(c) Depreciation on tangible fixed assets

(i) Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets.

S. No.	Nature of assets	Useful life considered	Useful life specified in Schedule II of the Companies Act, 2013
1	Buildings (Factory/Office)	30/60 years	30/60 years
2	Plant and machinery (excluding S. No. 8 and 9)	3-20 years *	Continuous Process Plant - 25 years, Others - 15 years
3	Furniture and fixtures	7.5-10 years *	10 years
4	Data processing equipments	3-5 years *	Service and networks - 6 years and Desktops and laptop, etc. - 3 years
5	Office equipments	4-5 years *	5 years
6	Electric fittings	4-10 years *	10 years
7	Vehicles	4-5 years * #	8 years
8	Telecom - Ducts, Cables and Optical Fibre	18 years	18 years
9	Other telecom networks equipment	3-18 years *	13 years

* Considered on the basis of management's estimation, supported by technical advice, of the useful lives of the respective assets.
# Residual value considered as 15% on the basis of management's estimation, supported by technical advice.

(ii) Cost of leasehold land is amortised over the period of lease on a straight line basis.

(iii) Cost of capital and insurance spares is amortised over a period of four years.

(d) 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, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Customer acquisition costs consist of payments made to obtain consents/permissions for laying of fibre 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.

Softwares are amortised on a straight line basis over a period of 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 Court Order.

Intangible assets not yet available for use and intangible assets amortised over a period exceeding 10 years from the date they are available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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.

Research and development costs
Revenue expenditure on research activities is expensed as incurred.

(e) Leases

Where the company is lessee
Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value

of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term..

Where the company is the lessor
Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(f) Borrowing costs
Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an 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 respective asset. All other borrowing costs are expensed in the period they occur.

(g) Impairment of tangible and intangible assets
The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

(h) Government grants and subsidies
Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

(i) Investments
Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(j) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares, packing material, work in progress and finished goods is determined on a weighted average basis except in case of inventory for aluminium conductors in the power product and solutions business [demerged into SPTL w.e.f 1 April 2015, refer Note 45(E)], wherein the cost is determined on specific identification method based on costing details of each project.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Traded goods are valued at lower of cost and net realisable value. Cost is determined on weighted average basis and includes all cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and that the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year. Sales are net of quantity discount. Freight charged on sales and recovered is included as a part of revenue.

Revenue from projects

Fixed Price Contracts :

Revenue from fixed price construction contracts for optical fibre cable networks is recognised based on the stage of completion of the individual contract using the percentage completion method, provided the order outcome as well as expected total costs can be reliably estimated. Where the profit from a contract cannot be estimated reliably, revenue is only recognised equalling the expenses incurred to the extent that it is probable that the expenses will be recovered. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.

Prepayments from customers are recognised as liabilities. A contract in progress for which the selling price of the work performed exceeds interim billings and expected losses is recognised as an asset. Contracts in progress for which interim billings and expected losses exceed the selling price are recognised as a liability. Expenses relating to sales work and the winning of contracts are recognised in the statement of profit and loss as incurred.

Income from services

Revenues from services are recognised pro-rata over the period of the contract as and when services are rendered. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate

Dividends

Dividend income is recognised when the company's right to receive dividend is established by the reporting date.

Export incentives
Export incentive benefits consist of duty drawback and high value added licenses. These are recognised on the basis of receipt of proof of export.

(l) Foreign currency translation
Foreign currency transactions and balances
(i) Initial recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences
The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.

2. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the remaining life of the concerned monetary item.

3. All other exchange differences are recognised as income or as expenses in the period in which they arise.

For the purpose of (iii)(1) and (iii)(2) above, the Company treats a foreign currency monetary item as 'long-term foreign currency monetary item' if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 9 August 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability
The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/ income over the life of the contract. Exchange differences on such contracts, are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period. None of the foreign exchange contracts are taken for trading or speculation purpose.

Translation of integral and non-integral foreign operation
The company classifies all its foreign operations as either "integral foreign operations" or "non-integral foreign operations."

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the company itself.

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average monthly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognised in the statement of profit and loss.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

(m) Retirement and other employee benefits
Retirement benefit in the form of provident fund and superannuation fund are defined contribution schemes. The contributions to the provident fund and superannuation fund are charged to the statement of profit and loss for the year when an employee renders the related service.The company has no obligation, other than the contribution payable to the provident Fund and superannuation fund.

The company operates a defined benefit plan in the form of gratuity for its employees. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method.

Actuarial gains and losses for the defined benefit plan are recognised in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method as at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(n) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In the situations where the company is entitled to a tax holiday no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(o) Employee stock compensation cost

Employees of the company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Till 27 October 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, dealt with the grant of share-based payments to employees. Among other matter, these guidelines prescribed accounting for grant of share-based payments to employees. From 28 October 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 have been replaced by the SEBI (Share Based Employee Benefits) Regulations, 2014. The new regulations don't contain any specific accounting treatment; rather, they require the Guidance Note on Accounting for Employee Share-based Payments issued by ICAI to be followed. The change does not have any material impact on the financial statements of the Company.

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the ICAI Guidance note, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

(p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Provisions

A provision is recognised when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss, net of any reimbursement.

Warranty provisions:

Provision for warranty related costs are recognised when the product is sold or services provided.The estimate of such warranty related costs is revised annually.

(r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

(s) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

(t) Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11 "The Effects of Changes in Foreign Exchange Rates", are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

Gains and losses from designated and effective hedging instruments are included in the same line as the gains and losses from the hedged items such as sales revenue or cost of goods sold as the case may be. Gains and losses on other derivatives are included in other income or other expenditure as the case may be.

The company enters into commodity futures contracts against future sales transactions. These commodity futures contracts are rolled over in case the period of the contracts is less than the period of future sales transactions. On roll over, the company has to pay/receive the differential amount, in case commodity prices have gone down/up (loss/profit).The company carries the loss/profit in the balance sheet till the future sales transactions take place. This loss/profit is transferred to the Statement of profit and loss on conclusion of the future sales transactions except in case where such loss/profit relates to the acquisition or construction of fixed assets, in which case, it is adjusted to the carrying cost of such fixed assets.

(u) Amalgamation accounting

The Company treats an amalgamation in the nature of merger if it satisfies all the following criteria:

(i) All the assets and liabilities of the transferor company become, after amalgamation, the assets and liabilities of the transferee company.

(ii) Shareholders holding not less than 90% of the face value of the equity shares of the transferor company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee company or its subsidiaries or their nominees) become equity shareholders of the transferee company.

(iii) The consideration for amalgamation receivable by those equity shareholders of the transferor company who agree to become shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares, except that cash may be paid in respect of any fractional shares.

(iv) The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company.

(v) The transferee company does not intend to make any adjustment to the book values of the assets and liabilities of the transferor company, except to ensure uniformity of accounting policies.

All other amalgamations are in the nature of purchase.

The company accounts for all amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the company to recognize any non-cash element of the consideration at fair value. The company recognizes assets, liabilities and reserves, whether capital or revenue, of the transferor company at their existing carrying amounts and in the same form as at the date of the amalgamation. The balance in the statement of profit and loss of the transferor company is transferred to the general reserve. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor company is adjusted in reserves.

An amalgamation in the nature of purchase is accounted for using the purchase method. The cost of an acquisition/ amalgamation is measured as the aggregate of the consideration transferred, measured at fair value. Other aspects of accounting are as below:

(i) The assets and liabilities of the transferor company are recognized at their existing carrying amounts in the financial statements of transferor company at the date of amalgamation. The reserves, whether capital or revenue, of the transferor company, except statutory reserves, are not recognized.

(ii) Any excess consideration over the value of the net assets of the transferor company acquired is recognized as goodwill. If the amount of the consideration is lower than the value of the net assets acquired, the difference is treated as capital reserve.

(iii) The goodwill arising on amalgamation is amortized to the statement of profit and loss over five years as per Court Order.

(v) Segment Reporting Policies

As a result of the demerger of power business as explained in note 45(E), the Company's operations predominately relate to Telecom product and solutions and accordingly this is the only primary reportable segment as per AS 17 ""Segment Reporting. The analysis of geographical segment is based on the areas in which major operating divisions of the company operate.

Segment policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financials statements of the company as a whole.

(w) Measurement of EBITDA

The company has elected to present earnings before interest, tax, depreciation and amortisation (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 depreciation and amortisation expense, finance costs and tax expense.

NOTE 3: SHARE CAPITAL

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Authorised shares (no. crores)		
75.00 (31 March 2015: 75.00) equity shares of ₹ 2 each	150.00	150.00
Issued, subscribed and fully paid-up shares (no. crores)		
39.52 (31 March 2015: 39.41) equity shares of ₹ 2 each fully paid - up.	79.04	78.81
Total issued, subscribed and fully paid-up share capital	79.04	78.81

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31 March 2016		31 March 2015	
	Nos in crores	₹ in crores	Nos in crores	₹ in crores
At the beginning of the period	39.41	78.81	39.38	78.76
Issued during the year - ESOP	0.11	0.22	0.02	0.04
Issued during the year - bonus on ESOP	0.00*	0.00*	0.01	0.01
Outstanding at the end of the year#	39.52	79.04	39.41	78.81

The difference in reconciliation of the number of shares is due to rounding off.

* Figures below 0.01 crore.

(b) Terms/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 except for the underlying 85,550 (31 March 2015: 85,550) equity shares held by custodian bank against Global Depository Receipts ('GDRs') which do not have voting rights.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2016, the amount of per share dividend recognised as distributions to equity shareholders was ₹ 1.00 (31 March 2015 : ₹ 0.60)

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:

	31 March 2016		31 March 2015	
	Nos in crores	% holding	Nos in crores	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	20.94	52.99%	20.94	53.14%
Subsidiary of Volcan Investments Limited, Bahamas [Ultimate holding company]				
Vedanta Limited	0.48	1.21%	0.48	1.21%

(d) Aggregate number of bonus shares issued, share issued for consideration other than cash during the period of five years immediately preceding the reporting date :

	31 March 2016 (Nos in crores)	31 March 2015 (Nos in crores)
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium	1.88	1.92

In addition, company has issued total 0.18 crore shares (31 March 2015 : 0.11 crore shares) during the period of five years immediately preceding the reporting date on exercise of option granted under the employee stock option plan (ESOP) wherein part consideration was received in the form of employee services.

(e) Detail of shareholders holding more than 5 % of shares in the Company

	31 March 2016		31 March 2015	
	Nos in crores	% holding	Nos in crores	% holding
1. Twin Star Overseas Limited, Mauritius (Holding Company)	20.94	52.99%	20.94	53.14%
2. Life Insurance Corporation of India	1.90	4.80%	2.13	5.40%

(f) Shares reserved for issue under options:

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 29.

NOTE 4 : RESERVES AND SURPLUS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Capital reserve	0.04	0.04
Securities premium account		
Balance as per last financial statements	197.26	196.66
Less: Adjustment on account of demerger (refer note 45E)	197.26	-
Add: Additions on ESOPs excercised	3.21	0.71
Less: Utilised for issue of bonus shares	0.00*	0.01
Less: Utilised for writing off expenses on issue of debentures (net of tax)	-	0.10
Closing balance	3.21	197.26
* Amount is below ₹ 0.01 crore.		
Employee stock option outstanding		
Balance as per last financial statements	5.43	1.62
Add: Employees stock option expenses for the year (refer note 23)	13.46	4.52
Add: Amount charged to resulting company (refer note 29)	3.37	-
Less: Transferred to Securities premium account	3.21	0.71
Closing balance	19.05	5.43
Debenture redemption reserve		
Balance as per last financial statements	112.50	62.50
Add: Amount transferred from surplus in the statement of profit and loss	-	50.00
Less: Amount transferred to general reserve	75.00	-
Closing balance	37.50	112.50
General reserve		
Balance as per last financial statements	99.97	135.85
Less: Adjustment on account of demerger (refer note 45E)	99.97	-
Add: Amount transfered from debenture redemption reserve	75.00	-
Less: Adjustment on account of fixed assets (refer note 45 C)	12.38	35.88
Closing balance	62.62	99.97
Surplus in the statement of profit and loss		
Balance as per last financial statements	748.64	742.86
Less : Adjustment on account of demerger (refer note 45 E)	268.60	-
Profit for the year	181.05	84.24
Less: Appropriations		
Proposed final equity dividend [amount per share ₹ 1.00 (31 March 2015: ₹ 0.60)]	39.54	23.65
Tax on proposed equity dividend	8.06	4.81
Transfer to debenture redemption reserve	-	50.00
Total appropriations	47.60	78.46
Net surplus in the statement of profit and loss	613.50	748.64
Total reserves and surplus	735.92	1,163.84

NOTE 5: LONG-TERM BORROWINGS

	Non - current maturities		Current maturities	
	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Debentures				
800 (31 March 2015 : 2,000) 10.60% Non convertible debentures of ₹ 10 lacs each (secured)	-	200.00	80.00	-
700 (31 March 2015 : 2,500) 11.45% Non convertible debentures of ₹ 10 lacs each (secured)	-	250.00	70.00	-
Term loans				
Indian rupee term loans from banks (secured)	157.45	538.74	87.01	139.82
Foreign currency loan from banks (secured)	167.97	-	1.71	-
Finance lease obligation (secured)	1.59	-	0.79	-
Deferred payment liabilities				
Sales tax loan (interest free) (unsecured)	-	-	0.45	0.45
	327.01	988.74	239.96	140.27
The above amount includes				
Secured borrowings	327.01	988.74	239.51	139.82
Unsecured borrowings	-	-	0.45	0.45
Amount disclosed under the head "other current liabilities" (note 10)	-	-	239.96	140.27
Net amount	327.01	988.74	-	-

(a) 10.60 % Non convertible debentures are redeemable at par in financial year 2016-17, and secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of certain immovable fixed assets of the Company.

(b) 11.45 % Non convertible debentures are redeemable at par in financial year 2016-17, and secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of certain immovable fixed assets of the Company.

(c) Indian rupee term loan from banks amounting to ₹ 13.00 crores carries interest @ LTMLR + 1.10% p.a. Loan amount is repayable in 4 quarterly equated installments of ₹ 3.00 crores (excluding interest) and 5th quarter installment of ₹ 1.00 crores. The term loan is secured by first pari passu charge on the movable fixed assets of the Company (both present and future) & pari passu charge of specified immovable fixed assets of the Company.

(d) Indian rupee term loan from the bank amounting to ₹ 61.46 crores carries interest @ Base rate + 1% p.a. Loan amount is repayable in 9 quarterly equated installments of ₹ 6.25 crores (excluding interest) and 10th installment of ₹ 5.19 Cr.The term loan is secured by first pari passu charge on the movable fixed assets of the Company (both present and future) & pari passu charge of specified immovable fixed assets of the Company.

(e) Indian rupee term loan from the bank amounting to ₹ 50.00 crores carries interest @ Base rate. Loan amount is repayable in September 2016. The term loan is secured by stand-by letter of credit issued by a bank which inturn is secured by movable fixed assets of the Company.

(f) Indian rupee term loan from banks amounting to ₹ 120.00 crores carries interest @ LTMLR + 0.75% p.a. Loan amount is repayable in 12 quarterly equated installments of ₹ 10.00 crores (excluding interest) starting from March 2017. The term loan is secured by first charge on the movable fixed assets of the Company (both present and future) and mortgage of certain immovable fixed assets of the Company.

(g) Foreign Currency term loan from banks amounting to ₹ 165.83 (USD 2.5 crores) crores carries interest @ Libor+3.25 % p.a. Loan amount is repayable in 20 quaterly equated installments starting from April 2018.The term loan is secured by first pari passu charge on entire movable fixed assets of the Company (both present and future) and pari passu charge of specified immovable fixed assets of the Company and pari passu charge of specified immovable fixed assets of the Company.

(h) Foreign currency term loan from bank of ₹ 3.86 crores (USD 0.06 crores) carries interest ranging from 6.20% to 6.65% p.a. Loan amount is repayable in 9 quarterly equated installments of ₹ 0.43 crores (excluding interest) from the end of this financial period. The term loan is secured by first pari passu charge by way of hypothecation on certain present and future current assets and certain movable fixed assets of the Company and by way of mortgage on certain present and future immovable fixed assets of the Company.

(i) Finance lease obligation is secured by hypothication of laptops taken on lease. The interest rate implicit in the lease is 10% p.a. The gross investment in lease i.e. lease obligation and interest is payable in quarterly installments of apporximately ₹ 0.30 crore.

NOTE 6: DEFERRED TAX LIABILITIES (NET)

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation for financial reporting	78.07	89.83
Others	1.20	-
Gross deferred tax liability	79.27	89.83
Deferred tax assets		
Provision for doubtful debts and advances	2.26	21.93
Impact of expenditure charged to the statement of profit and loss in the current year		
but allowed for tax purposes on payment basis	7.80	5.75
Provision for inventory	3.54	6.95
Provision for litigations / contingencies	2.51	2.51
Provision for warranty	5.47	-
Others	3.55	3.11
Gross deferred tax assets	25.13	40.25
Net deferred tax liability	54.14	49.58
Deferred tax charge for the year		
Opening deferred tax liability, net	49.58	86.64
Net deferred tax liability transferred on account of demerger (refer note 45E)	(5.75)	-
Deferred tax assets on account of merger (refer note 45F)	(2.29)	-
Deferred tax (credit) / charge recorded in statement of profit and loss	19.15	(18.10)
Deferred tax recorded in reserves and surplus [refer note note 45C]	(6.55)	(18.97)
Closing deferred tax liability, net	54.14	49.58

NOTE 7: OTHER LONG-TERM LIABILITIES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Payables for purchase of fixed assets	103.05	22.48
Advance from customers	0.38	-
Unearned revenue	0.43	-
Total	103.86	22.48

NOTE 8: PROVISIONS

	Long-term		Short-term	
	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Provision for employee benefits				
Provision for gratuity (refer note 28)	11.43	7.79	2.20	2.00
Provision for leave benefit	-	-	8.36	6.82
	11.43	7.79	10.56	8.82
Other provisions				
Provision for litigations / contingencies	-	-	9.50	9.50
Proposed equity dividend	-	-	39.52	23.64
Provision for tax on proposed equity dividend	-	-	8.05	4.81
Provision for warranty	16.27	1.37	0.90	-
	16.27	1.37	57.97	37.95
Total	27.70	9.16	68.53	46.77

Provision for litigations / contingencies

The provision of ₹ 9.50 crores as at March 31, 2016 is towards contingencies in respect of disputed claims against the Company as described in note 33 and note 45 (A), the timing of outflow and quantum of which is presently unascertainable. There is no movement in the provision for litigations / contingencies during the year.

Provision for warranty

The Company has given warranty on products and services forming part of projects being undertaken by the Company to repair or replace the items that fail to perform satisfactorily during the warranty period and on Telecom software and licenses/services sold to customers. The timing of the outflows is expected to be within a period of three years from the date of completion of the project and within six months from the date of sale of Telecom Software.

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
At the beginning of the year	1.37	-
Adjustment on account of merger (refer note 45E)	0.88	-
Arising during the year	15.80	1.37
Utilized during the year	0.88	-
Unused amounts reversed	-	-
At the end of the year	17.17	1.37

NOTE 9: SHORT-TERM BORROWINGS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Cash credit from banks (secured)	12.08	4.28
Working capital demand loans from banks (secured)	-	105.00
Commercial paper from bank (unsecured)	175.00	-
Other loan from banks (unsecured)	25.00	-
Other loan from banks (secured)	128.48	454.45
Total	340.56	563.73
The above amount includes		
Secured borrowings	140.56	563.73
Unsecured borrowings	200.00	-
Net Amount	340.56	563.73

Note :

(i) Cash credit is secured by hypothecation of raw materials , work in progress, finished goods and trade receivables. The cash credit is repayable on demand and carries interest @ 8.80% - 13.00% p.a.

(ii) Other loans from banks include buyer's credit arrangements (secured) and export packing credit (unsecured). Buyer's credit are secured by hypothecation of raw materials , work in progress, finished goods and trade receivables. Buyer's credit is repaid / rolled over after a period of six months and carry interest @ 0.55% - 2.10% p.a. (excluding hedging premium). Export packing credit is repaid over after six months and carries interest @ 6.20% - 7.25% p.a.

(iii) Commercial Papers are unsecured and are generally taken for a period from 30 to 180 days and carry interest @ 7.45% - 8.95% p.a.

NOTE 10: TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Trade payables (including acceptances) (refer note 36 for details of dues to Micro, medium and small enterprises)	351.66	884.16
Other liabilities		
Current maturities of long-term borrowings (refer note 5)	239.96	140.27
Interest accrued but not due on borrowings	2.98	17.66
Unclaimed dividend [refer note 45(B)]	1.58	1.33
Advance from customers	1.58	88.64
Unearned revenue from services	6.03	-
Gross amount due to customers for contract work as a liability (refer note 43)	-	23.09
Interest free deposit from customers	0.30	0.82
Interest free deposit from vendors	3.21	1.11
Payables for purchase of fixed assets	27.89	15.58
Service tax payable	0.80	0.04
TDS payable	5.40	2.10
Value added tax payable	0.64	1.01
Central sales tax payable	4.71	2.92
Others	106.38	125.47
	401.46	420.04
Total	753.12	1,304.20

NOTE 11 : TANGIBLE AND INTANGIBLE ASSETS

(₹ in crores)

Nature of assets	GROSS BLOCK							DEPRECIATION / AMORTISATION							IMPAIRMENT					NET BLOCK	
	As on	Additions	Addition on account of merger (Refer note 45F)	Transfer on account of demerger (Refer note 45E)	Deletions/ adjustment	Exchange differences - (gain) / loss (Refer note 31)	As on	As on	Adjusted with opening reserve (Refer note 45C)	Additions	Addition on account of merger (Refer note 45F)	Transfer on account of demerger (Refer note 45E)	Deletions/ adjustment	As on	As on	Additions / (reversal)	Transfer on account of demerger (Refer note 45E)	Deletions/ reversals	As on	As on	As on
	1 Apr 15						31 Mar 16	1 Apr 15						31 Mar 16	1 Apr 15				31 Mar 16	31 Mar 16	31 Mar 15
Tangible assets																					
Freehold land ##	40.04	1.37	-	22.88	-	-	18.53	-	-	-	-	-	-	-	-	-	-	-	-	18.53	40.04
Leasehold land	27.89	-	-	0.32	-	-	27.57	1.58	-	0.23	-	0.01	-	1.80	-	-	-	-	-	25.77	26.31
Buildings #	228.59	27.20	1.12	82.72	0.50	-	173.69	52.57	-	6.46	0.12	17.00	0.33	41.82	-	-	-	-	-	131.87	176.02
Plant and machinery	1,326.48	124.77	-	265.86	5.73	0.73	1,180.39	675.76	18.93	75.70	-	133.25	3.19	633.95	28.97	(0.40)	1.20	2.22	25.15	521.29	621.75
Furniture and fixtures	12.10	2.52	1.53	2.47	0.03	-	13.65	5.46	-	1.53	0.82	1.43	0.01	6.37	-	-	-	-	-	7.28	6.64
Data processing equipments**	19.65	9.07	10.72	3.27	0.34	-	35.83	16.04	-	2.69	8.24	2.42	0.32	24.23	-	-	-	-	-	11.60	3.61
Office equipments	8.60	0.77	1.31	1.16	0.11	-	9.43	6.05	-	1.06	0.85	0.71	0.07	7.18	0.05	-	-	-	0.05	2.20	2.50
Electric fittings	52.39	2.76	0.14	22.04	-	-	33.25	24.51	-	1.17	0.10	6.41	-	19.37	0.45	-	-	-	0.45	13.43	27.43
Vehicles	6.73	2.73	0.41	2.03	0.44	-	7.40	3.52	-	0.99	0.20	1.36	0.32	3.03	-	-	-	-	-	4.37	3.21
Sub - total	**1,722.47**	**171.19**	**15.23**	**402.75**	**7.15**	**0.73**	**1,499.74**	**785.49**	**18.93**	**89.83**	**10.33**	**162.59**	**4.24**	**737.75**	**29.47**	**(0.40)**	**1.20**	**2.22**	**25.65**	**736.34**	**907.51**
Intangible assets																					
Software/ licenses	7.24	5.23	3.23	1.65	0.01	-	14.04	4.20	-	2.27	1.71	1.58	-	6.60	-	-	-	-	-	7.44	3.04
Patents	9.31	-	-	-	-	-	9.31	9.31	-	-	-	-	-	9.31	-	-	-	-	-	0.00	0.00
Customer acquisition	4.62	-	-	-	0.04	-	4.58	0.87	-	0.46	-	-	-	1.33	-	-	-	-	-	3.25	3.75
Goodwill	-	-	148.19	-	-	-	148.19	-	-	14.98	-	-	-	14.98	-	-	-	-	-	133.21	-
Sub - total	**21.17**	**5.23**	**151.42**	**1.65**	**0.05**	**-**	**176.12**	**14.38**	**-**	**17.71**	**1.71**	**1.58**	**-**	**32.22**	**-**	**-**	**-**	**-**	**-**	**143.90**	**6.79**
Total	**1,743.64**	**176.42**	**166.65**	**404.40**	**7.20**	**0.73**	**1,675.86**	**799.87**	**18.93**	**107.54**	**12.04**	**164.17**	**4.24**	**769.97**	**29.47**	**(0.40)**	**1.20**	**2.22**	**25.65**	**880.24**	**914.30**
Previous year	**1,683.56**	**81.40**	**-**	**-**	**20.65**	**(0.67)**	**1,743.64**	**648.11**	**54.87**	**106.35**	**-**	**-**	**9.46**	**799.87**	**29.35**	**1.39**	**-**	**1.27**	**29.47**	**914.30**	

\# Buildings include those constructed on leasehold land:
Gross block ₹ 104.32 crores (31 March 2015: ₹ 118.51 crores)
Depreciation for the year ₹ 4.25 crores (31 March 2015: ₹ 4.48 crores)
Accumulated depreciation ₹ 26.42 crores (31 March 2015: ₹ 28.16 crores)
Net block ₹ 77.89 crores (31 March 2015: ₹ 90.35 crores)

\# Buildings include building given on operating lease :
Gross block - ₹10.03 crores (31 March 2015 : 10.03 crores)
Depreciation for the year ₹ 0.16 crores (31 March 2015 : ₹ 0.15 crores)
Accumulated depreciation ₹ 0.84 crores (31 March 2015 : ₹ 0.68 crores)
Net block ₹ 9.19 crores (31 March 2015 : ₹ 9.35 crores)

\## Freehold Land include part of land given on operating lease :
Gross block - ₹3.33 crores (31 March 2015 : Nil)
Depreciation for the year Nil (31 March 2015 : Nil)
Accumulated depreciation Nil (31 March 2015 : Nil)
Net block ₹ 3.33 crores (31 March 2015 : Nil)

** Data processing equipments include laptops taken on finance lease:
Gross block ₹ 2.38 crores (31 March 2015: Nil)
Depreciation for the year ₹ 0.22 crores (31 March 2015: Nil)
Accumulated depreciation ₹ 0.22 crores (31 March 2015: Nil)
Net block ₹ 2.16 crores (31 March 2015: Nil)

NOTE 12: NON-CURRENT INVESTMENTS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Trade investment (valued at cost unless stated otherwise)		
Investment in subsidiaries		
Preference shares (unquoted)		
Nil (31 March 2015: 1,198,024,866) Compulsorily convertible preference shares of Sterlite Power Grid Ventures Limited of ₹ 10 each fully paid up**	-	1,198.02
Equity instruments (unquoted)		
Nil (31 March 2015: 50,000) Equity shares of Sterlite Power Grid Ventures Limited of ₹ 10 each fully paid up**	-	0.05
12,381,447 (31 March 2015: 12,381,447) Equity shares of Sterlite Global Ventures (Mauritius) Limited of USD 1 each fully paid up	67.14	67.14
1,550,000 (31 March 2015: 1,550,000) Equity shares of Speedon Network Limited (Erstwhile Sterlite Networks Limited) of ₹ 10 each fully paid-up	37.50	37.50
2,000 (31 March 2015: 2,000) Equity shares of Sterlite Europe Ventures Limited of Euro 1 each fully paid-up	0.10	0.10
Nil (31 March 2015: 50,000) Equity shares of Twin Star Technologies Limited (Formerly knows as Sterlite Display Limited) of ₹ 10 each fully paid-up	-	0.05
10,000 (31 March 2015: 10,000) Equity shares of Sterlite Power Technologies Private Limited of ₹ 10 each fully paid-up	0.01	0.01
Nil (31 March 2015: 10,000) Equity shares of Sterlite Technologies Americas LLC of USD 1 each fully paid-up	-	0.05
5,000 (31 March 2015: 5,000) Equity shares of Sterlite Technologies UK Ventures Limited of Euro 1 each fully paid-up	0.04	0.04
Nil (31 March 2015: 25,500) Equity shares of East North Interconnection Company Limited of ₹ 10 each fully paid up**	-	0.03
100% Equity of Sterlite (Shanghai) Trading Company Limited fully paid up	1.53	-
13,497,853 (31 March 2015: 8,824,838)Equity shares of Maharashtra Transmission Communication Infrastructure Limited of ₹ 10 each fully paid up #	20.77	15.26
7,606 (31 March 2015: Nil) Equity shares of Elitecore Technologies (Mauritius) Limited of MUR 100 each fully paid up##	0.14	-
100 Equity shares of Elitecore Technologies SDN, BHD##	-	-
	127.23	120.23
Investment in others		
Equity instruments (unquoted)		
10 (31 March 2015: Nil) Equity shares of Singularity Healthcare IT Systems Private Limited of ₹ 10 each fully paid up	0.00 *	-
Debentures (unquoted)		
1,599,990 (31 March 2015: Nil) 0.001% Compulsorily Convertible Debentures of Singularity Healthcare IT Systems Private Limited of ₹ 10 each fully paid up	1.60	-
(Aggregate amount of unquoted investments)	128.83	1,318.25

* Amount is below ₹ 0.01 crore.

** Consequent to demerger of Power Products and Solutions business, these investments have been vested with Sterlite Power Transmission Limited (the Resulting Company) w.e.f. April 01, 2015 (also refer note 45E).

The Company had paid an amount of ₹ 5.10 crores towards Right of Way granted to Maharashtra Transmission Communication Infrastructure Limited (MTCIL) by Maharashtra State Electricity Transmission Company Limited. MTCIL is engaged in establishing communication network in the state of Maharashtra. This amount has been considered as cost of investment in the subsidiary.

Acquired as a part of amalgmation (refer note 45F)

NOTE 13: LOANS AND ADVANCES

		Non-current		Current	
		31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Capital advances (unsecured, considered good)	(A)	5.62	5.09	-	-
Security deposits (unsecured, considered good)					
Covered by bank guarantee		5.94	6.00	-	-
Others		6.40	2.52	1.66	1.75
	(B)	12.34	8.52	1.66	1.75
Loans and advances to related parties (refer note 35 and note 46) (Unsecured considered good)	(C)	95.40	69.01	-	3.98
Advances recoverable in cash or kind (unsecured)					
Considered good		-	-	57.76	162.72
Considered doubtful		0.12	0.12	-	-
		0.12	0.12	57.76	162.72
Provision for doubtful advances		0.12	0.12	-	-
	(D)	-	-	57.76	162.72
Other loans and advances (unsecured, considered good)					
Advance income tax, including TDS (net of provisions)		11.59	6.25	-	-
Minimum alternate tax credit entitlement		27.20	25.95	-	-
Balances with central excise authorities		-	-	21.20	35.91
Other advances		-	2.00	16.30	12.58
	(E)	38.79	34.20	37.50	48.49
Total (A+B+C+D+E)		152.15	116.82	96.92	216.94

NOTE 14: TRADE RECEIVABLES (UNSECURED)

		Non-current		Current	
		31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Outstanding for a period exceeding six months from the date they are due for payment					
Considered good		-	10.27	91.63	67.77
Considered doubtful		6.52	67.11	-	-
		6.52	77.38	91.63	67.77
Less: Provision for doubtful receivables		6.52	67.11	-	-
	(A)	-	10.27	91.63	67.77
Other receivables (considered good)	(B)	0.39	-	649.29	830.95
Total (A+B)		0.39	10.27	740.92	898.72

NOTE 15: OTHER ASSETS

	Non-current		Current	
	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Ancillary cost of arranging the borrowings	0.73	0.42	0.17	1.70
Interest accrued on fixed deposits	-	-	0.36	1.56
Unbilled revenue for services	-	-	5.48	2.05
Gross amount due from customers for contract work as an asset (refer note 43)	-	-	41.30	-
Other assets	-	-	87.76	-
Total	0.73	0.42	135.07	5.31

NOTE 16: CURRENT INVESTMENTS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Current investments (valued at lower of cost and fair value, unless stated otherwise) (quoted)		
Nil (31 March 2015: 0.01 crore) units of Reliance Liquid Fund- Treasury Plan- Direct Growth Plan - Growth Option	-	20.00
Nil (31 March 2015: 0.01 crore) units of Reliance Money Manager Fund - Direct Growth Plan Growth Option	-	20.00
Nil (31 March 2015: 0.01 crore) units of Axis Banking Debt Fund - Direct Plan - Growth	-	10.00
Nil (31 March 2015: 0.00* crore) units of Religare Invesco Liquid Fund - Direct Plan - Growth	-	5.00
Aggregate amount of quoted investments [Market Value Nil (March 31, 2015: ₹ 55.11 crores)]	-	55.00

* Figure is below 0.01 crore.

NOTE 17: INVENTORIES

(Valued at lower of cost and net realisable value)

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Raw materials and components [Includes stock in transit ₹ 17.60 crores (31 March 2015: ₹ 39.11 crores] (refer note 21)	72.95	170.38
Work-in-progress (refer note 22)	25.92	73.03
Construction work-in-progress	31.82	-
Finished goods [Includes stock in transit ₹ 5.22 crores (31 March 2015: ₹ 17.37 crores)] (refer note 22)	30.62	116.31
Traded goods (refer note 22)	3.25	8.11
Stores, spares, packing materials and others	24.63	30.18
Total	189.19	398.01

NOTE 18: CASH AND BANK BALANCES

	Non-current		Current	
	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Cash and cash equivalents				
Balance with banks:				
On current accounts	-	-	19.20	40.27
On unpaid dividend account	-	-	1.58	1.33
Cash in hand	-	-	0.04	0.04
	-	-	20.82	41.64
Other bank balances				
Deposit with original maturity for more than 12 months	-	-	1.00	-
Deposit with original maturity for more than 3 months but less than 12 months*	-	-	9.63	218.69
Margin money deposit**			7.60	-
	-	-	18.23	218.69
Total	-	-	39.05	260.33

* Includes ₹ 0.61 crore (31 March 2015: ₹ 57.23 crores) held as lien by banks against bank guarantees and further it also inculdes ₹ 6.00 crores (31 March 2015: Nil) given as security to vendor vide Court order.

** Margin money deposit are subject to first charge to secure the Company's cash credit loans.

NOTE 19: REVENUE FROM OPERATIONS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Sale of products		
Finished goods	1,637.60	3,016.77
Software products	59.05	-
Traded goods	31.79	45.47
Revenue from projects (also refer note 43)	363.48	72.20
Sale of services	41.66	20.16
Other operating revenue		
Scrap sales	17.55	26.56
Export incentive	15.60	43.31
Revenue from operations (gross)	2,166.73	3,224.47
Less: Excise duty #	131.07	194.37
Revenue from operations (net)	2,035.66	3,030.10

Excise duty on sales amounting to ₹ 131.07 crores (31 March 2015: ₹ 194.37 crores) has been reduced from sales in the statement of profit and loss and excise duty on increase /(decrease) in stock amounting to ₹ 0.88 crore [31 March 2015: (₹ 3.35 crores)] has been considered as (income)/expense in note 24 of financial statements.

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Details of products sold		
Finished goods sold		
Optical fibre *	378.13	183.69
Preforms (optical fibre)	111.16	77.84
Fibre optic cables	811.57	931.91
Copper telecom cables	336.75	298.03
Power transmission conductors	-	1,337.93
Others	-	187.37
	1,637.61	3,016.76
* Excludes 0.51 crore FKM (31 March 2015: 0.84 crore FKM) captively consumed during the year.		
Software products sold		
Telecom Software	59.05	-
Traded goods sold		
Computer and network hardware	30.73	-
Broadband access network equipment	0.15	0.92
Fibre connectivity accessories	0.91	8.46
Power transmission conductors and OPGW accessories	-	36.09
	31.79	45.47
Revenue from projects		
Supply and installation of optical fibre cable network	363.48	72.20
	363.48	72.20
Details of services rendered		
Software services and solutions	20.98	-
Installation and commissioning services for broadband network setup	0.92	1.24
Provisioning of network services	19.76	15.46
Others	-	3.46
	41.66	20.16

NOTE 20: OTHER INCOME

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Interest income on		
Bank deposits	8.26	2.57
Others	4.91	1.18
Dividend income on		
Investment in subsidiaries	-	0.74
Net gain on sale of current investments	0.42	14.70
Balances no longer payable written back	1.82	19.13
Miscellaneous income	1.46	6.49
Total	16.87	44.81

NOTE 21: COST OF RAW MATERIAL AND COMPONENTS CONSUMED

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Inventory at the beginning of the year	170.38	106.80
Less : Adjustment on account of demerger (refer note 45E)	107.60	-
Add: Purchases	911.01	2,008.22
	973.79	2,115.02
Less: Inventory at the end of the year	72.95	170.38
Cost of raw material and components consumed	900.84	1,944.64

Details of raw material and components consumed	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Aluminum/alloy	-	996.76
Galvanised steel wire/ Steel tape	-	110.94
Copper rods	180.33	175.47
Polyethylene compounds	148.11	174.71
Resin	55.45	52.48
Silicon tetrachloride	29.72	30.28
Others	487.23	404.00
Total	900.84	1,944.64

NOTE 22: (INCREASE) / DECREASE IN INVENTORIES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Opening inventories:		
Traded goods	8.11	8.21
Work-in-progress	73.03	40.16
Finished goods	116.31	114.39
	197.45	162.76
Adjustment on account of demerger (refer note 45E)		
Traded goods	5.69	-
Work-in-progress	52.05	-
Finished goods	61.82	-
	119.56	-
Adjustment on account of merger (refer note 45F)		
Traded goods	1.01	-
	1.01	-
Closing inventories:		
Traded goods	3.25	8.11
Work-in-progress	25.92	73.03
Construction work-in-progress	31.82	-
Finished goods	30.62	116.31
	91.61	197.45
(Increase) / decrease in inventories	(12.71)	(34.69)

Details of purchase of traded goods	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Computer and network hardware	30.96	-
Broadband access network equipment	1.02	5.47
Fibre connectivity accessories	1.45	8.08
Power transmission conductors and OPGW accessories	-	29.36
Others	0.01	0.01
Total	33.44	42.92

Detail of of work-in-progress	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Optical fibre	16.89	6.91
Fibre optic cables	4.22	10.14
Copper telecom cables	4.81	3.93
Power transmission conductors	-	43.94
Others	-	8.11
Total	25.92	73.03

NOTE 23: EMPLOYEE BENEFITS EXPENSE

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Salaries, wages and bonus	149.15	128.35
Contribution to provident fund and superannuation fund	4.98	4.33
Employees stock option expenses (refer note 29)	13.46	4.52
Gratuity expenses (refer note 28)	5.18	5.74
Staff welfare expenses	9.44	8.01
Total	182.21	150.95

NOTE 24: OTHER EXPENSES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Increase /(decrease) of excise duty on inventory	0.88	(3.35)
Consumption of stores and spares	83.26	64.41
Power, fuel and water	74.71	102.18
Repairs and maintenance		
Building	1.86	1.16
Machinery	9.60	11.58
Others	16.01	13.35
CSR expenses (refer note 45D)	2.23	1.35
Carriage inwards	9.34	7.33
Consumption of packing materials	54.41	99.13
Sales commission (other than sole selling agent)	18.39	25.06
Sales promotion	7.45	4.65
Carriage outwards	46.09	72.75
Rent	9.77	5.86
Insurance	6.41	6.75
Rates and taxes	2.93	1.38
Travelling and conveyance	27.96	22.57
Loss on sale of fixed assets, net	0.21	2.07
Bad debts / advances written off	49.36	25.44
Provision for doubtful debts and advances	(46.93)	(5.94)
Provision for diminution in value of investment in subsidiary company	-	(6.80)
Directors sitting fee and commission	0.60	0.42
Payment to auditor (refer details below)	0.84	1.23
Research and development expenses (refer note 42)	8.20	7.85
Miscellaneous expenses	118.71	124.62
Total	**502.29**	585.05

Payment to auditor	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
As auditor:		
Audit fee (including limited review and audit of consolidated financial statement)	0.59	0.68
Tax audit fee	0.06	0.08
In other capacity:		
Other services (including certification fees)	0.19	0.47
Total	**0.84**	1.23

NOTE 25: DEPRECIATION AND AMORTISATION EXPENSE

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Depreciation of tangible assets	89.83	103.29
Amortisation of intangible assets	17.71	3.06
Provision /(reversal) for impairment of fixed assets	(0.41)	1.39
Total	**107.13**	107.74

NOTE 26: FINANCE COSTS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Interest expense	71.35	150.13
Bank charges	13.30	15.34
Amortization of ancillary borrowing costs	0.19	1.21
Exchange difference to the extent considered as an adjustment to borrowing costs	7.45	36.57
Sub-total	92.29	203.25
Less : Interest charged to subsidiaries towards loans and advances provided to them	-	23.97
Total	92.29	179.28

NOTE 27: EARNINGS PER SHARE

The following reflects the profit and share data used in the basic and diluted EPS computation

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Profit for the year	181.05	84.24
Weighted average number of equity shares in calculating basic EPS	39.45	39.41
Effect of dilution:		
Employee stock options outstanding during the year	0.78	0.26
Weighted average number of equity shares in calculating diluted EPS	40.23	39.67
Earnings per share		
Basic (on nominal value of ₹ 2 per share) Rupees/share	4.59	2.14
Diluted (on nominal value of ₹ 2 per share) Rupees/share*	4.50	2.12

* Impact of additional ESOPs that will be required to be issued to existing ESOP holders to compensate for loss of value on account of the demerger of power business has not been considered as the number of such additional ESOPs to be issued is presently not ascertainable.

NOTE 28: GRATUITY

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Defined benefit obligation at the beginning of the year	11.87	6.59
Adjustment on account of demerger (refer note 45E)	(2.28)	-
Adjustment on account of merger (refer note 45F)	2.32	-
Current service cost	1.15	0.65
Interest cost	0.86	0.62
Actuarial (gain)/loss	3.34	4.64
Benefits paid	(1.05)	(0.63)
Defined benefit obligation, at the end of the year	16.22	11.87

Changes in the fair value of plan assets are as follows:

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Fair value of plan assets at the beginning of the year	2.08	1.41
Expected return on plan assets	0.17	0.12
Contribution by employer	1.13	1.12
Benefits paid	(0.79)	(0.63)
Actuarial gain / (loss) *	0.00	0.05
Fair value of plan assets at the end of the year	2.59	2.08

* Amount below ₹ 0.01 crore.

The Company expects to contribute ₹ 2.20 crores (31 March 2015: ₹ 2.00 crores) to its defined benefit gratuity plan in 2016-17.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2016	31 March 2015
	%	%
Investment with Insurer (Life Insurance Corporation of India)	100	100

Details of defined benefit obligation

Particulars	31 March 2016	31 March 2015
	(₹ in crores)	(₹ in crores)
Present value of defined benefit obligation	16.22	11.87
Fair value of plan assets	2.59	2.08
Plan liability	13.63	9.79

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2016	31 March 2015
	(₹ in crores)	(₹ in crores)
Current service cost	1.15	0.65
Interest cost on benefit obligation	0.86	0.62
Net actuarial (gain) / loss recognised	3.34	4.59
Expected return on plan assets	(0.17)	(0.12)
Net benefit expense	5.18	5.74

Amounts for the current and previous years are as follows:

Particulars	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)	(₹ in crores)
Defined benefit obligation	16.22	11.87	6.59	6.34	4.68
Plan assets	2.59	2.08	1.41	0.53	0.92
Surplus / (deficit)	13.63	9.79	5.18	5.81	3.76
Experience adjustments on plan liabilities	1.90	0.41	0.65	(0.12)	0.13
Experience adjustments on plan assets*	(0.00)	(0.05)	(0.01)	(0.08)	(0.14)

* Amount below ₹ 0.01 crore.

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2016	31 March 2015
Discount rate	8.00%	7.98%
Expected rate of return on plan asset	8.00%	7.98%
Employee turnover	10.00%	10.00%
Expected rate of salary increase	8.00%	8.00%
Actual rate of return on plan assets	8.34%	9.00%

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. The overall expected rate of return on plan assets is determined based on the market prices prevailing as on balance sheet date, applicable to the period over which the obligation is to be settled.

NOTE 29: EMPLOYEE STOCK OPTION SCHEME

The Company has granted employees stock options plan, 2006 (ESOP Scheme 2006) and employees stock options plan, 2010 (ESOP Scheme 2010) to its employees pursuant to the resolution passed by the shareholders at the extraordinary general meeting held on March 13, 2006 and annual general meeting held on July 14, 2010 respectively. The Company has followed the fair value method (Black Scholes Options Pricing Model) for the valuation of these options. The compensation committee of the Company has approved ten grants vide their meetings held on June 14, 2006; March 19, 2007, September 28, 2007, June 14, 2008, June 26, 2009, December 29, 2011, July 27,2012, April 30, 2014, March 30,2015 and January 28, 2016. As per the plans, Options granted under ESOP would vest in not less than one year and not more than five years from the date of grant of such options. Vesting of options is subject to continued employment with the Company. The plans are equity settled plans.

The Company has charged ₹ 13.72 crore (31 March 2015: ₹ 4.52 crores) to the statement of profit and loss in respect of options granted under ESOP scheme 2006 and options granted under ESOP scheme 2010

Other details of the options granted under ESOP scheme 2006 are as follows:

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Date of grant	14-Jun-06	19-Mar-07	28-Sep-07	14-Jun-08	26-Jun-09
Number of options granted	11,64,250	3,18,000	6,53,875	1,27,750	12,09,500
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting period (years)	3	2.25	1.71	1	5
Exercise period (years)	1	1	1	1	1
Vesting conditions	Business performance	Business performance	Business performance	Business performance	Business performance

Other details of the options granted under ESOP scheme 2010 are as follows:

Particulars	Grant 1	Grant 3	Grant 4	Grant 5
Date of grant	29-Dec-11	30-Apr-14	30-Mar-15	28-Jan-16
Number of options granted	22,24,000	37,13,800	57,24,600	11,50,130
Method of settlement	Equity	Equity	Equity	Equity
Vesting period (years)	5	5	5	2
Exercise period (years)	1	1.09	1.18	1.34
Vesting conditions	Business performance	Business performance	Business performance	Business performance

The Company had granted 2,668,800 options in ESOP scheme 2010 on July 27, 2012 (Grant 2), the vesting for which was linked to business performance which could not be met. Hence the options were forfeited during the year 2012-13.

The details of the activity under ESOP scheme 2006 have been summarized below:

Particulars	31 March 2016		31 March 2015	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	**28,373**	**2**	87,144	2
Granted during the year	**Nil**	**-**	Nil	-
Forfeited during the year	**Nil**	**-**	Nil	-
Exercised during the year	**23,133**	**2**	53,608	2
Expired during the year	**5,241**	**2**	5,163	2
Outstanding at the end of the year	**-**	**2**	28,373	2
Exercisable at the end of the year	**-**	**2**	28,373	2
Weighted average remaining contractual life (in years)	**-**		0.25	
Weighted average fair value of options granted	**35.23**		35.23	

The outstanding ESOPs as above are entitled to bonus in the ratio of 1:1.
The weighted average share price for the year ended March 31, 2016 was ₹ 82.27 (March 31, 2015: ₹ 59.02)

The fair value as per the Black Scholes Options Pricing Model was measured based on the following input:

Date of grant : June 14, 2006	Vest 1	Vest 2	Vest 3
Variables	**June 14, 2007**	**June 14, 2008**	**June 14, 2009**
Weighted average stock price	17.85	17.85	17.85
Expected volatility (*)	59.78%	58.90%	60.52%
Risk free rate	7.07%	7.16%	7.26%
Exercise price (₹ Per Option)	1	1	1
Time to maturity (years)	1.50	2.50	3.50
Dividend yield	0.57%	0.57%	0.57%
Outputs			
Option fair value	16.80	16.76	16.72
Vesting percentage	20.00%	40.00%	40.00%
Option fair value			**16.76**

Date of grant : March 19, 2007	Vest 1	Vest 2
Variables	**June 19, 2008**	**June 19, 2009**
Weighted average stock price	35.80	35.80
Expected volatility (*)	62.90%	57.75%
Risk free rate	8.07%	8.06%
Exercise price (₹ Per Option)	1	1
Time to maturity (years)	1.50	2.50
Dividend yield	0.57%	0.57%
Outputs		
Option fair value	34.61	34.47
Vesting percentage	60.00%	40.00%
Option fair value		**34.55**

Date of grant : September 28, 2007	Vest 1	Vest 2
Variables	**September 28, 2008**	**September 28, 2009**
Weighted average stock price	47.46	47.46
Expected volatility (*)	56.69%	60.98%
Risk free rate	7.20%	7.29%
Exercise price (₹ Per Option)	1	1
Time to maturity (years)	1.50	2.21
Dividend yield	0.51%	0.51%
Outputs		
Option fair value	46.20	46.08
Vesting percentage	50.00%	50.00%
Option fair value		**46.14**

Date of grant : June 14, 2008	Vest 1
Variables	**June 14, 2009**
Weighted average stock price	39.70
Expected volatility (*)	72.11%
Risk free rate	8.34%
Exercise price (₹ Per Option)	1
Time to maturity (years)	1.50
Dividend yield	0.49%
Outputs	
Option fair value	38.53
Vesting percentage	100.00%
Option fair value	**38.53**

Date of grant : June 26, 2009	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
Variables	June 26, 2010	June 26, 2011	June 25, 2012	June 25, 2013	June 25, 2014
Weighted average stock price	36.65	36.65	36.65	36.65	36.65
Expected volatility (*)	97.30%	81.93%	77.57%	72.68%	70.10%
Risk free rate	5.61%	5.83%	6.05%	6.27%	6.47%
Exercise price (₹ Per Option)	1	1	1	1	1
Time to maturity (years)	1.50	2.50	3.50	4.50	5.50
Dividend yield	0.60%	0.60%	0.60%	0.60%	0.60%
Outputs					
Option fair value	35.40	35.24	35.08	34.93	34.77
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Option fair value					**35.23**

As approved by the Extra-Ordinary General Meeting of the company held on February 25, 2010, the Company has made sub-division of the face value of its equity share capital from ₹ 5 per share to ₹ 2 per share. Further, the Company in the same meeting has approved bonus shares in the ratio of 1:1. Thus, ESOP data as above has been recalculated and presented after considering the impact of the sub-division of face value of the equity share and bonus thereon.

The details of the activity under ESOP scheme 2010 have been summarized below:

Particulars	31 March 2016		31 March 2015	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	**85,68,656**	**2**	3,30,020	2
Granted during the year	**11,50,130**	**-**	94,38,400	-
Forfeited during the year	**-**	**-**	-	-
Exercised during the year	**10,83,130**	**2**	1,27,504	2
Expired during the year	**7,81,164**	**2**	10,72,260	2
Outstanding at the end of the year	**78,54,492**	**2**	85,68,656	2
Exercisable at the end of the year	**3,43,746**	**2**	73,868	2
Weighted average remaining contractual life (in years)	**3.65**		4.82	
Weighted average fair value of options granted	**41.73**		41.83	

The weighted average share price for the year ended March 31, 2016 was ₹ 82.27 (March 31, 2015: ₹ 59.02)

The fair value as per the Black Scholes Options Pricing Model was measured based on the following input:

Date of grant: December 29, 2011	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
Variables	December 29, 2012	December 29, 2013	December 29, 2014	December 29, 2015	December 29, 2016
Weighted average stock price	28.00	28.00	28.00	28.00	28.00
Expected volatility (*)	48.31%	47.36%	64.15%	68.63%	65.78%
Risk free rate	8.33%	8.34%	8.35%	8.37%	8.39%
Exercise price (₹ Per Option)	2	2	2	2	2
Time to maturity (years)	1.50	2.50	3.50	4.50	5.51
Dividend yield	0.73%	0.73%	0.73%	0.73%	0.73%
Outputs					
Option fair value	25.93	25.87	25.82	25.78	25.70
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Option fair value					**25.87**

Date of grant: April 30, 2014	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
Variables	**June 1, 2015**	**June 1, 2016**	**June 1, 2017**	**June 1, 2018**	**June 1, 2019**
Weighted average stock price	30.45	30.45	30.45	30.45	30.45
Expected volatility (*)	44.41%	46.93%	47.87%	46.48%	57.47%
Risk free rate	8.66%	8.72%	8.78%	8.82%	8.87%
Exercise price (₹ Per Option)	2	2	2	2	2
Time to maturity (years)	1.66	2.66	3.66	4.66	5.66
Dividend yield	0.79%	0.79%	0.79%	0.79%	0.79%
Outputs					
Option fair value	28.32	28.23	28.14	28.03	27.94
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Option fair value					**28.22**

Date of grant: March 30, 2015	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
Variables	**June 1, 2016**	**June 1, 2017**	**June 1, 2018**	**June 1, 2019**	**June 1, 2020**
Weighted average stock price	51.10	51.10	51.10	51.10	51.10
Expected volatility (*)	51.55%	48.02%	49.61%	49.11%	48.02%
Risk free rate	7.84%	7.80%	7.77%	7.76%	7.76%
Exercise price (₹ Per Option)	2	2	2	2	2
Time to maturity (years)	1.68	2.68	3.68	4.68	5.68
Dividend yield	0.59%	0.59%	0.59%	0.59%	0.59%
Outputs					
Option fair value	48.85	48.68	48.51	48.33	48.14
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Option fair value					**48.66**

Date of grant: January 28, 2016	Vest 1	Vest 2
Variables	**June 1, 2017**	**June 1, 2018**
Weighted average stock price	83.25	83.25
Expected volatility (*)	55.34%	50.03%
Risk free rate	7.22%	7.43%
Exercise price (₹ Per Option)	2	2
Time to maturity (years)	1.84	3.34
Dividend yield	0.72%	0.72%
Outputs		
Option fair value	80.40	79.71
Vesting percentage	40.00%	60.00%
Option fair value		**79.99**

(*)The measure of volatility used in the above model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The volatility periods considered above, corresponding to the respective expected lives of the different vests are prior to the grant date. The daily volatility of stock prices is considered as per the National Stock Exchange (NSE) prices over these years.

ESOP Scheme 2016 and ESAR Scheme 2016 have been approved by the shareholders through postal ballot on March 30, 2016. However no grant has been made under ESOP Scheme 2016 or ESAR Scheme 2016 and accordingly no charge in respect of the same has been accrued in the financial statements for the year ended March 31, 2016.

As part of the Scheme of Arrangement for demerger, employees of power business have been transferred to Sterlite Power Transmission Limited ('SPTL'). ESOPs granted to such employees will continue to be held and exercised by them. The charge in respect of ESOPs held by employees transferred from the Company to SPTL shall be borne by SPTL with effect from April 1, 2015. Accordingly, an amount of ₹ 3.37 crores pertaining to charge for the year ended March 31, 2016 on ESOPs held by such employees has been transferred to SPTL.

The Company will restructure/modify the ESOP schemes to give effect of the impact of demerger on the fair value of equity shares of the Company as required under the Scheme of demerger as well as the ESOP Schemes. The additional ESOPs that will be required to be issued is not presently ascertainable. However, the management believes that since the benefit to ESOP holders in terms of the total fair value of ESOPs before and after the demerger would be same, no additional charge on account of ESOP restructuring has been accrued in the financial statements for the year ended March 31, 2016.

NOTE 30: LEASES

Operating Lease

Company as lessee :

The Company has taken office buildings on operating lease. The lease term is for periods of three to nine years and renewable at the option of the Company. Disclosures in respect of operating leases of office buildings as per the requirement of Accounting Standard- 19 on Leases, are as under:

(a) Lease payments recognised in the Statement of Profit and Loss for the year is ₹ 9.77 crores (31 March 2015: ₹ 5.86 crores).

(b) The future minimum lease payments payable over the next one year is ₹ 14.40 crores (31 March 2015: ₹ 4.50 crores).

(c) The future minimum lease payments payable later than one year but not later than five year is ₹ 26.32 crores (31 March 2015: ₹ 12.46 crores).

Company as lessor :

The Company has given office building on operating lease. The lease term is for non cancellable period of three years and renewable at the option of the Lessee. Disclosures in respect of operating leases of office building as per the requirement of Accounting Standard- 19 on Leases are as under:

(a) Lease income recognised in the Statement of Profit and Loss for the year is ₹ 0.54 crore (31 March 2015: ₹ 0.39 crore).

(b) The future minimum lease payments receivable over the next one year is ₹ 0.76 crore (31 March 2015: ₹ 0.39 crore).

(c) The future minimum lease payments receivable later than one year but not later than five year is ₹ 1.14 crores (31 March 2015: ₹ 1.20 crores).

Finance Lease

Company as lessee :

The Company has taken laptops on finance lease. The lease term is for periods of three years. Disclosures in respect of finance leases of laptop as per the requirement of Accounting Standard- 19 on Leases are as under:

Particulars	31 March 2016		31 March 2015	
	Minimum payment	Present value of MLP	Minimum payment	Present value of MLP
Within one year	0.83	0.79	-	-
After one year but not more than five years	1.67	1.39	-	-
Total minimum lease payments	2.50	2.18	-	-
Less: amounts representing finance charges	0.32	-	-	-
Present value of minimum lease payments	2.18	2.18	-	-

NOTE 31: CAPITALISATION OF EXCHANGE DIFFERENCE

The Ministry of Corporate Affairs (MCA) issued the amendment dated 29 December 2011 to AS - 11 The Effect of Changes in Foreign Exchange Rate, to allow companies deferral / capitalisation of exchange difference arising on long-term foreign currency monetory items. In accordance with the amendment to AS- 11, the Company has adjusted exchange loss / (gain) arising on long-term foreign currency loan amounting to ₹ 0.73 crore (31 March 2015: ₹ 0.67 crores) to the value of plant and machinery.

NOTE 32: CAPITAL AND OTHER COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) are ₹ 59.78 crores (31 March 2015: ₹ 121.93 crores.)

(b) As on March 31, 2016, the Company has commitments of ₹ 17.33 crores (31 March 2015: ₹ 72.85 crores) relating to further investment in subsidiaries.

(c) For commitments relating to lease arrangments please refer note 30.

(d) The Company has entered into agreements with the lenders of following subsidiaries wherein it has committed to hold directly or indirectly at all times at least 51% of equity share capital of below mentioned subsidiaries and not to sell, transfer, assign, pledge or create any security interest except pledge of shares to the respective lenders as covered in respective agreements with lenders.

31 March 2016	31 March 2015
Speedon Network Limited	RAPP Transmission Company Limited
Maharashtra Transmission Communication Infrastructure Limited	Bhopal Dhule Transmission Company Limited
	Jabalpur Transmission Company Limited
	Purulia Kharagpur Transmission Company Limited
	Speedon Network Limited
	Maharashtra Transmission Communication Infrastructure Limited

NOTE 33: CONTINGENT LIABILITIES

		31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
1	Disputed liabilities in appeal		
	a) Sales tax	**0.43**	0.43
	b) Excise duty [Including excise duty case in Supreme Court, refer note 8 and note 45 (A)]	**260.47**	276.21
	c) Customs duty	**73.54**	69.60
	d) Income tax	**22.77**	21.20
	e) Claims lodged by a Bank against the Company (*) (refer note 8)	**18.87**	18.87
	f) Claims against the Company not acknowledged as debt	**1.11**	23.23
2	Outstanding amount of export obligation against advance licence	**2.74**	6.95
3	Corporate guarantee to the income tax department on behalf of group companies.	**114.00**	114.00
4	Corporate guarantees given on behalf of its subsidiaries for loans and hedging facilities taken from bank/financial institution (to the extent of loans and hedging facilities outstanding as at balance sheet date) [(The total amount of corporate guarantees is ₹ 58.13 crores (31 March 2015: ₹ 334.45 crores)]	**26.14**	75.57
5	Bank guarantee given to Long Term Transmission Customers on behalf of its subsidiary companies.	**-**	220.93

The Company has not provided for disputed sales tax, excise duty, customs duty and service tax arising from disallowances made in assessments which are pending with 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 tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

In respect of the claims against the Company not acknowledged as debts as above, the management does not expect these claims to succeed. Accordingly, no provision for the contingent liability has been recognized in the financial statements.

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 debited an amount of ₹ 18.87 crores, towards import consignment under letter of credit 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-Oct-2010, the parties had filed cross appeals before the Debt Recovery Appellate Tribunal. The Debt Recovery Appellate Tribunal vide its Order dated 28-Jan-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 before the Bombay High Court. The management doesn't expect the claim to succeed.

NOTE 34: DERIVATIVE INSTRUMENTS

(a) The following are the outstanding forward exchange contracts entered into by the Company, for hedge purpose, as on March 31, 2016:

Purpose	Foreign currency (In crores)	Amount (₹ in crores)	Buy/Sell	No. of contracts (Quantity)
March 31, 2016				
Hedge of payables, buyers credit and highly probable foreign currency purchases	USD 3.65	242.24	Buy	174
Hedge of trade receivables and highly probable foreign currency sale	USD 2.44	162.60	Sell	55
Hedge of payables, buyers credit and highly probable foreign currency purchases	EUR 1.30	97.33	Buy	49
Hedge of trade receivables and highly probable foreign currency sale	EUR 0.44	32.77	Sell	11
Hedge of payables, buyers credit and highly probable foreign currency purchases	GBP 0.39	37.53	Buy	17
Hedge of trade receivables and highly probable foreign currency sale	GBP 0.66	62.50	Sell	11
March 31, 2015				
Hedge of payables, buyers credit and highly probable foreign currency purchases	USD 13.63	872.29	Buy	288
Hedge of trade receivables and highly probable foreign currency sale	USD 8.06	520.64	Sell	105
Hedge of payables, buyers credit and highly probable foreign currency purchases	EUR 0.87	66.17	Buy	36
Hedge of trade receivables and highly probable foreign currency sale	EUR 0.50	32.77	Sell	25
Hedge of trade receivables and highly probable foreign currency sale	GBP 1.00	99.05	Sell	27

(b) **The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:**

(i) Amount receivable in foreign currency on account of the following:

Category	Currency type	31 March 2016		31 March 2015	
		Foreign currency (In crores)	Amount (₹ in crores)	Foreign currency (In crores)	Amount (₹ in crores)
Export of goods	USD	0.33	21.78	-	-
Export of goods	EUR	0.00*	0.07	-	-
Advance to suppliers	USD	0.04	2.92	0.03	1.69
Advance to suppliers	EUR	0.02	1.38	0.02	1.11
Advance to suppliers	GBP	0.00 *	0.30	0.00*	0.13
Advance to suppliers	CHF	0.00 *	0.01	0.00*	0.04
Advance to suppliers	JPY	-	-	0.03	0.02
Advance to suppliers	CAD	-	-	0.02	1.02
Advance to suppliers	SGD	0.00 *	0.00 *	-	-
Advance to suppliers	AED	0.00 *	0.00 *	-	-
Balance with banks	USD	0.10	6.54	-	-
Balance with banks	EUR	0.01	0.71	0.01	0.73
Balance with banks	GBP	0.06	5.48	0.01	0.86
Balance with banks	RMB	0.00*	0.00*	0.00*	0.00*
Balance with banks	RUB	-	-	0.01	0.01

(ii) Amounts payable in foreign currency on account of the following:

Category	Currency type	31 March 2016		31 March 2015	
		Foreign currency (In crores)	Amount (₹ in crores)	Foreign currency (In crores)	Amount (₹ in crores)
Import of goods and services	USD	0.26	17.40	-	-
Import of goods and services	EUR	0.02	1.13	-	-
Import of goods and services	GBP	0.00*	0.13	-	-
Import of goods and services	MYR	0.01	0.21	-	-
Import of goods and services	SGD	0.00*	0.06	-	-
Import of goods and services	THB	0.00*	0.00*	-	-
Import of goods and services	ZAR	0.01	0.04	-	-
Loan from Banks	USD	0.06	3.86	-	-
Import of capital goods	USD	0.22	14.38	0.43	27.47
Import of capital goods	EUR	0.06	4.51	0.04	2.60
Import of capital goods	JPY	0.21	0.11	-	-
Import of capital goods	GBP	0.02	1.66	-	-

* Amount below 0.01 crore.

(c) **Commodity future contracts to hedge against fluctuation in commodity prices:**

The following are the outstanding future contracts entered into by the Company as on 31 March 2016:

Year	Commodity type	No. of contracts	Contracted quantity (MT)	Buy/Sell
31 March 2016	Copper	16	419	Buy
31 March 2016	Copper	9	645	Sell
31 March 2015	Aluminium*	273	74,994	Buy
31 March 2015	Aluminium	59	10,550	Sell
31 March 2015	Copper	29	361	Buy
31 March 2015	Copper	3	216	Sell
31 March 2015	Zinc	1	25	Buy

* Includes 12 commodity futures contracts for 1,585 MT entered on behalf of subsidiaries.

NOTE 35: 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)

Particulars	31 March 2016		31 March 2015	
	Outstanding amount	Maximum balance	Outstanding amount	Maximum balance
Sterlite Global Ventures (Mauritius) Limited	0.25	0.25	0.09	0.09
Sterlite Grid Limited	-	-	9.34	778.11
East North Interconnection Company Limited	-	-	0.00 *	31.71
Sterlite Technologies Americas LLC	-	0.23	0.23	0.23
Speedon Network Limited	71.30	71.30	46.19	46.97
Maharashtra Transmission Communication Infrastructure Limited	-	0.01	0.01	2.07
Sterlite Technologies UK Ventures Limited	19.80	19.80	17.13	22.74
Elitecore Technologies (Mauritius) Limited	3.79	3.79	-	-
Elitecore Technologies SDN. BHD	0.26	0.26	-	-
Total	95.40		72.99	

* Amount is below ₹ 0.01 crore.

NOTE 36: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Description	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	10.95	0.75
Interest due on above	0.07	0.01
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts 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 year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.07	0.01
(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	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ 0.07 crore (31 March, 2015 ₹ 0.01 crore) and same is not accrued in the books of accounts. Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the “suppliers”/informations available with the Company regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

NOTE 37: VALUE OF IMPORTS CALCULATED ON CIF BASIS

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Raw materials	557.62	981.24
Traded goods	6.34	-
Components and spare parts	29.49	19.97
Capital goods	142.58	41.54
Total	736.03	1,042.75

NOTE 38: EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Travelling and conveyance	7.90	5.44
Sales commission	1.78	3.09
Interest and bank charges	2.97	6.72
Employee benefit expenses	17.20	16.41
Others	28.16	33.07
Total	58.01	64.73

NOTE 39: IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

Particulars	% of total consumption 31 March 2016	Value (₹ in crores) 31 March 2016	% of total consumption 31 March 2015	Value (₹ in crores) 31 March 2015
Raw material				
Imported	65.26	587.87	48.58	944.73
Indigenous	34.74	312.97	51.42	999.91
	100.00	900.84	100.00	1,944.64
Components and spare parts				
Imported	26.09	21.72	31.15	20.06
Indigenous	73.91	61.54	68.85	44.35
	100.00	83.26	100.00	64.41

NOTE 40: NET DIVIDEND REMITTED IN FOREIGN EXCHANGE

Year of remittance (ending on)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Period to which it relates	1 April 2014 to 31 March 2015	1 April 2013 to 31 March 2014
Number of non- resident shareholders	7	8
Number of equity shares held on which dividend was due	20,95,13,750	20,95,08,950
Amount remitted, net of tax (₹ in crores)	12.57	6.29

NOTE 41: EARNING IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
F.O.B. value of exports	547.18	1,056.81
F.O.B. value of deemed exports	-	28.27
Corporate guarantee commission	0.23	0.42
Dividend income from subsidiary	-	0.74
Total	547.41	1,086.24

NOTE 42: RESEARCH AND DEVELOPMENT EXPENDITUIRE

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Capital expenditure		
Plants and machinery - capitalized during the year	2.64	0.49
	2.64	0.49
Revenue expenditure		
Salaries, wages and bonus	3.61	3.67
Raw materials consumed	1.65	2.05
General expenses	2.94	2.13
Total	8.20	7.85

NOTE 43: DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 7 (REVISED) "CONSTRUCTION CONTRACTS":

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Amount of contract revenue recognised during the year (net of excise)	342.55	68.56
The aggregate amount of costs incurred and recognised profits (less recognised losses) for all contracts in progress upto the reporting date	411.11	68.56
Amount of customer advances outstanding for contracts in progress upto the reporting date	-	-
Retention amount due from customers for contracts in progress upto the reporting date	-	-
Gross amount due from customers for contract work as an asset	41.30	-
Gross amount due to customers for contract work as a liability	-	23.09

NOTE 44: INTEREST IN JOINT VENTURE

The Company holds 58.05% interest in Sterlite Conduspar Industrial Ltda, Brazil, a jointly controlled entity which is involved in manufacturing of Optic Fibre Cable. The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity for the year ended 31 March are as follows:

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Current assets	16.82	9.21
Non-current assets	10.89	7.05
Current liabilities	21.49	5.80
Non-current liabilities	0.57	5.30
Net worth	5.64	5.16
Revenue	19.16	2.70
Other income	0.10	
Cost of material consumed	16.30	2.92
Depreciation of plant and machinery	0.97	0.15
Employee benefit expenses	2.38	1.04
Other expenses	4.86	2.68
Finance cost	0.24	0.13
Profit before tax	(5.48)	(4.22)
Tax expenses	-	-
Profit after tax	(5.48)	(4.22)

NOTE 45: OTHER NOTES

A. The Company had in an earlier year received an order of CESTAT upholding the demand of ₹ 188 crores (including penalties and excluding interest) (31 March 2015: ₹ 188 crores) in the pending excise/custom matters on various grounds. The Company's appeal with the Honorable High Court of Mumbai was rejected on the grounds of jurisdiction. The Company preferred an appeal with the Honorable Supreme Court of India against the order of CESTAT which has been admitted. The Company has re-evaluated the case on admission of appeal by the Honorable Supreme Court. Based on their appraisal of the matter, the legal advisors/consultants are of the view that under most likely event, the provision of ₹ 4.50 crores made by the Company against the above demand is adequate. The management is confident of a favorable order and hence no further provision is considered against the said demand.

B. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

C. The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013.

Due to application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its fixed assets. Now, the Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is adjuted to opening general reserve (net of tax). As a result an amount of ₹12.38 crores (net of tax of ₹ 6.55 crores) pertaining to components of fixed assets for which the remaining useful lives were nil as at April 1, 2015 has been adjusted to General Reserve. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April 2015, is depreciated over their remaining useful lives.

As a result of the above change, the depreciation charge for the current year is higher by ₹ 1.22 crores and profit for the current year is lower by ₹ 0.80 crore (net of tax impact of ₹ 0.42 crore).

D. The company has spent an amount of ₹ 2.23 crores (31 March 2015: 1.35 crores) during the year as required under section 135 of the Companies Act, 2013 in the areas of skill development, education and health in the cities of Pune, Aurangabad, Silvassa and Mumbai. Out of ₹ 2.23 crores (31 March 2015: ₹ 1.35 crores), an amount of ₹0.57 crore (31 March 2015: ₹ 0.27 crore) was spent by way of contribution to Sterlite Tech Foundation, in which directors/senior executives of the Company and their relatives are trustees.

Details of CSR expenditure :

Particulars	31 March 2016	31 March 2015
	(₹ in crores)	(₹ in crores)
A. Gross amount required to be spent by the Company	**1.61**	1.32
B. Amount spent during the year	**2.23**	1.35
(i) Construction / acquisition of any assets	**-**	-
(ii) On purpose other than (i) above	**2.23**	1.35

E. Demerger of Power Business

The Board of directors of the Company on May 18, 2015 approved the Scheme of Arrangement under Sections 391 – 394 of the Companies Act, 1956 ('the Scheme') between Sterlite Technologies Limited ('STL' or 'Demerged company'), Sterlite Power Transmission Limited ('SPTL' or 'Resulting company') and their respective shareholders and creditors for the demerger of power products and solutions business (including the investments of STL in power transmission infrastructure subsidiaries i.e. Sterlite Power Grid Ventures Limited and East North Interconnection Company Limited) into SPTL with the appointed date of April 1, 2015. The Scheme was approved by the Hon'ble Bombay High Court vide Order dated April 22, 2016 and it became effective from May 23, 2016 (being the date of filing with Registrar of Companies). The Scheme inter alia provides for issue by SPTL, at the option of the shareholder of STL, of either one equity share of face value of ₹ 2 or one redeemable preference share of face value of ₹ 2 issued at a premium of ₹ 110.30 per share for every 5 fully paid up equity shares of ₹ 2 each of the Demerged Company and redeemable on expiry of eighteen months from the date of allotment at a premium of ₹ 123.55 per share for eligible members other than non residents. In case of non residents one equity share of face value of ₹ 2 for every 5 fully paid up equity shares of ₹ 2 each of the Demerged Company and all such equity shares shall be purchased by the promoters of the Demerged Company and/or their affiliates or any other person and/or entity identified by them, in accordance with the scheme.

As per the Scheme, STL shall reduce the book values of assets and liabilities pertaining to the demerged undertaking (i.e. Power Business) as on the appointed date from its books of account. Accordingly, the following assets and liabilites pertaining to Power Business have been reduced from the books of account of STL as on April 1, 2015:

Particulars	(₹ in crores)
ASSETS	
Non-current assets	
Fixed assets	
Tangible assets	238.94
Intangible assets	0.07
Capital work-in-progress	2.98
	241.99
Non-current investments	1,198.11
Long-term loans and advances	11.77
Trade receivables	-
Other non-current assets	0.42
	1,452.29
Current assets	
Current investments	-
Inventories	236.65
Trade receivables	413.06
Cash and bank balances	0.51
Short-term loans and advances	98.11
Other current assets	1.80
	750.12
TOTAL (A)	2,202.42
LIABILITIES	
Non-current liabilities	
Long-term borrowings	563.25
Deferred tax liabilities (net)	5.75
Trade payables	-
Other long term liabilities	-
Long-term provisions	2.28
	571.27
Current liabilities	
Short-term borrowings	228.65
Trade payables	586.09
Other current liabilities	249.20
Short-term provisions	1.41
	1,065.36
TOTAL (B)	1,636.63
Excess of book value of assets over the book value of liabilities (A - B)	565.78

Further, as per the Scheme, the excess of book value of assets over the book value of liabilities of the demerged undertaking shall be adjusted against the securities premium account and balance, if any, shall be first adjusted against the general reserve account and thereafter against profit and loss account of the demerged company. Also the investment of STL in SPTL of ₹ 0.05 crore has been cancelled and adjusted against surplus in the statement of profit and loss as per the Scheme. Accordingly, the following adjustments have been made in the opening reserves as at April 1, 2015:

Particulars	(₹ in crores)
Excess of book value of assets over the book value of liabilities	565.78
Adjusted against:	
Securities premium	197.26
General reserve	99.97
Surplus in the statement of profit and loss	268.55
Total	565.78

The resulting company shall reimburse the demerged company for all liabilities incurred by the demerged company in so far as such liabilities relate to period prior to the appointed date i.e. April 01, 2015 in respect of the demerged undertaking as per the Scheme.

As a result of the demerger, the financial statements of the Company as at and for the year ended March 31, 2016, do not include the operations of the demerged undertaking and are therefore to that extent are not comparable with the figures as at and for the year ended March 31, 2015.

Details of revenues, expenses and profits from ordinary activities and net cash flows attributable to the discontinuing operations required to be disclosed under Accounting Standard-24 "Discontinuing Operations" are as follows:

(₹ in crores)

Particulars	31 March 2016	31 March 2015
Net revenue	-	1,472.97
Other Operating Income	-	27.02
Revenue from operations (net)	-	1,499.99
Other Income	-	7.88
Expenses (excluding interest cost)	-	1,498.63
Profit before interest and tax*	-	9.24

Particulars	31 March 2016	31 March 2015
Net cash flows from/(used in):		
Operating activities	-	266.47
Investing activities	-	(538.20)
Financing activities*	-	

*During the year ended March 31, 2015, there were common borrowings for the Company as a whole due to which interest cost attributable to discontinuing operations is not ascertainable. Hence the disclosures have been given till Profit before interest and tax. For the same reasons net cash flow from financing activities has not been disclosed.

F. Acquisition and Amalgmation of Elitecore Technologies Private Limited

The Company acquired 100% of the paid up equity share capital of Elitecore Technologies Private Limited ('ETPL'), a global telecom software product company, on September 29, 2015, pursuant to share purchase agreement dated September 22, 2015 for a total purchase consideration of ₹ 187.37 crores which was discharged through bank payments. Post the acquisition, ETPL has been merged with the Company with appointed date of September 29, 2015 under the Scheme of Amalgamation approved by Hon'ble Gujarat High Court vide Order dated March 21, 2016 and effective date May 20, 2016 (being the date of filing with Registrar of Companies).

As required under the Scheme, the Company has accounted for the amalgamation as per Accounting Standard-14 "Accounting for Amalgamations" under the purchase method and has recognized the assets and liabilities acquired at their book value. The excess of amount of investments in ETPL cancelled pursuant to the merger over the net asset value of ETPL on the Appointed Date has been treated as Goodwill. Such Goodwill shall be amortized over a period of 5 years in accordance with AS-14.

As a result of the amalgamation, the financial statements of the Company for the year ended March 31, 2016 incorporate the operations of ETPL with effect from the appointed date i.e. September 29, 2015 and are therefore to that extent not comparable with the figures as at and for the year ended March 31, 2015.

Details of book values of assets and liabilities of ETPL amalgamated into the Company as on the appointed date i.e. September 29, 2015 are as follows:

Particulars	(₹ in crores)
Assets	
Non-current assets	
Tangible fixed assets	4.91
Intangible fixed assets	1.52
Non-current investments	0.14
Deferred tax assets	2.29
Long-term loans and advances	5.49
Other non-current assets	0.55
	14.90
Current assets	
Inventories	1.01
Trade receivables	42.66
Cash and cash equivalents	27.24
Short-term loans and advances	3.28
Other current assets	7.61
	81.80
Total assets (A)	**96.70**
Liabilities	
Non-current liabilities	
Long-term borrowing	2.65
Long-term provision	3.90
	6.55
Current liabilities	
Short-term borrowing	9.42
Trade payables	33.05
Other current liabilities	6.23
Short term provisions	2.26
	50.96
Total liabilities (B)	57.51
Net assets (share capital and reserves) (A-B)	39.18
Purchase consideration	187.37
Goodwill	**148.19**

NOTE 46: RELATED PARTY DISCLOSURES

(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

Sterlite Power Grid Ventures Limited*
Sterlite Grid Limited*
Sterlite Grid 2 Limited (Erstwhile Sterlite Display Technologies Private Limited)*
Sterlite Grid 3 Limited*
East North Interconnection Company Limited*
Jabalpur Transmission Company Limited*
Bhopal Dhule Transmission Company Limited*
Purulia & Kharagpur Transmission Company Limited*
RAPP Transmission Company Limited*
NRSS XXIX Transmission Limited*
Sterlite Global Ventures (Mauritius) Limited
Jiangsu Sterlite and Tongguang Fibre Co. Limited
Twin Star Technologies Limited (Erstwhile Sterlite Display Limited) - upto July 4, 2015
Sterlite Technologies Americas LLC
Sterlite Technologies Europe Ventures Limited
Sterlite Technologies UK Ventures Limited
Speedon Network Limited
Maharashtra Transmission Communication Infrastructure Limited
Sterlite Telesystems Limited
Sterlite Power Technologies Private Limited
Sterlite (Shanghai) Trading Company Limited
Elitecore Technologies (Mauritius) Limited
Elitecore Technologies SDN. BHD

* Transferred to Sterlite Power Transmission Limited under the Scheme of arrangement for demerger of power business [refer Note 45(E)]

(iii) Joint ventures

Sterlite Conduspar Industrial Ltda (58:42 joint venture between Sterlite Technologies UK Ventures Limited and Conduspar Condutores Eletricos Limitada)

(b) Other related parties under AS-18 “Related party disclosures” with whom transactions have taken place during the year

(i) Key management personnel (KMP)

Mr. Pravin Agarwal (Vice Chairman & Whole-time Director)
Dr. Anand Agarwal (CEO & Whole-time Director)

(ii) Relative of key management personnel (KMP)

Mr. Ankit Agarwal

(iii) Entities where key management personnel / relatives of key management personnel have significant influence (EKMP)

Vedanta Limited
Fujairah Gold FZE
Bharat Aluminium Company Limited
Hindustan Zinc Limited
Vedanta Resources PLC
Sterlite Tech Foundation
Universal Floritech LLP
Sterlite Power Transmission Limited

(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)
Mr. Amit Deshpande (Company Secretary)

(B) The transactions with related parties during the year and their outstanding balances are as follows:-

S. No.	Particulars	Subsidiaries		Joint Ventures		Holding Company		KMP		Relative of KMP		EKMP	
	Transactions	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
1	Remuneration	-	-	-	-	-	-	16.51	10.76	0.59	-	-	-
2	Dividend received / (paid)	-	0.74	-	-	(12.56)	(6.28)	-	-	-	-	(0.29)	(0.14)
3	Investment during the year	7.05	1,206.86	-	-	-	-	-	-	-	-	-	-
4	Allotment of equity shares against share application money pending allotment	-	1.04										
5	Share application money paid / (Refund)	-	(186.10)	-	-	-	-	-	-	-	-	-	-
6	Sale of investment in subsidiary	-	125.10	-	-	0.05	-	-	-	-	-	-	-
7	Loans and advances given##	22.10	200.83	-	-	-	-	-	-	-	-	-	-
8	Repayment of advances from subsidiary	0.14	691.14	-	-	-	-	-	-	-	-	-	-
9	Advances from subsidiary##	1.24	0.61	-	-	-	-	-	-	-	-	-	-
10	Repayment of advances to subsidiary	0.26	-	-	-	-	-	-	-	-	-	-	-
11	Interest charged on loans	4.79	23.97	-	-	-	-	-	-	-	-	-	-
12	Management fees paid	-	-	-	-	-	-	-	-	-	-	0.40	0.12
13	Management fees charge	-	-	-	-	-	-	-	-	-	-	28.62	-
14	Corporate guarantee commission charged	0.23	0.42	-	-	-	-	-	-	-	-	-	-
15	Purchase of goods	-	1.61	-	-	-	-	-	-	-	-	19.63	682.97
16	Purchase of services	16.01	13.04	-	-	-	-	-	-	-	-	-	-
17	Purchase of power	-	-	-	-	-	-	-	-	-	-	36.50	3.59
18	Sale of goods (net of excise duty)	109.90	260.45	17.72	3.98	-	-	-	-	-	-	9.68	12.72
19	Interest paid	-	-	-	-	-	-	-	-	-	-	-	1.32
20	Expenses incurred	1.47	0.52	-	-	-	-	-	-	-	-	-	0.11
21	Advance received against supplies	-	14.37	-	-	-	-	-	-	-	-	-	-
22	Corporate and bank guarantees given on behalf of subsidiaries	-	59.21	-	-	-	-	-	-	-	-	-	-
23	Contributions made	-	-	-	-	-	-	-	-	-	-	0.57	0.28
24	Rental income	-	-	-	-	-	-	-	-	-	-	0.02	-
25	ESOP Expenses	-	-	-	-	-	-	-	-	-	-	3.37	-

S. No.	Particulars	Subsidiaries		Joint Ventures		Holding Company		KMP		Relative of KMP		EKMP	
	Outstanding Balances	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
1	Advance outstanding against supplies	-	5.67	-	-	-	-	-	-	-	-	-	1.79
2	Loans/advance receivables##	**95.40**	72.99	-	-	-	-	-	-	-	-	-	-
3	Loans/advance payables##	**1.59**	2.13	-	-	-	-	-	-	-	-	**19.32**	-
4	Trade receivables	**29.51**	107.73	**22.01**	6.92	-	-	-	-	-	-	-	0.35
5	Trade payables	-	1.16	-	-	-	-	-	-	-	-	-	7.21
6	Investment in equity shares and preference shares	**127.23**	1,318.25	-	-	-	-	-	-	-	-	-	-
7	Corporate and bank guarantees given and outstanding	**58.13**	555.38	-	-	-	-	-	-			**114.00**	114.00

Disclosure in respect of material related party transaction during the year:

S. No.	Particulars	Relationship	31 March 2016	31 March 2015
1	**Remuneration #**			
	Mr. Pravin Agarwal	KMP	**9.55**	7.61
	Dr. Anand Agarwal	KMP	**5.27**	3.16
2	**Dividend received / (paid)**			
	Twin Star Overseas Limited	Holding Company	**(12.56)**	(6.28)
	Sterlite Technologies Europe Ventures Limited	Subsidiary	-	0.74
3	**Investment during the year**			
	Sterlite Power Grid Ventures Limited	Subsidiary	-	1,198.07
	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	**5.51**	8.73
	Sterlite (Shanghai) Trading Company Limited	Subsidiary	**1.53**	-
4	**Allotment of equity shares against share application money pending allotment**			
	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	-	1.04
5	**Share application money paid / (Refund)**			
	Sterlite Grid Limited	Subsidiary	-	(175.30)
	Sterlite Grid 2 Limited (Erstwhile Sterlite Display Technologies Private Limited)	Subsidiary	-	(10.80)

S. No.	Particulars	Relationship	31 March 2016	31 March 2015
6	Sale of Investment in Subsidiary			
	Sterlite Power Grid Ventures Limited	Subsidiary	-	125.10
	Twin Star Overseas Limited, Mauritius	Holding Company	0.05	-
7	Loans and advances given ##			
	Sterlite Grid Limited	Subsidiary	-	182.19
	Speedon Network Limited	Subsidiary	20.99	0.15
8	Repayment of advances from subsidiary			
	Sterlite Grid Limited	Subsidiary	-	671.06
	Sterlite Technologies Americas LLC	Subsidiary	0.13	-
9	Advances from subsidiary ##			
	Jiangsu Sterlite and Tongguang Fibre Co. Limited	Subsidiary	-	0.61
	Sterlite (Shanghai) Trading Company Limited	Subsidiary	1.23	-
10	Repayment of advances to subsidiary			
	Jiangsu Sterlite and Tongguang Fibre Co. Limited	Subsidiary	0.26	-
11	Interest charged on loans			
	Sterlite Grid Limited	Subsidiary	-	18.74
	Speedon Network Limited	Subsidiary	4.58	4.57
12	Management fees paid			
	Vedanta Resources PLC	EKMP	0.40	0.12
13	Management fees charge			
	Sterlte Power Transmission Limited	EKMP	28.62	-
14	Corporate guarantee commission charged			
	Jiangsu Sterlite and Tongguang Fibre Co. Limited	Subsidiary	0.23	0.42
15	Purchase of goods			
	Vedanta Limited	EKMP	2.06	601.20
	Fujairah Gold FZE	EKMP	17.56	37.98
16	Purchase of services			
	Speedon Network Limited	Subsidiary	16.01	13.04
17	Purchase of power			
	Vedanta Limited	EKMP	36.50	3.59
18	Sale of goods (net of excise duty)			
	Sterlite Grid Limited	Subsidiary	-	117.02
	Jiangsu Sterlite and Tongguang Fibre Co. Limited	Subsidiary	108.22	82.40
	Sterlite Conduspar Industrial Ltda	Joint Venture	17.72	3.98
19	Interest paid			
	Vedanta Limited	EKMP	-	1.32
20	Expenses incurred			
	Speedon Network Limited	Subsidiary	1.47	0.52
21	Advance received against supplies			
	Sterlite Power Grid Ventures Limited	Subsidiary	-	14.37

S. No.	Particulars	Relationship	31 March 2016	31 March 2015
22	**Corporate and bank guarantee given on behalf of subsidiaries**			
	NRSS XXIX Transmission Limited	Subsidiary	-	44.21
	Bhopal Dhule Transmission Company Limited	Subsidiary	-	15.00
23	**Contributions made**			
	Sterlite Tech Foundation	EKMP	**0.57**	0.28
24	**Rental income**			
	Universal Floritech LLP	EKMP	**0.02**	-
25	**ESOP expenses charged**			
	Sterlite Power Transmission Limited	EKMP	**3.37**	

As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors are not included above.

#Includes expenses incurred and recoverable.

NOTE 47: SEGMENT REPORTING

As a result of the demerger of Sterlite Power Transmission Limited as explained in note 45(E), the Company's operations predominately relate to Telecom product and solutions and accordingly this is the only primary reportable segment as per AS 17 "Segment Reporting.

Business Segment

(₹ in crores)

Particulars	Telecom Product and Solutions		Power Product and Solutions		Unallocable		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment revenue	**2,133.58**	1,591.39	-	1,563.21	-	-	**2,133.58**	3,154.60
Less: Excise duty	**131.07**	104.13	-	90.24	-	-	**131.07**	194.37
Net revenue	**2,002.51**	1,487.26	-	1,472.97	-	-	**2,002.51**	2,960.23
Segment results (EBIT)	**339.33**	269.06	-	9.24	-	-	**339.33**	278.30
Less: Finance cost					**92.29**	179.28	**92.29**	179.28
Profit before tax							**247.04**	99.02
Less: Tax expense					**65.99**	14.78	**65.99**	14.78
Net profit	-						**181.05**	84.24
Segment assets	**2,489.88**	1,622.42	-	1,074.12			**2,489.88**	2,696.54
Common assets					-	1,530.77	-	1,530.77
Total assets							**2,489.88**	4,227.31
Segment liabilities	**1,674.92**	443.03	-	751.40	-	-	**1,674.92**	1,194.43
Common liabilities	-				-	1,790.23	-	1,790.23
Total liabilities							**1,674.92**	2,984.66
Capital expenditure incurred (excluding goodwill)	**261.61**	70.73	-	18.60	-	-	**261.61**	89.33
Depreciation	**107.13**	76.12	-	31.62	-	-	**107.13**	107.74
Significant non cash expenditure	**21.07**	10.67	-	19.04	-	-	**21.07**	29.71

Secondary Segment: Geographical Segment

The Company's secondary segments are based on the geographic distribution of activities. Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets

S. No.	Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
1	**Segment revenue - external turnover (gross)**		
	Within India	**1,557.92**	2,043.26
	Outside India	**575.66**	1,111.34
	Total	**2,133.58**	3,154.60
2	**Segment assets**		
	Within India	**2,261.34**	2,451.75
	Outside India	**228.54**	244.79
	Total	**2,489.88**	2,696.54
3	**Capital expenditure**		
	Within India (excluding goodwill)	**261.61**	89.33
	Outside India	**-**	-
	Total	**261.61**	89.33

NOTE 48: DISCLOSURE REQUIRED UNDER SEC. 186 (4) OF THE COMPANIES ACT 2013

Included in loans and advances are certain loans the particulars of which are disclosed below as required by Sec 186 (4) of Companies Act 2013

Name of the loanee	Rate of Interest	Due date	Secured / Unsecured	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	Purpose
Sterlite Global Ventures (Mauritius) Limited	2.00-3.00%	Repayable on demand	Unsecured	0.25	0.09	The loan has been utilised by the Company for working capital requirement
Speedon Network Limited	10.00-10.25%	Repayable on demand	Unsecured	71.30	46.19	The loan has been utilised by the Company for construction of network infrastructure.
Sterlite Technologies UK Ventures Limited	1.14 %- 1.31%	Repayable on demand	Unsecured	19.80	17.13	The loan has been utilised by the Company for investment in Joint Venture in Brazil.

For details of investments, refer note 12. For details of guarantees given, refer note 46.

NOTE 49: PREVIOUS YEAR FIGURES

Previous year figures have been regrouped/reclassified where necessary, to confirm to this year's classification. The financial statements for the year ended March 31,2016 incorporate the impact of the demerger and merger mentioned in Note 45 E and Note 45 F from the appointed dates April 1, 2015 and September 29, 2015 respectively. Hence, the amounts for the financial year ended March 31,2016 are not comparable with the previous financial year ended March 31, 2015.

As per our report of even date

For S R B C & Co LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

per Paul Alvares
Partner
Membership Number : 105754

Place : Pune
Date : May 26, 2016

For and on behalf of the board of directors of **Sterlite Technologies Limited**

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN Number : 00022096

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

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Sterlite Technologies Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Sterlite Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint controlled entity, comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

BASIS FOR QUALIFIED OPINION

As stated in Note no. 38(A) to the accompanying consolidated financial statements, the Company had in an earlier year received an order of CESTAT upholding a demand of ₹ 188 crores (including penalties and excluding interest) (₹ 188 crores as at March 31, 2015) in a pending excise/customs matter. The Company's appeal against this order with the Honourable Supreme Court has been admitted. Based on the current status and legal advice received, provision for liability as recorded and disclosed in Note no. 9 in the accompanying consolidated financial statements is considered adequate by Management. In the event the decision of the Honourable Supreme Court goes against the Holding Company on any of the grounds of appeal, additional provision against the said demand may be required. Pending disposal of the matter by the Honourable Supreme Court, we are unable to comment on the adequacy of the provisions made towards the amount of excise / customs duty payable. Our audit opinion on the consolidated financial statements for the year ended March 31, 2015 was also qualified in respect of this matter.

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by 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 consolidated the state of affairs of the Group and its jointly controlled entity as at March 31, 2016, of their consolidated profit and their consolidated cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, to the extent applicable, we report that:

   (a) We/the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Holding Company so far as appears from our examination of those books and the reports of the other auditors;

   (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;

   (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies incorporated in India, none of the directors of the Holding Company and its subsidiary companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

   (g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

   (h) With respect to the other matters to be included in the Auditor's 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) Except for the possible effect of the matter described in the Basis of Qualified Opinion above, the consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its jointly controlled entity – Refer Note 9,35 and 38(A) 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 – Refer Note 9 and 11 to the consolidated financial statements in respect of such items as it relates to the Group and its jointly controlled entity;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

OTHER MATTER

(a) The accompanying consolidated financial statements include total assets of ₹ 165.08 crores as at March 31, 2016, and total revenues and net cash inflows of ₹ 225.48 crores and ₹ 13.47 crores for the year ended on that date, in respect of four subsidiaries, which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

(b) The accompanying consolidated financial statements include total assets of ₹ 33.94 crores as at March 31, 2016, and total revenues and net cash inflows of ₹ 20.40 crores and ₹ 6.55 crores for the year ended on that date, in respect of four subsidiaries and a jointly controlled entity, which have not been audited, which unaudited financial statements and other unaudited financial information have been furnished to us. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and a jointly controlled entity is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, 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 and other financial information certified by the Management

Place of Signature: Pune
Date: May 26, 2016

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number : 105754

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF STERLITE TECHNOLOGIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Sterlite Technologies Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Sterlite Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Holding Company's internal financial controls over financial reporting as at March 31, 2016:

The Holding Company's internal financial controls over evaluation and assessment of provision for an excise/customs matter pending with the Honourable Supreme Court were not operating effectively which could potentially result in the Group not recognising sufficient provision there against.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2016, 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 issued by the Institute of Chartered Accountants of India , and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the the Holding Company's internal financial controls over financial reporting were operating effectively as of March 31, 2016.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, consolidated financial statements of Sterlite Technologies Limited, which comprise the consolidated Balance Sheet as at March 31, 2016, and the related consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 consolidated financial statements of Sterlite Technologies Limited and this report affects our report dated May 26, 2016, which expressed a qualified opinion on those consolidated financial statements.

Place of Signature: Pune
Date: May 26, 2016

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number : 105754

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2016

(All amounts in ₹ crores unless otherwise stated)

	Note	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	79.04	78.81
Reserves and surplus	4	619.81	1,008.06
		698.85	1,086.87
Optionally convertible preference shares (issued by subsidiary company)		-	409.10
Minority interest		31.21	23.04
Non-current liabilities			
Long-term borrowings	5	468.59	4,435.92
Deferred tax liabilities (net)	6	49.05	47.35
Other long term liabilities	8	106.87	121.72
Long-term provisions	9	28.08	10.59
		652.59	4,615.58
Current liabilities			
Short-term borrowings	10	357.25	621.86
Trade payables	11	370.07	899.73
Other current liabilities	11	461.59	687.84
Short-term provisions	9	68.85	48.18
		1,257.76	2,257.61
TOTAL		2,640.41	8,392.20
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12	992.40	4,038.96
Intangible assets	12	153.76	16.21
Capital work-in-progress		173.95	2,192.58
Intangible assets under development		-	0.06
		1,320.11	6,247.81
Non-current investments	13	1.60	-
Deferred tax assets	7	-	11.89
Long-term loans and advances	14	73.66	133.48
Trade receivables	15	4.64	10.27
Other non-current assets	16	1.39	25.57
		1,401.40	6,429.02
Current assets			
Current investments	17	-	58.82
Inventories	18	215.51	414.91
Trade receivables	15	698.15	834.43
Cash and bank balances	19	80.84	375.92
Short-term loans and advances	14	109.11	240.51
Other current assets	16	135.40	38.59
		1,239.01	1,963.18
TOTAL		2,640.41	8,392.20
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S R B C & Co LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

For and on behalf of the board of directors of **Sterlite Technologies Limited**

per Paul Alvares
Partner
Membership Number : 105754

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN Number : 00022096

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

Place : Pune
Date : May 26, 2016

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ crores unless otherwise stated)

	Note	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
INCOME			
Revenue from operations (gross)	20	2,291.64	3,270.40
Less : Excise duty	20	130.87	173.34
Revenue from operations (net)		2,160.77	3,097.06
Other income	21	12.81	51.34
Total Income (I)		2,173.58	3,148.40
EXPENSES			
Cost of raw material and components consumed	22	953.71	1,811.76
Purchase of traded goods	23	33.72	42.92
(Increase) / decrease in inventories of finished goods			
work-in-progress and traded goods	23	(17.10)	(30.97)
Employee benefits expense	24	210.82	175.94
Other expenses	25	527.51	636.76
Total Expenses (II)		1,708.66	2,636.41
Earning before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		464.92	511.99
Depreciation and amortisation expense	26	130.88	184.98
Finance costs	27	113.25	326.90
Profit before tax		220.79	0.11
Tax expense:			
Current tax		53.29	27.25
Deferred tax		16.29	(29.01)
Income tax for earlier years		(5.93)	5.45
Total tax expenses		63.65	3.69
Profit / (Loss) for the year		157.14	(3.58)
Share of profit / (loss) of minority interest		6.08	(0.94)
Profit / (Loss) for the year after minority interest		151.06	(2.64)
Earnings per equity share [nominal value of share ₹ 2 (31 March 2015: ₹ 2)]	28		
Basic			
Computed on the basis of profit / (loss) for the year (₹)		3.83	(0.07)
Diluted			
Computed on the basis of profit / (loss) for the year (₹)		3.75	(0.07)
Profit (before interest & tax) for the year from ordinary activities attributable to Discontinuing Operations (Power Products & Solutions and Power Transmission Business) included in the above. (Refer note 38E)		-	78.58
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S R B C & Co LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

per Paul Alvares
Partner
Membership Number : 105754

Place : Pune
Date : May 26, 2016

For and on behalf of the board of directors of **Sterlite Technologies Limited**

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN Number : 00022096

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

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
A. Cash flow from operating activities		
Net profit / (loss) as per consolidated statement of profit and loss	157.14	(3.58)
Adjustment for taxation	63.65	3.69
Profit before tax	220.79	0.11
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	130.88	184.98
Provision for doubtful debts and advances	(46.93)	(5.94)
Provision for warranty	15.79	-
Bad debts and advances written off	49.26	25.44
Balances no longer payable written back	(1.82)	(19.13)
Goodwill on consolidation written off	-	1.65
Loss on sale of fixed assets, net	0.26	2.62
Employees stock option expenses	13.46	4.52
Income from investments	(0.42)	(18.29)
Finance costs	113.25	326.90
Interest income	(8.40)	(4.16)
Unrealised exchange difference	1.61	(13.20)
Adjustments for consolidation*	(0.59)	(0.65)
	266.35	484.73
Operating profit before working capital changes	487.14	484.84
Movements in working capital :		
Increase in trade payables	31.54	339.88
Increase in long-term provisions	1.94	4.76
Increase in short-term provisions	0.75	5.33
Increase in other current liabilities	59.39	26.47
Increase/(decrease) in other long-term liabilities	0.74	(0.10)
Increase in trade receivable	(178.95)	(281.31)
Increase in inventories	(36.24)	(95.33)
Increase in long-term loans and advances	(5.26)	(2.81)
(Increase)/decrease in short-term loans and advances	29.21	(44.85)
Increase in other current assets	(130.25)	(22.45)
Decrease in other non-current assets	0.55	0.20
Change in working capital	(226.58)	(70.22)
Cash generated from operations	260.56	414.62
Direct taxes paid (net of refunds)	(53.97)	(21.96)
A. Cash flow from operating activities	206.59	392.66
B. Cash flow from investing activities		
Purchase of fixed assets, including capital work-in-progress and capital advances	(222.58)	(1,159.15)
Proceeds from sale of fixed assets	0.57	7.96
Acquisition of business	(187.37)	-
(Purchase)/proceeds of current investments (net)	55.57	16.65
Purchase of non- current investments	(1.60)	-
Proceeds of non-current investments	-	164.39
Investment in bank deposits (having original maturity of more than three months)	(10.02)	(220.82)
Redemption of bank deposits (having original maturity of more than three months)	218.64	17.83
Investment in margin money deposits	(7.60)	-
Purchase of minority interest	-	(1.50)
Interest received	9.64	2.85
B. Net cash flow used in investing activities	(144.75)	(1,171.78)

* Primarily includes impact of foreign currency translation in non-integral operation.

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
C. Cash flow from financing activities		
Proceeds of issue of Optionally Convertible Preference Shares (issued by Subsidiary Company)	-	450.01
Increase in minority interest due to issue of shares by subsidiaries	1.76	2.05
Proceeds of long term borrowings	207.16	2,220.59
Repayment of long term borrowings	(125.87)	(1,201.62)
Proceeds/(repayment) of short term borrowings (net)	(6.76)	(32.66)
Proceeds of issue of shares against employee stock options	0.22	0.03
Interest paid	(130.05)	(574.62)
Dividend paid on equity shares	(23.41)	(11.73)
Tax on equity dividend paid	(4.82)	(2.01)
C. Net cash flow from financing activities	(81.77)	850.03
Net increase/(decrease) in cash and cash equivalents	(19.93)	70.91
Cash and cash equivalents as at beginning of period	155.10	84.19
Cash and cash equivalents taken over on amalgamation of subsidiary (refer note 38G)	27.44	-
Cash and cash equivalents transferred on demerger of Power Business (refer note 38F)	101.57	-
Cash and cash equivalents as at period end *	61.04	155.10

*The Cash and cash equivalents include balance of ₹ 1.58 crores (31 March 2015: ₹ 1.33 crores) which is not available for use by the Company.

Components of cash and cash equivalents:	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Balances with banks:		
On current accounts	59.39	153.71
On unpaid dividend account	1.58	1.33
Cash in hand	0.07	0.06
Total cash and cash equivalents (refer note 19)	61.04	155.10

As per our report of even date

For S R B C & Co LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

per Paul Alvares
Partner
Membership Number : 105754

Place : Pune
Date : May 26, 2016

For and on behalf of the board of directors of **Sterlite Technologies Limited**

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN Number : 00022096

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

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. CORPORATE INFORMATION

Sterlite Technologies Limited (hereinafter referred to as the 'Company') and its subsidiaries and joint venture (together referred to as 'the Group') is primarily engaged in the business of Telecom products and solutions.. Telecom products and solutions mainly include integrated optical fibre, other telecom products such as fibre optical cables, copper telecom cables, structured data cables and access equipments, fibre connectivity and system integration solution offerings for telecom networks OSS/BSS solutions, billing and bandwidth management solutions to organizations and other service design, engineering, implementation and maintenance of Optical Fibre Cable (OFC) Network.

Power products and solutions business has been demerged from the Company and transferred to Sterlite Power Transmission Limited under a Scheme of Arrangement with effect from 1 April 2015 [refer Note 38(F)].

2. BASIS OF PREPARATION

The consolidated financial statements are prepared in accordance with Accounting Standard 21 – Consolidated Financial Statements, notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies have been consistently applied by the Group and are in conformity with Indian Generally Accepted Accounting Principles ('Indian GAAP'). The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all significant intra group balances and intra group transactions and unrealised profits. Unrealised losses resulting from intragroup transactions are eliminated unless cost cannot be recovered.

(ii) The excess of the cost to the company of its investment in the subsidiary over the company's portion of equity of the subsidiary on the acquisition date is recognised in the financial statements as goodwill and is tested for impairment annually. The excess of company's portion of equity of the subsidiary over the cost of investment therein is treated as capital reserve.

(iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, are made in the consolidated financial statements and are presented in the same manner as the company's standalone financial statements.

(iv) The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the company i.e. year ended March 31, 2016.

(v) The Group recognises its interest in the joint venture using the proportionate consolidation method as per Accounting Standard 27 – Financial Reporting of Interests in Joint Ventures. The Group combines its proportionate share of each of the assets, liabilities, income and expenses of the joint venture with similar items, line by line, in its consolidated financial statements.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year except for the change in accounting policy explained below.

2.1 Summary of significant accounting policies

Change in accounting policy

The company has adopted component accounting as required under Schedule II to the Companies Act, 2013 from 1 April 2015. The company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed assets.

Due to application of Schedule II to the Companies Act, 2013, the company has changed the manner of depreciation for its fixed assets. Now, the company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is adjusted against reserves. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April 2015, is depreciated over their remaining useful lives.

Refer note 38(D) for the impact of change in accounting policy.

(a) Use of estimates

The preparation of financial statements in conformity with the Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Tangible fixed assets

Fixed assets, are stated at cost (net of cenvat), net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the consolidated statement of profit and loss for the period during which such expenses are incurred.

The Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs 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.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

(c) Depreciation on tangible fixed assets

(i) Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The group has used the following rates to provide depreciation on its fixed assets:

Sr. No.	Nature of assets	Useful life considered	Useful life specified in Schedule II of the Companies Act, 2013
1.	Buildings (Factory/Office)	30/60 years	30/60 years
2.	Plant and machinery (excluding S.No. 3 and 4)	3-20 years *	Continuous Process Plant - 25 years, Others - 15 years
3.	Telecom - Ducts, Cables and Optical Fibre	18 years	18 years
4.	Other telecom network equipments	3-18 years *	13 years
5.	Substations [Power product and solutions business has been demerged w.e.f. 1 April 2015, refer Note 38(F)]	Period of Transmission license of the respective project or Useful life whichever is lower	40 years
6	Power Transmission Lines (Conductors, Towers, etc.) [Power product and solutions business has been demerged w.e.f. 1 April 2015, refer Note 38(F)]	Period of Transmission license of the respective projects or Useful life whichever is lower	40 years
7	Furniture and fixtures	7.5-10 years *	10 years
8	Data processing equipments	3-5 years *	Servers and networks - 6 years and Desktops, laptops, etc. - 3 years
9	Office equipments	4-5 years *	5 years
10	Electric fittings	4-14 years *	10 years
11	Vehicles	4-5 years * #	8 years

* Considered on the basis of management's estimation, supported by technical advice, of the useful lives of the respective assets.
# Residual value considered as 15% on the basis of management's estimation, supported by technical advice.

(ii) Cost of leasehold land is amortised over the period of lease on a straight line basis.

(iii) Cost of capital and insurance spares is amortised over a period of four years.

(d) 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, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the consolidated statement of profit and loss in the year in which the expenditure is incurred.

Duct taken on Indefeasible Right of Use (IRU) is amortized over the agreement period on a straight line basis.

Customer acquisition costs consist of payments made to obtain consents/permissions for laying of fibre 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.

Right of way (ROW) pertains to the right granted by Maharashtra State Electricity Transmission Company Limited to one of the subsidiaries of the Company to establish communication network in the state of Maharashtra. ROW is amortized on a straight line basis over a period of 20 years for which the right has been granted.

Softwares are amortised on a straight line basis over a period of 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 Court Order. Intangible assets not yet available for use and intangible assets amortized over a period exceeding ten years from the date they are available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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 consolidated statement of profit and loss when the asset is derecognised.

Research and development costs

Revenue expenditure on research activities is expensed as incurred.

(e) Leases

Where the group is lessee

Finance leases, which effectively transfer to the group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

Where the group is the lessor

Leases in which the group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the consolidated statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the consolidated statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the consolidated statement of profit and loss.

(f) Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an 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 respective asset. All other borrowing costs are expensed in the period they occur.

(g) Impairment of tangible and intangible assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in the consolidated statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss.

(h) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

(i) Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the consolidated statement of profit and loss.

(j) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis except in case of inventory for aluminium conductors in the power product and solutions business [demerged into SPTL w.e.f 1 April 2015, refer Note 38(F)], wherein the cost is determined on specific identification method based on costing details of each project.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Traded goods are valued at lower of cost and net realisable value. Cost is determined on weighted average basis and includes all cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) **Revenue recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the group and that the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The group collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the group. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year. Sales are net of quantity discounts. Freight charged on sales and recovered is included as a part of revenue.

Revenue from projects

Fixed Price Contracts :

Revenue from fixed price construction contracts for optical fibre cable networks is recognised based on the stage of completion of the individual contract using the percentage completion method, provided the order outcome as well as expected total costs can be reliably estimated. Where the profit from a contract cannot be estimated reliably, revenue is only recognised equalling the expenses incurred to the extent that it is probable that the expenses will be recovered. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the consolidated statement of profit and loss.

Prepayments from customers are recognised as liabilities. A contract in progress for which the selling price of the work performed exceeds interim billings and expected losses is recognised as an asset. Contracts in progress for which interim billings and expected losses exceed the selling price are recognised as a liability. Expenses relating to sales work and the winning of contracts are recognised in the consolidated statement of profit and loss as incurred.

Income from services

Revenues from services are recognised pro-rata over the period of the contract as and when services are rendered. The group collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the group. Hence, it is excluded from revenue.

Revenue from one time charges billed to service providers is recognized over the related estimated customer relationship period.

Amount received as one-time cost from developers towards setting up of telecom infrastructure in their premises is recognized as revenue over the period of the agreement with the developers.

Revenue from power transmission charges is accounted for on the basis of billings to transmission utilities and includes unbilled revenues accrued upto the end of the accounting year. [Power product and solutions business has been demerged w.e.f. 1 April 2015, refer Note 38 (F)]

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends

Dividend income is recognised when the group's right to receive dividend is established by the reporting date.

Export incentives

Export incentive benefits consist of duty drawback and high value added licenses. These are recognised on the basis of receipt of proof of export.

(l) **Foreign currency translation**

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

The group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

2. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.

3. All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of 1 and 2 above, the group treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 09 August 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/ income over the life of the contract. Exchange differences on such contracts, are recognised in the consolidated statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period. None of the foreign exchange contracts are taken for trading or speculation purpose.

Translation of integral and non-integral foreign operation

The group classifies all its foreign operations as either "integral foreign operations" or "non-integral foreign operations."

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the group itself.

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognised in the consolidated statement of profit and loss.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification..

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund and superannuation fund are defined contribution schemes. The group recognizes contribution payable to the provident fund and superannuation fund as an expenditure, when an employee renders the related service. The group has no obligation, other than the contribution payable to the provident fund and superannuation funds.

The group operates a defined benefit plan in the form of gratuity for its employees. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognised in full in the period in which they occur in the consolidated statement of profit and loss.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred. The group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(n) Income taxes

Tax expenses comprise current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In the situations where the group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. However, the group restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the consolidated statement of profit and loss as current tax. The group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the consolidated statement of profit and loss and shown as "MAT Credit Entitlement." The group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the group does not have convincing evidence that it will pay normal tax during the specified period.

(o) Employee stock compensation cost

Employees of the group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the ICAI Guidance note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the consolidated statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

(p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Provisions

A provision is recognised when the group has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit and loss net of any reimbursement.

Warranty provisions:

Provision for warranty related costs are recognised when the product is sold or services provided. The estimate of such warranty related costs is revised annually.

(r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The group does not recognise a contingent liability but discloses its existence in the financial statements.

(s) Cash and cash equivalents

Cash and cash equivalents for the purposes of consolidated cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(t) Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11 “The Effects of Changes in Foreign Exchange Rates”, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the consolidated statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

Gains and losses from designated and effective hedging instruments are included in the same line as the gains and losses from the hedged items such as sales revenue or cost of goods sold as the case may be. Gains and losses on other derivatives are included in other income or other expenditure as the case may be.

The group enters into commodity futures contracts against future sales transactions. These commodity futures contracts are rolled over in case the period of the contracts is less than the period of future sales transactions. On roll over, the group has to pay/receive the differential amount, in case commodity prices have gone down/up (loss/profit).The group carries the loss/profit in the balance sheet till the future sales transactions take place. This loss/profit is transferred to consolidated statement of profit and loss on conclusion of the future sales transactions except in case where such loss/profit relates to the acquisition or construction of fixed assets, in which case, it is adjusted to the carrying cost of such fixed assets.

(u) Amalgamation accounting

The group treats an amalgamation in the nature of merger if it satisfies all the following criteria:

(i) All the assets and liabilities of the transferor company become, after amalgamation, the assets and liabilities of the transferee company;

(ii) Shareholders holding not less than 90% of the face value of the equity shares of the transferor company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee company or its subsidiaries or their nominees) become equity shareholders of the transferee company;

(iii) The consideration for amalgamation receivable by those equity shareholders of the transferor company who agree to become shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares, except that cash may be paid in respect of any fractional shares;

(iv) The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company;

(v) The transferee company does not intend to make any adjustment to the book values of the assets and liabilities of the transferor company, except to ensure uniformity of accounting policies.

All other amalgamations are in the nature of purchase.

The group accounts for all amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the group to recognize any non-cash element of the consideration at fair value. The group recognizes assets, liabilities and reserves, whether capital or revenue, of the transferor company at their existing carrying amounts and in the same form as at the date of the amalgamation. The balance in the statement of profit and loss of the transferor company is transferred to the general reserve. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor company is adjusted in reserves.

An amalgamation in the nature of purchase is accounted for using the purchase method. The cost of an acquisition/amalgamation is measured as the aggregate of the consideration transferred, measured at fair value. Other aspects of accounting are as below:

(i) The assets and liabilities of the transferor company are recognized at their existing carrying amounts in the financial statements of transferor company at the date of amalgamation. The reserves, whether capital or revenue, of the transferor company, except statutory reserves, are not recognized.

(ii) Any excess consideration over the value of the net assets of the transferor company acquired is recognized as goodwill. If the amount of the consideration is lower than the value of the net assets acquired, the difference is treated as capital reserve.

(iii) The goodwill arising on amalgamation is amortized to the statement of profit and loss over five years as per Court Order.

(v) Segment Reporting Policies

As a result of the demerger of power product and solutions business as explained in note 38 (F), the Company's operations predominately relate to Telecom product and solutions and accordingly this is the only primary reportable segment as per AS 17 "Segment Reporting. The analysis of geographical segment is based on the areas in which major operating divisions of the company operate.

Segment policies

The group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financials statements of the group as a whole.

(w) Measurement of EBITDA

The group has elected to present earnings before interest, tax, depreciation and amortisation expense (EBITDA) as a separate line item on the face of the consolidated 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 depreciation and amortisation expense, finance costs and tax expenses.

NOTE 3: SHARE CAPITAL

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Authorised shares (no. crores)		
75.00 (31 March 2015: 75.00) equity shares of ₹ 2 each	150.00	150.00
Issued, subscribed and fully paid-up shares (no. crores)		
39.52 (31 March 2015: 39.41) equity shares of ₹ 2 each fully paid - up.	79.04	78.81
Total issued, subscribed & fully paid-up share capital	79.04	78.81

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31 March 2016		31 March 2015	
	Nos in crores	₹ in crores	Nos in crores	₹ in crores
At the beginning of the period	39.41	78.81	39.38	78.76
Issued during the year - ESOP	0.11	0.22	0.02	0.04
Issued during the year - bonus on ESOP	0.00*	0.00*	0.01	0.01
Outstanding at the end of the year#	39.52	79.04	39.41	78.81

The difference in reconciliation of the number of shares is due to rounding off.

* Figures below 0.01 crore.

(b) Terms/rights attached to equity shares

The Group 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 except for the underlying 85,550 (31 March 2015: 85,550) equity shares held by custodian bank against Global Depository Receipts ('GDRs') which do not have voting rights.

The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2016, the amount of per share dividend recognised as distributions to equity shareholders was ₹ 1.00 (31 March 2015 : ₹ 0.60)

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:

	31 March 2016		31 March 2015	
	Nos in crores	% holding	Nos in crores	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	20.94	52.99%	20.94	53.14%
Subsidiary of Volcan Investments Limited, Bahamas [Ultimate holding company]				
Vedanta Limited	0.48	1.21%	0.48	1.21%

(d) Aggregate number of bonus shares issued, share issued for consideration other than cash during the period of five years immediately preceding the reporting date :

	31 March 2016 (Nos in crores)	31 March 2015 (Nos in crores)
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium	1.88	1.92

In addition Group has issued total 0.18 crore shares (31 March 2015 : 0.11 crore shares) during the period of five years immediately preceding the reporting date on exercise of option granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee services.

(e) Detail of shareholders holding more than 5 % of shares in the Group

	31 March 2016		31 March 2015	
	Nos in crores	% holding	Nos in crores	% holding
1. Twin Star Overseas Limited, Mauritius (Holding Company)	20.94	52.99%	20.94	53.14%
2. Life Insurance Corporation of India	1.90	4.80%	2.13	5.40%

(f) Shares reserved for issue under options:

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Group, please refer note 31.

NOTE 4 : RESERVES AND SURPLUS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Capital reserve	0.04	0.04
Securities premium account		
Balance as per last financial statements	197.26	196.66
Less: Adjustment on account of demerger (refer note 38F)	197.26	-
Add: Additions on ESOPs excercised	3.21	0.71
Less: Utilised for issue of bonus shares	0.00*	0.01
Less: Utilised for writing off expenses on issue of debentures (net of tax)	-	0.10
Closing balance	3.21	197.26
* Amount is below ₹ 0.01 crore.		
Gain on dilution		
Balance as per last financial statements	41.59	-
Less: Transferred to general reserve	41.59	-
Add : Addition during the year [refer note 38(B)]	-	41.59
Closing balance	-	41.59
Employee stock option outstanding		
Balance as per last financial statements	5.43	1.62
Add: Employees stock option expenses for the year (refer note 24)	13.46	4.52
Add : Amount charged to resulting Company (refer note 31)	3.37	-
Less: Transferred to securities premium account	3.21	0.71
Closing balance	19.05	5.43
Foreign currency translation reserve		
Balance as per last financial statements	2.20	3.88
Add: Effect of foreign exchange rate variations during the year	2.05	(1.68)
Closing balance	4.25	2.20
Debenture redemption reserve		
Balance as per last financial statements	112.50	62.50
Add: Amount transferred from surplus in the consolidated statement of profit and loss	-	50.00
Less: Amount transferred to general reserve	75.00	
Closing balance	37.50	112.50
General reserve		
Balance as per last financial statements	99.97	135.85
Add: Amount transfered from gain on dilution	41.59	-
Less: Adjustment on account of demerger (refer note 38 F)	141.56	-
Add: Amount transfered from debenture redemption reserve	75.00	-
Less: Adjustment on account of fixed assets (refer note 38 D)	12.38	35.88
Closing balance	62.62	99.97
Surplus in the consolidated statement of profit and loss		
Balance as per last financial statements	549.07	630.85
Less : Adjustment on account of demerger (refer note 38 F)	159.39	-
Profit / (Loss) for the year	151.06	(2.64)
Less: Minority's share of losses adjusted against Group's interest	-	(0.68)
Less: Appropriations		
Proposed final equity dividend [amount per share ₹ 1.00 (31 March 2015: ₹ 0.60)]	39.54	23.65
Tax on proposed equity dividend	8.06	4.81
Transfer to general reserve	-	-
Transfer to debenture redemption reserve	-	50.00
Total appropriations	47.60	78.46
Net surplus in the consolidated statement of profit and loss	493.14	549.07
Total reserves and surplus	619.81	1,008.06

NOTE 5: LONG-TERM BORROWINGS

	Non - current portion		Current maturities	
	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Debentures				
800 (31 March 2015 : 2,000) 10.60% Non convertible debentures of ₹ 10 lacs each (secured)	-	200.00	80.00	-
700 (31 March 2015 : 2,500) 11.45% Non convertible debentures of ₹ 10 lacs each (secured)	-	250.00	70.00	-
Term loans				
Indian rupee term loans from banks (secured)	287.68	3,231.62	102.47	223.35
Foreign currency loan from financial institutions (secured)	-	264.79	-	14.47
Foreign currency loan from bank (secured)	179.32	40.81	9.46	16.44
Indian rupee loan from financial institutions (secured)	-	380.64	-	3.80
Finance lease obligation (secured)	1.59	-	0.79	-
Other loans and advances				
Domestic bill discounting (secured)	-	32.52	-	-
Buyers credit (secured)	-	35.54	-	-
Sales tax loan (interest free) (unsecured)	-	-	0.45	0.45
	468.59	4,435.92	263.17	258.52
The above amount includes				
Secured borrowings	468.59	4,435.92	262.72	258.07
Unsecured borrowings	-	-	0.45	0.45
Amount disclosed under the head "other current liabilities" (note 11)	-	-	263.17	258.52
Net amount	468.59	4,435.92	-	-

Sterlite Technologies Limited (STL)

(a) 10.60 % Non convertible debentures are redeemable at par in Financial Year 2016-17, and secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of certain immovable fixed assets of STL.

(b) 11.45 % Non convertible debentures are redeemable at par in Financial Year 2016-17, and secured by way of first pari passu charge on entire movable fixed assets (both present and future) and mortgage of certain immovable fixed assets of STL.

(c) Indian rupee term loan from banks amounting to ₹ 13.00 crores carries interest @ LTMLR + 1.10% p.a. Loan amount is repayable in 4 quarterly equated installments of ₹ 3.00 crores (excluding interest) 5th quarter installment of ₹ 1.00 crores. The term loan is secured by first pari passu charge on the movable fixed assets of STL (both present and future) & pari passu charge of specified immovable fixed assets of STL.

(d) Indian rupee term loan from the bank amounting to ₹ 61.46 crores carries interest @ Base rate + 1% p.a. Loan amount is repayable in 9 quarterly equated installments of ₹ 6.25 crores (excluding interest) and 10th installment of ₹ 5.19 Cr.The term loan is secured by first pari passu charge on the movable fixed assets of STL (both present and future) & pari passu charge of specified immovable fixed assets of STL.

(e) Indian rupee term loan from the bank amounting to ₹ 50.00 crores carries interest @ Base rate. Loan amount is repayable in September 2016. The term loan is secured by stand by letter of credit issued by a bank which inturn is secured by movable fixed assets of STL.

(f) Indian rupee term loan from banks amounting to ₹ 120.00 crores carries interest @ LTMLR + 0.75% p.a. Loan amount is repayable in 12 quarterly equated installments of ₹ 10.00 crores (excluding interest) starting from March 2017. The term loan is secured by first charge on the movable fixed assets of STL (both present and future) and mortgage of certain immovable fixed assets of STL.

(g) Foreign Currency Term loan from banks amounting to ₹ 165.83 (USD 2.5 crores)crores carries interest @ (Libor+3.25 % p.a.) Loan amount is repayable in 20 quarterly equated installments starting from April 2018.The term loan is secured by first pari passu charge on entire movable fixed assets of STL (both present and future) and pari passu charge of specified immovable fixed assets and pari passu charge of specified immovable fixed assets of STL.

(h) Foreign currency term loan from bank of ₹ 3.86 crores (USD 0.06 crores) carries interest ranging from 6.20% to 6.65% p.a. Loan amount is repayable in 9 quarterly equated installments of ₹ 0.43 crores (excluding interest) from the end of this financial period. The term loan is secured by first pari passu charge by way of hypothecation on certain present and future current assets and certain movable fixed assets of STL and by way of mortgage on certain present and future immovable fixed assets of STL.

(i) Finance lease obligation is secured by hypothecation of laptops taken on lease. The interest rate implicit in the lease is 10% p.a.The gross investment in lease i.e. lease obligation & interest is payable in quarterly installments at approximately ₹ 0.30 crore.

Jiangsu Sterlite and Tongguang Optical Fibre Co. Limited (JSTFCL)

(j) Foreign currency term loan from bank of ₹ 19.09 crores carries interest @ LIBOR + 4.5% p.a. Loan amount is repayable in 4 half yearly equated installments of ₹ 3.87 crores (excluding interest) from the end of this financial period and 5th half year installment of ₹ 3.60 crores.. The term loan is secured by first charge on the immovable fixed assets of JSTFCL.

Speedon Network Limited (Erstwhile Sterlite Networks Limited) (SNL)

(k) "The term loan represents Indian rupee term loan of ₹ 123.70 crores which carries interest at 11.45% p.a. (2014-15 - 11.75%) obtained from Bank of India. Total amount is repayable in 32 equal quarterly instalments calculated on the basis of 3.125% of term loan (principal amount), immediately after expiry of 3 months from COD (i.e. COD is 31 December 2015 as per agreement).The loan carries moratorium of two years i.e. till 31 December 2015.

The term loan is secured by first charge on all immovable assets both present and future pertaining to project, tangible moveable assets, all accounts of the borrower, that may be opened in accordance with the Transaction Documents, and in all funds from time from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Account and a first charge on the receivables.

The loans are also secured by assignment of all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in, to and under all the Project Agreements, duly acknowledged and consented to by the counter parties to the Project Agreements if such Project Agreements requires prior consent of such counter parties before creation of Security Interest as within-mentioned, all as amended, varied or supplemented from time to time; the right, title and interest and benefits of the Borrower in, to and under all the Clearances in the name of the Borrower and pertaining to the Project to the the extent the same are assignable; all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in, to and under any letter of credit, guarantee including contractor guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the Project Agreements; and all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in, to and under all Insurance Contracts and Insurance Proceeds pertaining to the Project.

Loans are also secured by non disposable undertaking from sponsor directly/ indirectly to hold at least 51% of equity till final settlement date."

Maharashtra Transmission Communication Infrastructure Limited (MTCIL)

(l) MTCIL has obtained Indian rupee term loan outstanding amounting to ₹ 21.99 crores which carries interest at base rate plus 1.50% p.a from Bank of India. Total amount is repayable in 32 equal quarterly instalments calculated on the basis of 3.125% of term loan (principal amount) immediately after expiry of 3 months from the date of COD (i.e. 31 December 2017). The term loan is secured by first charge on project assets of MTCIL.

NOTE 6: DEFERRED TAX LIABILITIES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation for financial reporting	78.12	187.51
Others	1.20	-
Gross deferred tax liability	79.32	187.51
Less: Netted off against deferred tax assets	30.27	140.16
Net deferred tax liabilities	49.05	47.35
Opening deferred tax liability, net	47.35	84.41
Net deferred tax liability transferred on account of demerger (refer note 38F)	(5.75)	-
Deferred tax assets on account of merger (refer note 38G)	(2.29)	-
Deferred tax (credit) / charge recorded in statement of profit and loss	16.29	(18.09)
Deferred tax recorded in reserves and surplus (refer note note 38D)	(6.55)	(18.97)
Closing deferred tax liability, net	49.05	47.35

NOTE 7: DEFERRED TAX ASSETS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Provision for doubtful debts and advances	2.26	21.93
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	7.80	5.75
Provision for inventory	3.54	6.95
Provision for litigations / contingencies	2.51	2.51
Provision for warranty	5.47	-
Unabsorbed depreciation in subsidiary	5.14	111.80
Others	3.55	3.11
Gross deferred tax assets	30.27	152.05
Less: Netted off against deferred tax liabilities	30.27	140.16
Net deferred tax assets	-	11.89
Opening deferred tax assets, net	11.89	0.98
Net deferred tax liability transferred on account of demerger (refer note 38F)	(11.89)	-
Deferred tax credit / (charge) recorded in statement of profit and loss	-	10.91
Closing deferred tax assets, net	-	11.89

NOTE 8: OTHER LONG-TERM LIABILITIES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Payables for purchase of fixed assets (including acceptances)	105.31	120.90
Unearned revenue	1.18	-
Others	0.38	0.82
Total	106.87	121.72

NOTE 9: PROVISIONS

	Long-term		Short-term	
	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Provision for employee benefits				
Provision for gratuity (refer note 30)	11.81	9.22	2.22	2.00
Provision for leave benefit	-	-	8.66	8.23
	11.81	9.22	10.88	10.23
Other provisions				
Provision for litigations / contingencies	-	-	9.50	9.50
Proposed equity dividend	-	-	39.52	23.64
Provision for tax on proposed equity dividend	-	-	8.05	4.81
Provision for warranty	16.27	1.37	0.90	-
	16.27	1.37	57.97	37.95
Total	28.08	10.59	68.85	48.18

Provision for litigations / contingencies

The provision of ₹ 9.50 crores as at March 31, 2016 is towards contingencies in respect of disputed claims against the Group as described in note 35 and note 38 (A),the timing of outflow and quantum of which is presently unascertainable. There is no movement in the provision for litigations / contingencies during the year.

Provision for warranty

The Group has given warranty on products and services forming part of projects being undertaken by the Group to repair or replace the items that fail to perform satisfactorily during the warranty period and on telecom software and licences / services sold to customers. The timing of the outflows is expected to be within a period of three years from the date of completion of the projects and within six months from the date of sale of telecom software.

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
At the beginning of the year	1.37	-
Adjustment on account of merger (refer note 38F)	0.88	-
Arising during the year	15.80	1.37
Utilized during the year	0.88	-
Unused amounts reversed	-	-
At the end of the year	17.17	1.37

NOTE 10: SHORT-TERM BORROWINGS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Cash credit from banks (secured)	12.08	4.28
Working capital demand loans from banks (secured)	-	105.00
Commercial paper from bank (unsecured)	175.00	-
Other loan from banks (secured)	143.00	512.58
Other loan from banks (unsecured)	25.00	-
Foreign currency loan from others (unsecured)	2.17	-
Total	357.25	621.86
The above amount includes		
Secured borrowings	155.08	621.86
Unsecured borrowings	202.17	-
Net Amount	357.25	621.86

Note :

(i) Cash credit is secured by hypothecation of raw materials , work in progress, finished goods and trade receivables. The cash credit is repayable on demand and carries interest @ 9.65-13.75 % p.a.

(ii) Other loans from banks include buyer's credit arrangements (secured) and export packing credit (unsecured). Buyer's credit are secured by hypothecation of raw materials , work in progress, finished goods and trade receivables. Buyer's credit is repaid / rolled over after a period of six months and carry interest '@0.55-2.10% p.a (excluding hedging premium). Export packing credit is repaid after six months and carries interest @ 6.20-7.25% p.a.

(iii) Commercial Papers are unsecured and are generally taken for a period from 30 to 180 days and carry interest @ 7.45 - 8.95% p.a.

NOTE 11: OTHER CURRENT LIABILITIES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Trade payables (including acceptances) (refer note 37 for details of dues to Micro and small enterprises)	370.07	899.73
Other liabilities		
Current maturities of long-term borrowings (refer note 5)	263.17	258.51
Interest accrued but not due on borrowings	3.17	17.70
Unclaimed dividend [refer note 38 C]	1.58	1.33
Advance from customers	6.96	107.97
Unearned revenue from services	6.99	0.89
Gross amount due to customers for contract work as a liability [refer note 38 E]	1.72	23.09
Interest free deposit from customers	0.30	0.82
Interest free deposit from vendors	3.21	1.11
Payables for purchase of fixed assets	50.75	133.68
Service tax payable	0.80	0.87
TDS payable	6.61	3.92
Value added tax payable	0.64	1.01
Central sales tax payable	4.71	2.92
Others	110.98	134.02
	461.59	687.84
Total	831.66	1,587.58

NOTE 12 : TANGIBLE AND INTANGIBLE ASSETS

(₹ in crores)

Nature of assets	GROSS BLOCK							DEPRECIATION / AMORTISATION								IMPAIRMENT					NET BLOCK	
	As on	Transfer on account of demerger (Refer note 38F)	Additions	Addition on account of merger (Refer note 38G)	Deletions/ Adjustment	Translation Adjustment	As on	As on	Transfer on account of demerger (Refer note 38F)	Adjust with opening reserve (Refer note 38D)	Additions	Addition on account of merger (Refer note 38G)	Deletions/ Adjustment	Translation Adjustment	As on	As on	Transfer on account of demerger (Refer note 38F)	Additions	Deletions/ Reversals	As on	As on	As on
	01 Apr 15						31 Mar 16	01 Apr 15							31 Mar 16	01 Apr 15				31 Mar 16	31 Mar 16	31 Mar 15
Tangible assets																						
Freehold land ##	53.24	36.78	1.37	-	-	-	17.83	-	-	-	-	-	-	-	-	-	-	-	-	-	17.83	53.24
Leasehold land	29.62	0.32	-	-	-	0.04	29.34	1.75	0.01	-	0.26	-	-	0.00*	2.00	-	-	-	-	-	27.34	27.87
Buildings #	265.07	89.11	27.21	1.12	0.50	0.62	204.41	55.39	17.09	-	7.82	0.12	0.33	0.04	45.95	-	-	-	-	-	158.46	209.68
Plant and machinery	1,568.62	269.28	164.36	-	5.81	2.24	1,460.13	713.39	139.56	18.93	96.30	-	3.21	0.37	686.22	28.97	1.20	(0.40)	2.22	25.15	748.76	826.26
Substation	672.00	672.00					-	9.66	9.66						-					-	-	662.34
Transmission Lines	2,264.70	2,264.70					-	56.53	56.53						-					-	-	2,208.17
Furniture and fixtures	14.23	4.31	2.52	1.53	0.08	0.00*	13.89	5.77	1.54	-	1.61	0.82	0.04	0.00 *	6.62	-	-	-	-	-	7.27	8.46
Data processing equipments**	21.67	4.53	9.10	10.72	0.34	-	36.62	16.69	2.79	-	2.82	8.24	0.32	-	24.64	-	-	-	-	-	11.98	4.98
Office equipments	13.24	4.91	0.81	1.31	0.16	0.01	10.30	6.44	0.88	-	1.20	0.85	0.10	0.00*	7.51	0.05	-	-	-	0.05	2.74	6.75
Electric fittings	53.16	22.04	2.76	0.14	-	0.02	34.04	24.88	6.41	-	1.36	0.10	-	0.01	19.94	0.45	-	-	-	0.45	13.65	27.83
Vehicles	6.93	2.24	2.73	0.41	0.44	-	7.39	3.55	1.40	-	0.99	0.20	0.32	-	3.02	-	-	-	-	-	4.37	3.38
Sub - total	**4,962.48**	**3,370.22**	**210.86**	**15.23**	**7.33**	**2.93**	**1,813.95**	**894.05**	**235.87**	**18.93**	**112.36**	**10.33**	**4.32**	**0.42**	**795.90**	**29.47**	**1.20**	**(0.40)**	**2.22**	**25.65**	**992.40**	**4,038.96**
Intangible assets																						
Software/ licences	12.71	2.35	5.38	3.23	0.01	0.03	18.99	6.32	1.94	-	3.05	1.71	-	0.01	9.15	-	-	-	-	-	9.84	6.39
Patents	9.32	-	-	-	-	-	9.32	9.32	-	-	-	-	-	-	9.32	-	-	-	-	-	0.00*	0.00*
Customer acqusition	5.55	-	0.14	-	0.04	-	5.65	1.42	-	-	0.82	-	-	-	2.24	-	-	-	-	-	3.41	4.13
Goodwill																						
- on amalgmation	-	-	-	148.19	-	-	148.19	-	-	-	14.98	-	-	-	14.98	-	-	-	-	-	133.21	-
- on consolidaton	-	-	1.68	-	-	-	1.68	-	-	-	-	-	-	-	-	-	-	-	-	-	1.68	-
Right Of Way	5.10						5.10	0.23							0.23					-	4.87	4.87
Indefeasible right of use	0.99	-	-	-	-	-	0.99	0.17	-	-	0.07	-	-	-	0.24	-	-	-	-	-	0.75	0.82
Sub - total	**33.67**	**2.35**	**7.20**	**151.42**	**0.05**	**0.03**	**189.92**	**17.46**	**1.94**	**-**	**18.92**	**1.71**	**-**	**0.01**	**36.16**	-	-	-	-	-	**153. 76**	**16.21**
Total	**4,996.15**	**3,372.57**	**218.06**	**166.65**	**7.38**	**2.96**	**2,003.87**	**911.51**	**237.81**	**18.93**	**131.28**	**12.04**	**4.32**	**0.43**	**832.06**	**29.47**	**1.20**	**(0.40)**	**2.22**	**25.65**	**1,146.16**	**4,055.17**
Previous year	**2,437.08**		**2,575.27**	**-**	**21.58**	**5.37**	**4,996.15**	**682.47**		**54.87**	**183.59**	**-**	**9.73**	**0.29**	**911.51**	**29.35**		**1.39**	**1.27**	**29.47**	**4,055.17**	

* Amount is below ₹ 0.01 crore.

Buildings include those constructed on leasehold land:
Gross block ₹ 104.32 crores (31 March 2015: ₹ 118.51 crores)
Depreciation for the year ₹ 4.25 crores (31 March 2015: ₹ 4.48 crores)
Accumulated depreciation ₹ 26.42crores (31 March 2015: ₹ 28.16 crores)
Net block ₹ 77.89 crores (31 March 2015: ₹ 90.35 crores)

Buildings include building given on operating lease :
Gross block - ₹10.03 crores (31 March 2015 : 10.03 crores)
Depreciation for the year ₹ 0.16 crores (31 March 2015 : ₹ 0.15 crores)
Accumulated depreciation ₹ 0.84 crores (31 March 2015 : ₹ 0.68 crores)
Net block ₹ 9.19 crores (31 March 2015 : ₹ 9.35 crores)

Freehold Land include part of land given on operating lease :
Gross block - ₹3.33 crores (31 March 2015 : Nil)
Depreciation for the year Nil (31 March 2015 : Nil)
Accumulated depreciation Nil (31 March 2015 : Nil)
Net block ₹ 3.33 crores (31 March 2015 : Nil)

** Data processing equipments include laptops taken on finance lease:
Gross block ₹ 2.38 crores (31 March 2015: Nil)
Depreciation for the year ₹ 0.22 crores (31 March 2015: Nil)
Accumulated depreciation ₹ 0.22 crores (31 March 2015: Nil)
Net block ₹ 2.16 crores (31 March 2015: Nil)

NOTE 13: NON-CURRENT INVESTMENTS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Investment in others (unquoted)		
Equity instruments (unquoted)		
10 (31 March 2015: Nil) Equity shares of Singularity Healthcare IT Systems Private Limited of ₹ 10 each fully paid up	0.00 *	-
Debentures (unquoted)		
1,599,990 (31 March 2015: Nil) 0.001% Compulsorily Convertible Debentures of Singularity Healthcare IT Systems Private Limited of ₹ 10 each fully paid up	1.60	-
Aggregate amount of unquoted investments	1.60	-

* Amount is below ₹ 0.01 crore.

NOTE 14: LOANS AND ADVANCES

		Non-current		Current	
		31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Capital advances (unsecured, considered good)					
Covered by bank guarantee		-	59.26	-	-
Others		5.62	5.12	-	-
	(A)	5.62	64.38	-	-
Security deposits (unsecured, considered good)					
Covered by bank guarantee		5.94	6.00	-	-
Others		8.08	7.33	1.75	1.76
	(B)	14.02	13.33	1.75	1.76
Advances recoverable in cash or kind (unsecured)					
Considered good		-	-	62.38	174.92
Considered doubtful		0.12	0.12	-	-
		0.12	0.12	62.38	174.92
Provision for doubtful advances		0.12	0.12	-	-
	(C)	-	-	62.38	174.92
Other loans and advances (unsecured, considered good)					
Advance income tax, including TDS (net of provisions)		12.04	19.19	-	-
Minimum alternate tax credit entitlement		27.20	25.95	-	-
Balances with central excise authorities		14.37	8.52	24.10	45.25
Other advances		0.41	2.11	20.88	18.58
	(D)	54.02	55.77	44.98	63.83
Total (A+B+C+D)		73.66	133.48	109.11	240.51

NOTE 15: TRADE RECEIVABLES (UNSECURED)

		Non-current		Current	
		31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Outstanding for a period exceeding six months from the date they are due for payment					
Considered good		4.25	10.27	97.73	63.69
Considered doubtful		6.55	67.11	-	-
		10.80	77.38	97.73	63.69
Less: Provision for doubtful receivables		6.55	67.11	-	-
	(A)	4.25	10.27	97.73	63.69
Other receivables (considered good)	(B)	0.39	-	600.42	770.74
Total (A+B)		4.64	10.27	698.15	834.43

NOTE 16: OTHER ASSETS

	Non-current		Current	
	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Ancillary cost of arranging the borrowings	1.39	25.57	0.26	4.56
Interest accrued on fixed deposits	-	-	0.36	1.60
Unbilled revenue for services	-	-	5.72	31.42
Gross amount due from customers for contract work (refer note 38 E)	-	-	41.30	-
Others	-	0.00*	87.76	1.01
Total	1.39	25.57	135.40	38.59

* Amount is below ₹ 0.01 crore.

NOTE 17: CURRENT INVESTMENTS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Current investments (valued at lower of cost and fair value) (quoted)		
Nil (31 March 2015: 0.01 crore) units of Reliance Liquid Fund- Treasury Plan- Direct Growth Plan - Growth Option	-	20.15
Nil (31 March 2015: 0.01 crore) units of Reliance Money Manager Fund - Direct Growth Plan Growth Option	-	20.00
Nil (31 March 2015: 0.01 crore) units of Axis Banking Debt Fund - Direct Plan - Growth	-	10.00
Nil (31 March 2015: 0.00* crore) units of Religare Invesco Liquid Fund - Direct Plan - Growth	-	5.00
Nil (31 March 2015: 0.00* crore) units of SBI Premier Liquid Fund - Direct Plan - Daily Dividend	-	3.67
Aggregate amount of quoted investments [Market Value Nil (March 31, 2015: ₹ 58.95 crores)]	-	58.82

* Amount is below ₹ 0.01 crore.

NOTE 18: INVENTORIES

(Valued at lower of cost and net realisable value)

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Raw materials and components [Includes stock in transit ₹ 17.84 crores (31 March 2015: ₹ 41.42 crores] (refer note 22)	85.48	178.52
Work-in-progress (refer note 23)	27.06	74.45
Construction work-in-progress	31.82	-
Finished goods [Includes stock in transit ₹ 5.22 crores (31 March 2015: ₹ 17.37 crores)] (refer note 23)	38.69	119.65
Traded goods (refer note 23)	3.25	8.17
Stores, spares, packing materials and others	29.21	34.12
Total	215.51	414.91

NOTE 19: CASH AND BANK BALANCES

	Non-current		Current	
	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Cash and cash equivalents				
Balance with banks:				
On current accounts	-	-	59.39	153.71
On unpaid dividend account	-	-	1.58	1.33
Cash in hand	-	-	0.07	0.06
	-	-	61.04	155.10
Other bank balances				
Deposit with original maturity for more than 12 months	-	-	2.57	0.86
Deposit with original maturity for more than 3 months but less than 12 months*	-	-	9.63	219.96
Margin money deposit**			7.60	-
	-	-	19.80	220.82
Total	-	-	80.84	375.92

* Includes ₹ 0.61 crore (31 March 2015: ₹ 59.00 crores) held as lien by banks against bank guarantees and further it also includes ₹ 6.00 crores (31 March 2015: Nil) given as security to vendor vide Court order.

** Margin money deposit are subject to first charge to secure the Company's cash credit loans.

NOTE 20: REVENUE FROM OPERATIONS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Sale of products		
Finished goods	1761.45	2,908.38
Software products	59.05	-
Traded goods	32.07	45.47
Revenue from projects (also refer note 38E)	363.48	72.20
Sale of services	42.07	174.38
Other operating revenue		
Scrap sales	17.92	26.66
Export incentive	15.60	43.31
Revenue from operations (gross)	2,291.64	3,270.40
Less: Excise duty #	130.87	173.34
Revenue from operations (net)	2,160.77	3,097.06

Excise duty on sales amounting to ₹ 130.87 crore (31 March 2015: ₹ 173.34 crores) has been reduced from sales in the consolidated statement of profit and loss and excise duty on increase /(decrease) in stock amounting to ₹ 0.88 crore [31 March 2015: (₹ 3.35 crores)] has been considered as (income)/expense in note 25 of consolidated financial statements.

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Details of products sold		
Finished goods sold		
Optical fibre*	592.88	350.17
Fibre optic cables	830.20	932.90
Copper telecom cables	335.14	297.00
Power transmission conductors	-	1,158.41
Others	3.23	169.90
	1,761.45	2,908.38
* Excludes 0.54 crore FKM (31 March 2015: 0.85 crore FKM) captively consumed during the year.		
Software products sold		
Telecom Software	59.05	-
Traded goods sold		
Computer and network hardware	30.73	-
Broadband access network equipment	0.15	0.92
Power transmission conductors and OPGW accessories	-	36.09
Fibre connectivity accessories	0.91	8.46
OLT configuration equipments	0.28	
	32.07	45.47
Revenue from projects (also refer note 38E)		
Supply and installation of optical fibre cable network	363.48	72.20
Details of services rendered		
Software services and solutions	20.98	-
Provisioning of network services	19.93	15.80
Installation and commissioning services for broadband network setup	0.92	1.24
Power transmission services	-	153.87
Others	0.24	3.46
	42.07	174.38

NOTE 21: OTHER INCOME

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Interest income on		
Bank deposits	8.26	2.98
Others	0.14	1.18
Net gain on sale of current investments	0.42	18.29
Balances no longer payable written back	1.82	19.13
Profit on sale of assets (net)	-	0.01
Miscellaneous income	2.17	9.75
Total	12.81	51.34

NOTE 22: COST OF RAW MATERIAL AND COMPONENTS CONSUMED

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Inventory at the beginning of the year	178.52	116.01
Less : Adjustment on account of demerger (refer note 38F)	107.60	-
Add: Purchases	968.27	1,874.27
	1,039.19	1,990.28
Less: Inventory at the end of the year	85.48	178.52
Cost of raw material and components consumed	953.71	1,811.76

NOTE 23: (INCREASE) / DECREASE IN INVENTORIES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Opening inventories:		
Traded goods	8.17	8.24
Work-in-progress	74.45	41.16
Finished goods	119.65	121.90
	202.27	171.30
Adjustment on account of demerger (refer note 38F)		
Traded goods	5.69	-
Work-in-progress	52.05	-
Finished goods	61.82	-
	119.56	-
Adjustment on account of merger (refer note 38G)		
Traded goods	1.01	-
	1.01	-
Closing inventories:		
Traded goods	3.25	8.17
Work-in-progress	27.06	74.45
Construction work-in-progress	31.82	-
Finished goods	38.69	119.65
	100.82	202.27
(Increase) / decrease in inventories	(17.10)	(30.97)

Details of purchase of traded goods	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Computer and network hardware	30.96	-
Broadband access network equipment	1.02	5.47
Fibre connectivity accessories	1.45	8.08
Power transmission conductors and OPGW accessories	-	29.36
Others	0.29	0.01
Total	33.72	42.92

Detail of work-in-progress	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Optical fibre	17.56	7.56
Fibre optic cables	4.69	10.91
Copper telecom cables	4.81	3.93
Power transmission conductors	-	43.94
Others	-	8.11
Total	27.06	74.45

NOTE 24: EMPLOYEE BENEFITS EXPENSE

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Salaries, wages and bonus	175.81	150.58
Contribution to provident fund and superannuation fund	5.30	4.57
Employees stock option expenses (refer note 31)	13.46	4.52
Gratuity expenses (refer note 30)	5.12	6.35
Staff welfare expenses	11.13	9.92
Total	210.82	175.94

NOTE 25: OTHER EXPENSES

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Increase /(decrease) of excise duty on inventory	0.88	(3.35)
Consumption of stores and spares	86.56	67.42
Power, fuel and water	83.03	110.20
Repairs and maintenance		
Building	1.86	1.31
Machinery	10.30	13.28
Others	-	3.86
CSR expenses	2.23	1.35
Carriage inwards	9.69	7.39
Consumption of packing materials	58.99	102.86
Sales commission (other than sole selling agent)	19.77	25.06
Sales promotion	8.50	6.16
Carriage outwards	47.27	73.96
Rent	13.15	9.78
Insurance	6.96	8.55
Rates and taxes	5.54	7.61
Travelling and conveyance	30.35	26.65
Loss on sale of fixed assets, net	0.26	2.63
Bad debts / advances written off	49.26	25.44
Provision for doubtful debts and advances	(46.93)	(5.94)
Directors sitting fee and commission	0.60	0.48
Payment to auditors	1.15	2.02
Research and development expenses	8.20	7.85
Miscellaneous expenses	129.89	142.19
Total	527.51	636.76

NOTE 26: DEPRECIATION AND AMORTISATION EXPENSE

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Depreciation of tangible assets	112.36	179.00
Amortisation of intangible assets	18.92	4.59
Provision for impairment of fixed assets	(0.40)	1.39
Total	130.88	184.98

NOTE 27: FINANCE COSTS

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Interest expense	88.66	266.23
Bank charges	14.56	21.70
Amortization of ancillary borrowing costs	0.29	2.00
Exchange difference to the extent considered as an adjustment to borrowing costs	9.74	36.97
Total	113.25	326.90

NOTE 28: EARNINGS PER SHARE

The following reflects the profit / (loss) and share data used in the basic and diluted EPS computation

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Profit / (loss) for the year	151.06	(2.64)
Weighted average number of equity shares in calculating basic EPS	39.45	39.41
Effect of dilution:		
Employee stock options outstanding during the year#	0.78	0.26
Weighted average number of equity shares in calculating diluted EPS	40.23	39.67
Earnings / (loss) per share		
Basic (on nominal value of ₹ 2 per share) Rupees/share	3.83	(0.07)
Diluted (on nominal value of ₹ 2 per share) Rupees/share*#	3.75	(0.07)

* Since the loss per share computation based on diluted weighted average number of shares was anti-dilutive in last Financial Year 2014-15, the basic and diluted loss per share were the same.

Impact of additional ESOPs that will be required to be issued to existing ESOP holders to compensate for loss of value on account of the demerger of power business has not been considered as the number of such additional ESOPs to be issued is presently not ascertainable.

NOTE 29: THE LIST OF SUBSIDIARIES / JOINT VENTURE

The list of subsidiaries / joint venture which are included in the consolidation and the company's effective holdings there in are as under :

Name of the Company	Effective ownership as on 31 March, 2016	Effective ownership as on 31 March, 2015	Country of incorporation
List of subsidiaries			
Speedon Network Limited	100.00%	100.00%	India
Maharashtra Transmission Communication Infrastructure Limited	72.10%	67.55%	India
Sterlite Telesystems Limited	100.00%	-	India
Sterlite Global Ventures (Mauritius) Limited	100.00%	100.00%	Mauritius
Jiangsu Sterlite and Tongguang Fibre Co. Limited	75.00%	75.00%	China
Sterlite (Shanghai) Trading Company Limited	100.00%	-	China
Elitecore Technologies (Mauritius) Limited	100.00%	-	Mauritius
Elitecore Technologies SDN. BHD	100.00%	-	Malasiya
Sterlite Technologies Americas LLC	-	100.00%	USA
Sterlite Technologies Europe Ventures Limited	100.00%	100.00%	Cyprus
Sterlite Technologies UK Ventures Limited	100.00%	100.00%	United Kingdom
Sterlite Power Technologies Private Limited	100.00%	100.00%	India
Sterlite Display Limited#	-	100.00%	India
Sterlite Power Grid Ventures Limited*	-	96.15%	India
Sterlite Grid Limited*	-	96.15%	India
Sterlite Grid 2 Limited*	-	96.15%	India
Sterlite Grid 3 Limited*	-	96.15%	India
East North Interconnection Company Limited*	-	98.11%	India
Bhopal Dhule Transmission Company Limited*	-	96.15%	India
Jabalpur Transmission Company Limited*	-	96.15%	India
Purulia & Kharagpur Transmission Company Limited*	-	96.15%	India
RAPP Transmission Company Limited*	-	96.15%	India
NRSS XXIX transmission Limited*	-	96.15%	India
List of joint venture			
Sterlite Conduspar Industrial Ltda	58.05%	50.00%	Brazil

* Transferred as a part of demerger of power business (refer note 38F)
# Transferred to Twin Star Overseas Limited, Mauritius (Immediate holding company)

NOTE 30: GRATUITY

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Defined benefit obligation at the beginning of the year	13.30	7.24
Adjustment on account of demerger (refer note 38F)	(3.24)	-
Adjustment on account of merger (refer note 38G)	2.32	-
Current service cost	1.36	0.96
Interest cost	0.89	0.68
Actuarial (gain)/loss	3.04	5.05
Past service cost	-	-
Benefits paid	(1.05)	(0.63)
Defined benefit obligation, at the end of the year	16.62	13.30

Changes in the fair value of plan assets are as follows:

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Fair value of plan assets at the beginning of the year	2.08	1.41
Expected return on plan assets	0.17	0.12
Contribution by employer	1.13	1.12
Benefits paid	(0.79)	(0.63)
Actuarial gain / (loss)	0.00 *	0.05
Fair value of plan assets at the end of the year	2.59	2.08

* Amount below ₹ 0.01 crore.

The Group expects to contribute ₹ 2.22 crores (31 March 2015: ₹ 2.00 crores) to its defined benefit gratuity plan in 2016-17.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2016 %	31 March 2015 %
Investment with Insurer (Life Insurance Corporation of India)	100	100

Details of defined benefit obligation

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Present value of defined benefit obligation	16.62	13.30
Fair value of plan assets	2.59	2.08
Plan liability	14.03	11.22

Net employee benefit expense recognised in the consolidated statement of profit and loss:

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Current service cost	1.36	0.96
Interest cost on benefit obligation	0.89	0.68
Net actuarial (gain) / loss recognised	3.04	4.99
Expected return on plan assets	(0.17)	(0.12)
Net benefit expense *	5.12	6.51

* Out of this, amount of Nil (31 March 2015 : ₹ 0.16 crore) capitalized during the year. (refer note 33)

Amounts for the current and previous years are as follows:

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)	31 March 2014 (₹ in crores)	31 March 2013 (₹ in crores)	31 March 2012 (₹ in crores)
Defined benefit obligation	**16.62**	13.30	7.24	6.83	4.84
Plan assets	**2.59**	2.08	1.41	0.53	0.92
Surplus / (deficit)	**14.03**	11.22	5.83	6.30	3.92
Experience adjustments on plan liabilities	**1.62**	0.49	0.75	(0.12)	0.13
Experience adjustments on plan assets	**(0.00)***	(0.05)	(0.01)	(0.08)	(0.14)

* Amount below ₹ 0.01 crore.

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2016	31 March 2015
Discount rate	**8.00%**	7.98%
Expected rate of return on plan asset	**8.00%**	7.98%
Employee turnover	**10.00%**	10.00%
Expected rate of salary increase	**8.00%**	8.00%
Actual rate of return on plan assets	**8.34%**	9.00%

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. The overall expected rate of return on plan assets is determined based on the market prices prevailing as on balance sheet date, applicable to the period over which the obligation is to be settled.

NOTE 31: EMPLOYEE STOCK OPTION SCHEME

The Group has granted employees stock options plan, 2006 (ESOP Scheme 2006) and employees stock options plan, 2010 (ESOP Scheme 2010) to its employees pursuant to the resolution passed by the shareholders at the extraordinary general meeting held on March 13, 2006 and annual general meeting held on July 14, 2010 respectively. The Group has followed the fair value method (Black Scholes Options Pricing Model) for the valuation of these options. The compensation committee of the Group has approved ten grants vide their meetings held on June 14, 2006; March 19, 2007, September 28, 2007, June 14, 2008, June 26, 2009, December 29, 2011, July 27,2012, April 30, 2014, March 30,2015 and January 28, 2016. As per the plans, Options granted under ESOP would vest in not less than one year and not more than five years from the date of grant of such options. Vesting of options is subject to continued employment with the Group. The plans are equity settled plans.

The Group has charged ₹ 13.72 crore (31 March 2015: ₹ 4.52 crores) to the statement of profit and loss in respect of options granted under ESOP scheme 2006 and options granted under ESOP scheme 2010

Other details of the options granted under ESOP scheme 2006 are as follows:

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Date of grant	14-Jun-06	19-Mar-07	28-Sep-07	14-Jun-08	26-Jun-09
Number of options granted	11,64,250	3,18,000	6,53,875	1,27,750	12,09,500
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting period (years)	3	2.25	1.71	1	5
Exercise period (years)	1	1	1	1	1
Vesting conditions	Business performance	Business performance	Business performance	Business performance	Business performance

Other details of the options granted under ESOP scheme 2010 are as follows:

Particulars	Grant 1	Grant 3	Grant 4	Grant 5
Date of grant	29-Dec-11	30-Apr-14	30-Mar-15	28-Jan-16
Number of options granted	22,24,000	37,13,800	57,24,600	11,50,130
Method of settlement	Equity	Equity	Equity	Equity
Vesting period (years)	5	5	5	2
Exercise period (years)	1	1.09	1.18	1.34
Vesting conditions	Business performance	Business performance	Business performance	Business performance

The Group had granted 2,668,800 options in ESOP scheme 2010 on July 27, 2012 (Grant 2), the vesting for which was linked to business performance which could not be met. Hence the options were forfeited during the year 2012-13.

The details of the activity under ESOP scheme 2006 have been summarized below:

Particulars	31 March 2016		31 March 2015	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	28,373	2	87,144	2
Granted during the year	Nil	-	Nil	-
Forfeited during the year	Nil	-	Nil	-
Exercised during the year	23,133	2	53,608	2
Expired during the year	5,241	2	5,163	2
Outstanding at the end of the year	-	2	28,373	2
Exercisable at the end of the year	-	2	28,373	2
Weighted average remaining contractual life (in years)	-		0.25	
Weighted average fair value of options granted	35.23		35.23	

The outstanding ESOPs as above are entitled to bonus in the ratio of 1:1.
The weighted average share price for the year ended March 31, 2016 was ₹ 82.27 (March 31, 2015: ₹ 59.02)

The fair value as per the Black Scholes Options Pricing Model was measured based on the following input:

Date of grant : June 14, 2006	Vest 1	Vest 2	Vest 3
Variables	**June 14, 2007**	**June 14, 2008**	**June 14, 2009**
Weighted average stock price	17.85	17.85	17.85
Expected volatility (*)	59.78%	58.90%	60.52%
Risk free rate	7.07%	7.16%	7.26%
Exercise price (₹ Per Option)	1	1	1
Time to maturity (years)	1.50	2.50	3.50
Dividend yield	0.57%	0.57%	0.57%
Outputs			
Option fair value	16.80	16.76	16.72
Vesting percentage	20.00%	40.00%	40.00%
Option fair value			**16.76**

Date of grant : March 19, 2007	Vest 1	Vest 2
Variables	**June 19, 2008**	**June 19, 2009**
Weighted average stock price	35.80	35.80
Expected volatility (*)	62.90%	57.75%
Risk free rate	8.07%	8.06%
Exercise price (₹ Per Option)	1	1
Time to maturity (years)	1.50	2.50
Dividend yield	0.57%	0.57%
Outputs		
Option fair value	34.61	34.47
Vesting percentage	60.00%	40.00%
Option fair value		**34.55**

Date of grant : September 28, 2007	Vest 1	Vest 2
Variables	**September 28, 2008**	**September 28, 2009**
Weighted average stock price	47.46	47.46
Expected volatility (*)	56.69%	60.98%
Risk free rate	7.20%	7.29%
Exercise price (₹ Per Option)	1	1
Time to maturity (years)	1.50	2.21
Dividend yield	0.51%	0.51%
Outputs		
Option fair value	46.20	46.08
Vesting percentage	50.00%	50.00%
Option fair value		**46.14**

Date of grant : June 14, 2008	Vest 1
Variables	**June 14, 2009**
Weighted average stock price	39.70
Expected volatility (*)	72.11%
Risk free rate	8.34%
Exercise price (₹ Per Option)	1
Time to maturity (years)	1.50
Dividend yield	0.49%
Outputs	
Option fair value	38.53
Vesting percentage	100.00%
Option fair value	**38.53**

Date of grant : June 26, 2009	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
Variables	**June 26, 2010**	**June 26, 2011**	**June 25, 2012**	**June 25, 2013**	**June 25, 2014**
Weighted average stock price	36.65	36.65	36.65	36.65	36.65
Expected volatility (*)	97.30%	81.93%	77.57%	72.68%	70.10%
Risk free rate	5.61%	5.83%	6.05%	6.27%	6.47%
Exercise price (₹ Per Option)	1	1	1	1	1
Time to maturity (years)	1.50	2.50	3.50	4.50	5.50
Dividend yield	0.60%	0.60%	0.60%	0.60%	0.60%
Outputs					
Option fair value	35.40	35.24	35.08	34.93	34.77
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Option fair value					**35.23**

As approved by the Extra-Ordinary General Meeting of the company held on February 25, 2010, the Group has made sub-division of the face value of its equity share capital from ₹ 5 per share to ₹ 2 per share. Further, the Group in the same meeting has approved bonus shares in the ratio of 1:1. Thus, ESOP data as above has been recalculated and presented after considering the impact of the sub-division of face value of the equity share and bonus thereon.

The details of the activity under ESOP scheme 2010 have been summarized below:

Particulars	31 March 2016		31 March 2015	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	85,68,656	2	3,30,020	2
Granted during the year	11,50,130	-	94,38,400	-
Forfeited during the year	-	-	-	-
Exercised during the year	10,83,130	2	1,27,504	2
Expired during the year	7,81,164	2	10,72,260	2
Outstanding at the end of the year	78,54,492	2	85,68,656	2
Exercisable at the end of the year	3,43,746	2	73,868	2
Weighted average remaining contractual life (in years)	3.65		4.82	
Weighted average fair value of options granted	41.73		41.83	

The weighted average share price for the year ended March 31, 2016 was ₹ 82.27 (March 31, 2015: ₹ 59.02)

The fair value as per the Black Scholes Options Pricing Model was measured based on the following input:

Date of grant: December 29, 2011	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
Variables	December 29, 2012	December 29, 2013	December 29, 2014	December 29, 2015	December 29, 2016
Weighted average stock price	28.00	28.00	28.00	28.00	28.00
Expected volatility (*)	48.31%	47.36%	64.15%	68.63%	65.78%
Risk free rate	8.33%	8.34%	8.35%	8.37%	8.39%
Exercise price (₹ Per Option)	2	2	2	2	2
Time to maturity (years)	1.50	2.50	3.50	4.50	5.51
Dividend yield	0.73%	0.73%	0.73%	0.73%	0.73%
Outputs					
Option fair value	25.93	25.87	25.82	25.78	25.70
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Option fair value					**25.87**

Date of grant: April 30, 2014	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
Variables	June 1, 2015	June 1, 2016	June 1, 2017	June 1, 2018	June 1, 2019
Weighted average stock price	30.45	30.45	30.45	30.45	30.45
Expected volatility (*)	44.41%	46.93%	47.87%	46.48%	57.47%
Risk free rate	8.66%	8.72%	8.78%	8.82%	8.87%
Exercise price (₹ Per Option)	2	2	2	2	2
Time to maturity (years)	1.66	2.66	3.66	4.66	5.66
Dividend yield	0.79%	0.79%	0.79%	0.79%	0.79%
Outputs					
Option fair value	28.32	28.23	28.14	28.03	27.94
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Option fair value					**28.22**

Date of grant: March 30, 2015	Vest 1	Vest 2	Vest 3	Vest 4	Vest 5
Variables	June 1, 2016	June 1, 2017	June 1, 2018	June 1, 2019	June 1, 2020
Weighted average stock price	51.10	51.10	51.10	51.10	51.10
Expected volatility (*)	51.55%	48.02%	49.61%	49.11%	48.02%
Risk free rate	7.84%	7.80%	7.77%	7.76%	7.76%
Exercise price (₹ Per Option)	2	2	2	2	2
Time to maturity (years)	1.68	2.68	3.68	4.68	5.68
Dividend yield	0.59%	0.59%	0.59%	0.59%	0.59%
Outputs					
Option fair value	48.85	48.68	48.51	48.33	48.14
Vesting percentage	50.00%	20.00%	10.00%	10.00%	10.00%
Option fair value					**48.66**

Date of grant: January 28, 2016	Vest 1	Vest 2
Variables	June 1, 2017	June 1, 2018
Weighted average stock price	83.25	83.25
Expected volatility (*)	55.34%	50.03%
Risk free rate	7.22%	7.43%
Exercise price (₹ Per Option)	2	2
Time to maturity (years)	1.84	3.34
Dividend yield	0.72%	0.72%
Outputs		
Option fair value	80.40	79.71
Vesting percentage	40.00%	60.00%
Option fair value		**79.99**

(*)The measure of volatility used in the above model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The volatility periods considered above, corresponding to the respective expected lives of the different vests are prior to the grant date. The daily volatility of stock prices is considered as per the National Stock Exchange (NSE) prices over these years.

ESOP Scheme 2016 and ESAR Scheme 2016 have been approved by the shareholders through postal ballot on March 30, 2016. However no grant has been made under ESOP Scheme 2016 or ESAR Scheme 2016 and accordingly no charge in respect of the same has been accrued in the financial statements for the year ended March 31, 2016.

As part of the Scheme of Arrangement for demerger, employees of power business have been transferred to Sterlite Power Transmission Limited ('SPTL'). ESOPs granted to such employees will continue to be held and exercised by them. The charge in respect of ESOPs held by employees transferred from the Company to SPTL shall be borne by SPTL with effect from April 1, 2015. Accordingly, an amount of ₹ 3.37 crores pertaining to charge for the year ended March 31, 2016 on ESOPs held by such employees has been transferred to SPTL.

The Company will restructure/modify the ESOP schemes to give effect of the impact of demerger on the fair value of equity shares of the Company as required under the Scheme of demerger as well as the ESOP Schemes. The additional ESOPs that will be required to be issued is not presently ascertainable. However, the management believes that since the benefit to ESOP holders in terms of the total fair value of ESOPs before and after the demerger would be same, no additional charge on account ofESOP restructuring has been accrued in the financial statements for the year ended March 31, 2016.

NOTE 32: LEASES

Operating Lease :

Group as lessee :

The Group has taken office buildings on operating lease. The lease term is for periods of three to nine years and renewable at the option of the Group. Disclosures in respect of operating leases of office buildings as per the requirement of AS- 19 on Leases, are as under:

(a) Lease payments recognised in the Consolidated Statement of Profit and Loss for the year is ₹ 13.15 crores (31 March 2015: ₹ 9.78 crores).

(b) The future minimum lease payments payable over the next one year is ₹ 16.79 crores (31 March 2015: ₹ 9.34 crores).

(c) The future minimum lease payments payable later than one year but not later than five year is ₹ 32.27 crores (31 March 2015: ₹ 23.93 crores).

Group as lessor :

The Group has given office building on operating lease. The lease term is for non cancellable period of three years and renewable at the option of the Lessee. Disclosures in respect of operating leases of office building as per the requirement of Accounting Standard- 19 on Leases are as under:

(a) Lease income recognised in the Consolidated Statement of Profit and Loss for the year is ₹ 0.54 crores (31 March 2015: ₹ 2.05 crores).

(b) The future minimum lease payments receivable over the next one year is ₹ 0.76 crores (31 March 2015: ₹ 0.39 crores).

(c) The future minimum lease payments receivable later than one year but not later than five year is ₹ 1.14 crores (31 March 2015: ₹ 1.20 crores).

Finance Lease

Group as lessee :

The Group has taken laptops on finance lease. The lease term is for periods of three years.
Disclosures in respect of finance leases of laptop as per the requirement of Accounting Standard- 19 on Leases are as under:

Particulars	31 March 2016		31 March 2015	
	Minimum payment	Present value of MLP	Minimum payment	Present value of MLP
Within one year	0.83	0.79	-	-
After one year but not more than five years	1.67	1.39	-	-
Total minimum lease payments	2.50	2.18	-	-
Less: amounts representing finance charges	0.32	-	-	-
Present value of minimum lease payments	2.18	2.18	-	-

NOTE 33: CAPITALISATION OF EXPENDITURE

During the year, the Group has capitalised the following expenses to the cost of fixed assets/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Emloyee benefits expense	0.80	18.17
Finance costs	1.42	236.65
Other Expenses*	0.73	59.07
Total	2.95	313.90

* The Ministry of Corporate Affairs (MCA) issued the amendment dated 29 December 2011 to AS - 11 The Effect of Changes in Foreign Exchange Rate, to allow companies deferral / capitalisation of exchange difference arising on long-term foreign currency monetory items. In accordance with the amendment to AS- 11, the Group has capitalised exchange gain / (loss) arising on long-term foreign currency loan amounting to ₹ (0.73) crores (31 March 2015: ₹ 6.04 crores) to the capital work in progress.

NOTE 34: CAPITAL AND OTHER COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances) are ₹ 110.49 crores (31 March 2015: ₹ 724.68 crores.)

(b) Entities in telecom network business has entered into master service agreements (MSAs) / Indefeasible right of use (IRU) agreement with internet service providers pursuant to which entities have committed minimum availability of telecom networks over the period of respective MSAs. The MSAs contain provision for disincentives and penalties in case of certain defaults.

(c) The Group has entered into agreements with the lenders of following subsidiaries wherein it has committed to hold directly or indirectly at all times at least 51% of equity share capital of below mentioned subsidiaries and not to sell, transfer,assign,pledge or create any security interest except pledge of shares to the respective lenders as covered in respective agreements with lenders.

31 March 2016	31 March 2015
Speedon Network Limited	RAPP Transmission Company Limited
Maharashtra Transmission Communication Infrastructure Limited	Bhopal Dhule Transmission Company Limited
	Jabalpur Transmission Company Limited
	Purulia Kharagpur Transmission Company Limited
	Speedon Network Limited
	Maharashtra Transmission Communication Infrastructure Limited

(d) For commitments relating to lease arrangments please refer note 32.

NOTE 35: CONTINGENT LIABILITIES

		31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
1	Disputed liabilities in appeal		
	a) Sales tax	**0.43**	0.43
	b) Excise duty [Including excise duty case in Supreme Court, refer note 9 and note 38 (A)]	**260.47**	276.21
	c) Customs duty	**73.54**	69.60
	d) Entry tax	**-**	10.09
	e) Income tax	**22.77**	21.20
	f) Claims lodged by a Bank against the Group (*) (refer note 9)	**18.87**	18.87
	g) Claims against the Group not acknowledged as debt	**1.11**	23.23
2	Outstanding amount of export obligation against advance licence	**2.74**	6.95
3	Corporate guarantee to the income tax department on behalf of group companies.	**114.00**	114.00

The Group has not provided for disputed sales tax, excise duty, customs duty, entry tax and income tax arising from disallowances made in assessments which are pending with 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 tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

In respect of the claims against the Group not acknowledged as debts as above, the management does not expect these claims to succeed. Accordingly, no provision for the contingent liability has been recognized in the financial statements.

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 debited an amount of ₹ 18.87 crores, towards import consignment under letter of credit not accepted by the Group, owing to discrepancies in the documents. Thereafter, the bank filed claim against the Group in the Debt Recovery Tribunal. Against the DRT Order dated 28-Oct-2010, the parties had filed cross appeals before the Debt Recovery Appellate Tribunal. The Debt Recovery Appellate Tribunal vide its Order dated 28-Jan-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 before the Bombay High Court. The management doesn't expect the claim to succeed.

NOTE 36: DERIVATIVE INSTRUMENTS

(a) The following are the outstanding forward exchange contracts entered into by the Group, for hedge purpose, as on March 31, 2016:

Purpose	Foreign currency (In crores)	Amount (₹ in crores)	Buy/Sell	No. of contracts (Quantity)
March 31, 2016				
Hedge of payables, buyers credit and highly probable foreign currency purchases	USD 3.65	242.24	Buy	174
Hedge of trade receivables and highly probable foreign currency sale	USD 2.44	162.60	Sell	55
Hedge of payables, buyers credit and highly probable foreign currency purchases	EUR 1.30	97.33	Buy	49
Hedge of trade receivables and highly probable foreign currency sale	EUR 0.44	32.77	Sell	11
Hedge of payables, buyers credit and highly probable foreign currency purchases	GBP 0.39	37.53	Buy	17
Hedge of trade receivables and highly probable foreign currency sale	GBP 0.66	62.50	Sell	11
March 31, 2015				
Hedge of payables, buyers credit and highly probable foreign currency purchases	USD 13.88	887.93	Buy	290
Hedge of trade receivables and highly probable foreign currency sale	USD 8.06	520.64	Sell	105
Hedge of payables, buyers credit and highly probable foreign currency purchases	EUR 0.87	66.17	Buy	36
Hedge of trade receivables and highly probable foreign currency sale	EUR 0.50	32.77	Sell	25
Hedge of trade receivables and highly probable foreign currency sale	GBP 1.00	99.05	Sell	27

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(i) Amount receivable in foreign currency on account of the following:

Category	Currency type	31 March 2016		31 March 2015	
		Foreign currency (In crores)	Amount (₹ in crores)	Foreign currency (In crores)	Amount (₹ in crores)
Export of goods	USD	0.33	21.78	-	-
Export of goods	EUR	0.00 *	0.07	-	-
Advance to suppliers	USD	0.04	2.92	0.03	1.69
Advance to suppliers	EUR	0.02	1.38	0.02	1.11
Advance to suppliers	GBP	0.00 *	0.30	0.00*	0.13
Advance to suppliers	CHF	0.00 *	0.01	0.00*	0.04
Advance to suppliers	JPY	-	-	0.03	0.02
Advance to suppliers	CAD	-	-	0.02	1.02
Advance to suppliers	SAG	0.00 *	0.00 *	-	-
Advance to suppliers	AED	0.00 *	0.00 *	-	-
Balance with banks	USD	0.10	6.54	-	-
Balance with banks	EUR	0.01	0.71	0.01	0.73
Balance with banks	GBP	0.06	5.48	0.01	0.86
Balance with banks	RMB	0.00 *	0.00*	0.00*	0.00*
Balance with banks	RUB	-	-	0.01	0.01

* Amount below ₹ 0.01 crore

(ii) Amounts payable in foreign currency on account of the following:

Category	Currency type	31 March 2016		31 March 2015	
		Foreign currency (In crores)	Amount (₹ in crores)	Foreign currency (In crores)	Amount (₹ in crores)
Import of goods and services	USD	0.44	29.27	-	-
Import of goods and services	EUR	0.02	1.13	-	-
Import of goods and services	GBP	0.00*	0.13	-	-
Import of goods and services	MYR	0.01	0.21	-	-
Import of goods and services	SGD	0.00 *	0.06	-	-
Import of goods and services	THB	0.00 *	0.00 *	-	-
Import of goods and services	ZAR	0.01	0.04	-	-
Loan from Banks	USD	0.06	3.86	-	-
Import of capital goods	USD	0.22	14.38	5.80	363.68
Import of capital goods	EUR	0.06	4.51	0.08	5.72
Import of capital goods	JPY	0.21	0.11	-	-
Import of capital goods	GBP	0.02	1.66	-	-

* Amount below 0.01 crore.

(c) Commodity future contracts to hedge against fluctuation in commodity prices:

The following are the outstanding future contracts entered into by the Group as on 31 March 2016:

Year	Commodity type	No. of contracts	Contracted quantity	Buy/Sell
31 March 2016	Copper	16	419	Buy
31 March 2016	Copper	9	645	Sell
31 March 2015	Aluminium	273	74,994	Buy
31 March 2015	Aluminium	59	10,550	Sell
31 March 2015	Copper	29	361	Buy
31 March 2015	Copper	3	216	Sell
31 March 2015	Zinc	1	25	Buy

NOTE 37: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Description	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year .		
Principal amount due to micro and small enterprises	10.95	0.76
Interest due on above	0.07	0.01
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts 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 year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.07	0.01
(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	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ 0.07 crore (31 March, 2015 ₹ 0.01 crore) and same is not accrued in the books of accounts. Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" / informations available with the Company regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006

NOTE 38: OTHER NOTES

A. The Group had in an earlier year received an order of CESTAT upholding the demand of ₹ 188 crores (including penalties and excluding interest) (31 March 2015: ₹ 188 crores) in the pending excise/custom matters on various grounds. The Group's appeal with the Honourable High Court of Mumbai was rejected on the grounds of jurisdiction. The Group preferred an appeal with the Honourable Supreme Court of India against the order of CESTAT which has been admitted. The Group has re-evaluated the case on admission of appeal by the Honourable Supreme Court. Based on their appraisal of the matter, the legal advisors/consultants are of the view that under most likely event, the provision of ₹ 4.50 crores made by the Group against the above demand is adequate. The management is confident of a favourable order and hence no further provision is considered against the said demand.

B. During the previous year ended March 31, 2015, Sterlite Power Grid Ventures Limited ('SPGVL') was incorporated as a wholly owned subsidiary of the Company. SPGVL issued 409,099,372 Optionally Convertible Redeemable Preference Shares ('OCRPS') with face value ₹ 10 per OCRPS at ₹ 11 per OCRPS for a total consideration of ₹ 4,500,098,092 (including premium of ₹ 409,099,372) and 2,000 equity shares of face value ₹ 10 each at ₹ 10 per equity share to Standard Chartered Financial Holdings, Mauritius ('Investor') pursuant to Subscription agreement and Shareholders' Agreement dated 7 July 2014 ('Agreements') executed among the Company, SPGVL and the Investor. The Agreements specify various exit options for the Investor including an IPO. The OCRPS are either convertible into equity shares or redeemable after 60 months from the date of allotment so as to provide the Investor with desired IRR from the date of allotment of OCRPS ('Closing date') until the date of exit. The OCRPS are convertible into such number of equity shares of SPGVL so as to provide 27.11% of equity share capital (calculated on a fully diluted basis) as on the the date of allotment. In case the return to the Investor on conversion is less than desired return, SPGVL will issue its equity shares to the Investor at the minimum possible price as permitted by the applicable laws and regulations so as to provide a return agreed as per Agreements to the Investor subject to Investor's equity shareholding in SPGVL not exceeding 49.9%. Alternatively, OCRPS are redeemable at a price mutually agreed between STL and the Investor based on the fair market value of the shares of SPGVL at the time of exit subject to the Investor getting desired IRR.

As a result of the above, the effective equity holding of the Group in SPGVL had reduced to 96.15% (72.89% on a fully diluted basis if the OCRPS get converted into equity shares of SPGVL). The gain on dilution of Group's effective stake in SPGVL has been recognised in reserves and disclosed as "Gain on dilution" in Note 4 -Reserves and Surplus. SPGVL's effective holdings in Group companies as at 31 March 2015 are as follows:

Name of the Company	SPGVL's effective holding as at 31 March 2016 **	SPGVL's effective holding as at 31 March 2015 **
Sterlite Grid Limited	-	100.00%
Sterlite Grid 2 Limited (Erstwhile Sterlite Display Technologies Private Limited)	-	100.00%
Sterlite Grid 3 Limited	-	100.00%
East North Interconnection Company Limited	-	49.00%
Bhopal Dhule Transmission Company Limited	-	100.00%
Jabalpur Transmission Company Limited	-	100.00%
Purulia & Kharagpur Transmission Company Limited	-	100.00%
RAPP Transmission Company Limited	-	100.00%
NRSS XXIX transmission Limited	-	100.00%

** For Group's effective holdings at 31 March 2016, refer note 29

C. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

D. The Group has adopted component accounting as required under Schedule II to the Companies Act, 2013.
Due to application of Schedule II to the Companies Act, 2013, the Group has changed the manner of depreciation for its fixed assets. Now, the Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the

principal asset. the Group has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is adjuted to opening general reserve (net of tax). As a result an amount of ₹12.38 crores (net of tax of ₹ 6.55 crores) pertaining to components of fixed assets for which the remaining useful lives were nil as at April 1, 2015 has been adjusted to General Reserve. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April 2015, is depreciated over their remaining useful lives.

As a result of the above change, the depreciation charge for the current year is higher by ₹ 1.22 crores and profit for the current year is lower by ₹ 0.80 crore (net of tax impact of ₹ 0.42 crore).

E. DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 7 (REVISED) "CONSTRUCTION CONTRACTS :

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Amount of contract revenue recognised during the year (net of excise)	342.55	68.56
The aggregate amount of costs incurred and recognised profits (less recognised losses) for all contracts in progress upto the reporting date	411.11	68.56
Amount of customer advances outstanding for contracts in progress upto the reporting date	-	-
Retention amount due from customers for contracts in progress upto the reporting date	-	-
Gross amount due from customers for contract work as an asset	41.30	-
Gross amount due to customers for contract work as a liability	1.72	23.09

F. Demerger of Power Business

The Board of directors of the Company on May 18, 2015 approved the Scheme of Arrangement under Sections 391 – 394 of the Companies Act, 1956 ('the Scheme') between Sterlite Technologies Limited ('STL' or 'Demerged company'), Sterlite Power Transmission Limited ('SPTL' or 'Resulting company') and their respective shareholders and creditors for the demerger of power products and solutions business (including the investments of STL in power transmission infrastructure subsidiaries i.e. Sterlite Power Grid Ventures Limited and East North Interconnection Company Limited) into SPTL with the appointed date of April 1, 2015. The Scheme was approved by the Hon'ble Bombay High Court vide Order dated April 22, 2016 and it became effective from May 23, 2016 (being the date of filing with Registrar of Companies). The Scheme inter alia provides for issue by SPTL, at the option of the shareholder of STL, of either one equity share of face value of ₹ 2 or one redeemable preference share of face value of ₹ 2 issued at a premium of ₹ 110.30 per share for every 5 fully paid up equity shares of ₹ 2 each of the Demerged company and redeemable on expiry of eighteen months from the date of allotment at a premium of ₹ 123.55 per share for eligible members other than non residents. In case of non residents one equity share of face value of ₹ 2 for every 5 fully paid up equity shares of ₹ 2 each of the Demerged company and all such equity shares shall be purchased by the promoters of the Demerged Company and/or their affiliates or any other person and/or entity identified by them, in accordance with the scheme.

As per the Scheme, STL shall reduce the book values of assets and liabilities pertaining to the demerged undertaking (i.e. Power Business) as on the appointed date from its books of account. Accordingly, the following assets and liabilites pertaining to Power Business have been reduced from the books of account of STL (Consolidated) as on April 1, 2015:

Particulars	(₹ in crores)
ASSETS	
Non-current assets	
Fixed assets	
Tangible assets	3,132.91
Intangible assets	0.41
Capital work-in-progress	2,129.18
	5,262.50
Deferred tax assets	11.89
Long-term loans and advances	78.85
Other non-current assets	24.81
	5,378.05
Current assets	
Current investments	3.67
Inventories	236.65
Trade receivables	364.00
Cash and bank balances	101.57
Short-term loans and advances	105.53
Other current assets	34.99
	846.41
TOTAL (A)	**6,224.46**
LIABILITIES	
Non-current liabilities	
Long-term borrowings	3,864.11
Deferred tax liabilities (net)	5.75
Other long term liabilities	94.04
Long-term provisions	3.24
	3,967.14
Current liabilities	
Short-term borrowings	265.93
Trade payables	594.66
Other current liabilities	487.12
Short-term provisions	2.34
	1,350.05
TOTAL (B)	5,317.19
Optionally convertible preference shares (issued by subsidiary company)	409.10
Minority interest	
Excess of book value of assets over the book value of liabilities (A - B)	498.17

Further, as per the Scheme, the excess of book value of assets over the book value of liabilities of the demerged undertaking shall be adjusted against the securities premium account and balance, if any, shall be first adjusted against the general reserve account and thereafter against profit and loss account of the demerged company. Also the investment of STL in SPTL of ₹ 0.05 crore has been cancelled and adjusted against surplus in the statement of profit and loss as per the Scheme. Accordingly, the following adjustments have been made in the opening reserves (Consolidated) as at April 1, 2015:

Particulars	(₹ in crores)
Excess of book value of assets over the book value of liabilities	**498.17**
Adjusted against:	
Securities premium	197.26
General reserve	141.56
Surplus in the statement of profit and loss	159.34
Total	**498.17**

The resulting company shall be required to reimburse and indemnify the demerged company against all liabilities and obligations incurred by the demerged company in legal, taxation and other proceedings in so far as such liabilities and obligations relates to period prior to the appointed date i.e. April 01, 2015 in respect of the demerged undertaking as per the Scheme.

As a result of the demerger, the consolidated financial statements of the Group as at and for the year ended March 31, 2016, do not include the operations of the demerged undertaking (i.e. Power Product and Solutions Business and Power Transmission Grid Business) and are therefore to that extent are not comparable with the figures as at and for the year ended March 31, 2015.

Details of revenues, expenses and profits from ordinary activities and net cash flows attributable to the discontinuing operations required to be disclosed under Accounting Standard-24 "Discontinuing Operations" are as follows:

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Net revenue	-	1,450.66
Other Operating Income	-	27.02
Revenue from operations (net)	-	**1,477.68**
Other Income	-	13.08
Expenses (excluding interest cost)	-	1,412.18
Profit before interest and tax*	-	78.58

Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
Operating activities	-	353.45
Investing activities	-	(948.05)
Financing activities*	-	

*During the year ended March 31, 2015, there were common borrowings for the Sterlite Technologies Limited as a whole due to which interest cost attributable to discontinuing operations is not ascertainable. Hence the disclosures have been given till Profit before interest and tax. For the same reasons net cash flow from financing activities has not been disclosed.

G. Acquisition and Amalgmation of Elitecore Technologies Private Limited

The Group acquired 100% of the paid up equity share capital of Elitecore Technologies Private Limited ('ETPL'), a global telecom software product company, on September 29, 2015, pursuant to share purchase agreement dated September 22, 2015 for a total purchase consideration of ₹ 187.37 crores which was discharged through bank payments. Post the acquisition, ETPL has been merged with the Sterlite Technologies Limited with appointed date of September 29, 2015 under the Scheme of Amalgamation approved by Gujarat High Court and Hon'ble Bombay High Court vide Orders dated March 21, 2016 and April 7, 2016 respectively and effective date May 20, 2016 (being the date of filing with Registrar of Companies).

As required under the Scheme, Sterlite Technologies Limited has accounted for the amalgamation as per Accounting Standard-14 "Accounting for Amalgamations" under the purchase method and has recognized the assets and liabilities acquired at their book value. The excess of purchase consideration paid by it over the aggregate value of the net assets acquired has been treated as goodwill, which as per the Scheme, will be amortized over a period of 5 years from the date of amalgamation.

As a result of the acquisition, the consoidated financial statements of the Group for the year ended March 31, 2016 incorporate the operations of ETPL (and it's two subsidiaries) with effect from the appointed date i.e. September 29, 2015 and are therefore to that extent not comparable with the figures as at and for the year ended March 31, 2015.

Details of book values of assets and liabilities of ETPL (and it's two subsidiaries) consolidated into the Group as on the appointed date i.e. September 29, 2015 are as follows:

Particulars	(₹ in crores)
Assets	
Non-current assets	
Tangible fixed assets	4.91
Intangible fixed assets	1.52
Deferred tax assets	2.29
Long-term loans and advances	5.54
Other non-current assets	0.55
	14.80
Current assets	
Inventories	1.01
Trade receivables	44.45
Cash and cash equivalents	27.44
Short-term loans and advances	3.34
Other current assets	3.92
	80.16
Total assets (A)	**94.96**
Liabilities	
Non-current liabilities	
Long-term borrowing	2.65
Long-term provision	3.90
	6.55
Current liabilities	
Short-term borrowing	9.42
Trade payables	30.81
Other current liabilities	6.85
Short term provisions	2.26
	49.34
Total liabilities (B)	**55.89**
Net assets (share capital and reserves) (A-B)	**39.08**
Purchase consideration	187.37
Goodwill	**148.29**

H. Additional infomration related to subsidiaries :-

Name of entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	(₹ in crores)	As % of consolidated net profit / loss	(₹ in crores)
Sterlite Technologies Limited (A)	74.24%	542.03	114.61%	180.11
	-17.49%	*(265.60)*	*-2081.26%*	*74.43*
Subsidiaries				
Indian				
Speedon Network Limited (Erstwhile Sterlite Networks Limited)	0.40%	2.96	-25.42%	(39.94)
	1.21%	*18.41*	*927.86%*	*(33.18)*
Maharashtra Transmission Communication Infrastructure Limited	3.18%	23.21	-0.37%	(0.58)
	1.67%	*25.40*	*31.27%*	*(1.12)*
Sterlite Telesystems Limited	0.00%	0.00	-0.02%	(0.03)
	-	-	-	-
Sterlite Power Technologies Private Limited	0.00%	0.01	(0.00)	(0.01)
	0.00%	*0.01*	-	-
Sterlite Display Limited	-	-	-	-
	0.00%	*0.05*	-	-
Sterlite Power Grid Ventures Limited	-	-	-	-
	-0.05%	*(74.40)*	*3.02%*	*(10.81)*
Sterlite Grid Limited	-	-	-	-
	-7.60%	*(115.40)*	*355.35%*	*(12.71)*
Sterlite Grid 2 Limited	-	-	-	-
	0.85%	*12.89*	*65.15%*	*(2.33)*
Sterlite Grid 3 Limited	-	-	-	-
	0.02%	*0.26*	*10.66%*	*(0.38)*
East North Interconnection Company Limited	-	-	-	-
	21.72%	*329.89*	*179.98%*	*(6.44)*
Bhopal Dhule Transmission Company Limited	-	-	-	-
	46.04%	*699.42*	*192.74%*	*(6.89)*
Jabalpur Transmission Company Limited	-	-	-	-
	51.45%	*781.47*	*4.47%*	*(0.16)*
Purulia & Kharagpur Transmission Company Limited	-	-	-	-
	-2.80%	*(42.53)*	*1.49%*	*(0.05)*
RAPP Transmission Company Limited	-	-	-	-
	1.16%	*17.64*	*1.46%*	*(0.05)*
NRSS XXIX transmission Limited	-	-	-	-
	1.42%	*21.61*	*5.84%*	*(0.21)*

Name of entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	(₹ in crores)	As % of consolidated net profit / loss	(₹ in crores)
Foreign				
Sterlite Global Ventures (Mauritius) Limited	0.01%	0.08	-0.05%	(0.07)
	0.00%	*(0.01)*	*2.09%*	*(0.07)*
Jiangsu Sterlite and Tongguang Fibre Co. Limited	18.34%	133.92	15.88%	24.96
	6.30%	*95.69*	*41.35%*	*(1.48)*
Sterlite (Shanghai)Trading Company Limited	0.11%	0.78	-0.48%	(0.75)
	-	-	-	-
Sterlite Technologies Americas LLC	0.00%	0.00	0.00%	0.00
	0.01%	*0.19*	*1.15%*	*(0.04)*
Sterlite Technologies Europe Ventures Limited	0.01%	0.08	0.00%	0.01
	0.01%	*0.08*	*7.52%*	*(0.27)*
Sterlite Technologies UK Ventures Limited	0.05%	0.38	-1.34%	(2.11)
	0.00%	*0.01*	*-67.80%*	*2.42*
Elitecore Technologies (Maurituis) Limited	0.10%	0.71	0.05%	0.07
	-	-	-	-
Elitecore Technologies SDN. BHD	0.98%	7.18	0.61%	0.96
	-	-	-	-
Subsidiaries (B)	23.19%	169.30	-11.13%	(17.49)
	116.57%	*1,770.69*	*2062.95%*	*(73.79)*
Joint Venture (C)				
Foreign				
Sterlite Conduspar Industrial Ltda	2.56%	18.73	-3.49%	(5.48)
	0.92%	*13.92*	*118.31%*	*(4.23)*
Total (A+B+C)	100.00%	730.06	100.00%	157.14
	100.00%	*1,519.01*	*100.00%*	*(3.58)*
Minority Interest in all subsidiaries		31.21		6.08
		23.04		*(0.94)*
Preference shares issued by subsidiary	-	-	-	-
	-	*409.10*	-	-

Note :- Figures in italics pertain to previous year.

NOTE 39: RELATED PARTY DISCLOSURES

(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) Joint ventures

Sterlite Conduspar Industrial Ltda (58:42 joint venture between Sterlite Technologies UK Ventures Limited and Conduspar Condutores Eletricos Limitada)

(b) Other related parties under AS-18 "Related party disclosures" with whom transactions have taken place during the year

(i) Key management personnel (KMP)

Mr. Pravin Agarwal (Vice Chairman & Whole-time Director)
Dr. Anand Agarwal (CEO & Whole-time Director)

(ii) Relative of key management personnel (KMP)

Mr. Ankit Agarwal

(ii) Entities where key management personnel / relatives of key management personnel have significant influence (EKMP)

Vedanta Limited
Fujairah Gold FZE
Bharat Aluminium Company Limited
Hindustan Zinc Limited
Vedanta Resources PLC
Sterlite Tech Foundation
Universal Floritech LLP
Sterlite Power Transmission Limited

(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)
Mr. Amit Deshpande (Company Secretary)

(B) The transactions with related parties during the year and their outstanding balances are as follows:-

(₹ in crores)

Sr. No.	Particulars	Joint Ventures		Holding Company		KMP		Relative of KMP		EKMP	
	Transactions	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
1	Remuneration	-	-	-	-	16.51	10.76	0.59	-	-	-
2	Dividend paid	-	-	12.56	6.28	-	-	-	-	0.29	0.14
3	Sale of Investment in Subsidiary	-	-	0.05	-	-	-	-	-	-	-
4	Management fees paid	-	-	-	-	-	-	-	-	0.40	0.12
5	Management fees charge	-	-	-	-	-	-	-	-	28.62	-
6	Purchase of goods	-	-	-	-	-	-	-	-	19.63	682.97
7	Purchase of power	-	-	-	-	-	-	-	-	36.50	3.59
8	Sale of goods (net of excise duty)	8.86	1.99	-	-	-	-	-	-	9.68	12.72
9	Interest paid	-	-	-	-	-	-	-	-	-	1.32
10	Expenses incurred	-	-	-	-	-	-	-	-	-	0.11
11	Contributions made	-	-	-	-	-	-	-	-	0.57	0.28
12	Rental income	-	-	-	-	-	-	-	-	0.02	-
13	ESOP Expenses	-	-	-	-	-	-	-	-	3.37	-

(₹ in crores)

Sr. No.	Particulars	Joint Ventures		Holding Company		KMP		Relative of KMP		EKMP	
	Outstanding Balances	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
1	Advance outstanding against supplies	-	-	-	-	-	-	-	-	-	1.79
2	Loans/advance payables##	-	-	-	-	-	-	-	-	19.32	-
3	Trade receivables	9.23	6.92	-	-	-	-	-	-	-	0.35
4	Trade payables	-	-	-	-	-	-	-	-	-	7.21
5	Corporate and bank guarantees given and outstanding	-	-	-	-	-	-	-	-	114.00	114.00

Disclosure in respect of material related party transaction during the year:

(₹ in crores)

Sr. No.	Particulars	Relationship	31 March 2016	31 March 2015
1	**Remuneration #**			
	Mr. Pravin Agarwal	KMP	9.55	7.61
	Dr. Anand Agarwal	KMP	5.27	3.16
2	**Dividend paid**			
	Twin Star Overseas Limited	Holding Company	12.56	6.28
3	**Sale of Investment in Subsidiary**			
	Twin Star Overseas Limited, Mauritius	Holding Company	0.05	-
4	**Management fees paid**			
	Vedanta Resources PLC	EKMP	0.40	0.12
5	**Management fees charged**			
	Sterlite Power Transmission Limited	EKMP	28.62	-
6	**Purchase of goods**			
	Vedanta Limited	EKMP	2.06	601.20
	Fujairah Gold FZE	EKMP	17.56	37.98
7	**Purchase of power**			
	Vedanta Limited	EKMP	36.50	3.59
8	**Sale of goods (net of excise duty)**			
	Sterlite Conduspar Industrial Ltda	Joint Venture	8.86	1.99
	Vedanta Limited	EKMP	-	11.53
	Sterlite Power Transmission Limited	EKMP	9.68	-
9	**Interest paid**			
	Vedanta Limited	EKMP	-	1.32
10	**Expenses incurred**			
	Vedanta Limited	EKMP	-	0.06
	Hindustan Zinc Limited	EKMP	-	0.06
11	**Contributions made**			
	Sterlite Tech Foundation	EKMP	0.57	0.28
12	**Rental income**			
	Universal Floritech LLP	EKMP	0.02	-
13.	**ESOP expenses charged**			
	Sterlite Power Transmission Limited	EKMP	3.37	-

As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Group as a whole, the amounts pertaining to the Key Management Personnel are not included above.

#Includes expenses incurred and recoverable.

NOTE 40: SEGMENT REPORTING

As a result of the demerger of power business as explained in note 38(F), the Company's operations predominately relate to Telecom product and solutions and accordingly this is the only primary reportable segment as per AS 17 "Segment Reporting.

Business Segment

(₹ in crores)

Particulars	Telecom Product and Solutions		Power Product and Solutions		Power transmission grid		Unallocable		Eliminations		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment revenue	**2,258.12**	1,680.56	-	1,563.21	-	153.87	-	-	-	(197.21)	**2,258.12**	3,200.43
Less: Excise duty	**130.87**	104.13	-	90.24	-	-	-	-	-	(21.03)	**130.87**	173.34
Segment revenue (net of excise duty)	**2,127.25**	1,576.43	-	1,472.97	-	153.87	-	-	-	(176.18)	**2,127.25**	3,027.09
Segment results (PBIT)	**334.04**	248.98	-	9.24	-	74.78	-	(0.55)	-	(5.44)	**334.04**	327.01
Less: Finance cost							**113.25**	326.90			**113.25**	326.90
Profit / (loss) before tax											**220.79**	0.11
Less: Tax expense							**63.65**	3.69			**63.65**	3.69
Minority interest							**6.08**	(0.94)			**6.08**	(0.94)
Net profit / (loss)											**151.06**	(2.64)
Segment assets	**2,640.41**	1,754.71	-	1,074.13	-	5,277.20			-	(105.57)	**2,640.41**	8,000.47
Common assets							-	391.73			-	391.73
Total assets											**2,640.41**	8,392.20
Segment liabilities	**1,910.35**	457.88	-	751.40	-	347.01			-	(106.61)	**1,910.35**	1,449.68
Common liabilities							-	5,423.50				5,423.50
Total liabilities											**1,910.35**	6,873.18
Capital expenditure incurred (excluding goodwill)	**317.95**	123.30	-	19.16	-	1,009.34	-	20.19	-	(10.92)	**317.95**	1,161.07
Depreciation	**130.88**	96.17	-	31.62	-	57.17	-	0.26	-	(0.23)	**130.88**	184.98
Significant non cash expenditure	**20.95**	10.82	-	19.05	-	0.49	-	-	-	-	**20.95**	30.36

Geographical Segment

The Company's secondary segments are the geographic distribution of activities. Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets

S. No.	Particulars	31 March 2016 (₹ in crores)	31 March 2015 (₹ in crores)
1	**Segment revenue - external turnover (gross)**		
	Within India	**1,558.58**	1,998.37
	Outside India	**699.54**	1,202.05
	Total	**2,258.12**	3,200.43
2	**Segment assets**		
	Within India	**2,254.83**	7,545.66
	Outside India	**385.58**	454.81
	Total	**2,640.41**	8,000.47
3	**Capital expenditure**		
	Within India (excluding goodwill)	**311.39**	1,147.22
	Outside India	**6.56**	13.85
	Total	**317.95**	1,161.07

NOTE 41: PREVIOUS YEAR FIGURES

Previous year figure have been regrouped / reclassified where necessary, to conform to this year's classification. The consolidated financial statements for the year ended March 31,2016 incorporate the impact of the demerger and merger mentioned in Note 38 F and Note 38 G from the appointed dates April 1, 2015 and September 29, 2015 respectively. Hence, the amounts for the Financial Year ended March 31,2016 are not comparable with the previous Financial Year ended March 31, 2015.

As per our report of even date

For S R B C & Co LLP
Firm Registration No. 324982E / E300003
Chartered Accountants

per Paul Alvares
Partner
Membership Number : 105754

Place : Pune
Date : May 26, 2016

For and on behalf of the board of directors of **Sterlite Technologies Limited**

Pravin Agarwal
Vice Chairman & Whole-time Director
DIN Number : 00022096

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

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

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 Subsidiary	Country of Incorporation	Reporting currency	Exchange rate (INR)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit / (loss) before taxation	Provision for taxation	Profit / (loss) after taxation	Proposed dividend	% of Holding
1.	Speedon Network Limited	India	INR	NA	1.55	(67.07)	151.61	217.13	0.02	16.64	(39.94)	-	(39.94)	-	100.00
2.	Maharashtra Transmission Communication Infrastructure Limited	India	INR	NA	18.72	4.49	76.78	53.57	-	0.25	(0.58)	-	(0.58)	-	72.10
3.	Sterlite Telesystems Limited	India	INR	NA	0.02	(0.03)	0.02	0.03	-	-	(0.03)	-	(0.03)	-	100.00
4.	Sterlite Power Technologies Private Limited	India	INR	NA	0.01	-	0.01	-	-	-	-	-	-	-	100.00
5.	Elitecore Technologies (Mauritius) Limited	Mauritius	MUR	1.84	0.14	0.34	4.51	4.02	-	2.31	0.09	0.02	0.07	-	100.00
6.	Elitecore Technologies Sdn Bhd. (Malaysia)	Malaysia	MYR	16.90	-	1.16	9.04	7.88	-	1.07	1.34	0.38	0.96	-	100.00
7.	Sterlite Global Ventures (Mauritius) Limited	Mauritius	USD	65.46	67.02	(0.22)	67.11	0.31	66.97	-	(0.07)	-	(0.07)	-	100.00
8.	Jiangsu Sterlite Tongguang Fibre Co. Limited	China	RMB	10.27	89.49	15.66	171.12	65.97	-	225.48	25.09	0.13	24.96	-	75.00
9.	Sterlite Technologies Americas LLC*	USA	USD	65.46	-	0.00	-	-	-	-	-	-	-	-	100.00
10.	Sterlite Technologies Europe Ventures Limited	Cyprus	Euro	72.31	0.10	(0.02)	0.08	-	-	-	0.01	-	0.01	-	100.00
11.	Sterlite Technologies UK Ventures Limited	UK	GBP	98.76	0.04	0.29	20.12	19.79	19.14	-	(2.11)	-	(2.11)	-	100.00
12.	Sterlite Conduspar Industrial Ltda	Brazil	Real	20.49	19.14	(13.50)	27.71	22.06	-	19.26	(5.48)	-	(5.48)	-	58.05
13.	Sterlite (Shanghai) Trading Co. Limited	China	RMB	10.27	1.53	(0.75)	1.37	0.59	-	1.86	(0.75)	-	(0.75)	-	100.00

*Company having December 31 as reporting date.

Names of Subsidiaries which are yet to comemnce operations

S. No.	Name of Subsidiary
1.	Sterlite Power Technologies Private Limited
2.	Sterlite Telesystems Limited

Names of Subsidiaries which have been liquidated or sold during the year

S. No.	Name of Subsidiary
1.	Sterlite Power Trasmission Limited*
2.	Sterlite Power Grid Ventures Limited*
3.	Sterlite Grid 1 Limited*
4.	Sterlite Grid 2 Limited*
5.	Sterlite Grid 3 Limited*
6.	Sterlite Grid 4 Limited*
7.	East-North Interconnection Company Limited*
8.	Bhopal Dhule Transmission Limited*
9.	Jabalpur Transmission Company Limited*
10.	RAPP Transmission Company Limited*
11.	Purulia & Kharagpur Transmission Company Limited*
12.	NRSS XXIX Transmission Limited*
13.	Maheshwaram Transmission Limited*
14.	Twin Star Technologies Limited (Erstwhile Sterlite Display Limited)
15.	Twin Star Display Technologies Limited

* Transferred to Sterlite Power Transmission Limited under the Scheme of arrangement for demerger of power business

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
1	Latest audited Balance Sheet date	31/3/2016
2	Shares of Associate/Joint Ventures held by the Company on the year end	
a	Number	NA
b	Amount of investment (At face value)	19.14
c	% of holding	58.05
3	Description of how there is significant influence	By way of onwership
4	Reason why the associate / joint venture is not consolidated	Not Applicable
5	Networth attributable to shareholding as per latest audited Balance sheet	5.64
6	Profit/Loss for the year considered in consolidation	(5.48)
a	Considered in consolidation	(5.48)
b	Not considered in consolidation	-

Note:- Only Direct Joint Venture /Associate Companies are considered.

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
Vice Chairman & Whole-time Director

Anand Agarwal
CEO & Whole-time Director

Anupam Jindal
Chief Financial Officer

Amit Deshpande
Company Secretary

Place : Pune
Date : May 26, 2016

IMPRINTS

CONTRIBUTORS

EDITORIAL TEAM
Auyon Acharya
Rabin Ghosh
Sumedha Mahorey

BRAND/ADVERTISEMENT TEAM
Chandrasekaran B.
Khushboo Gupta

MANAGEMENT DISCUSSION & ANALYSIS
Gaurav Basra
Vivek Aggarwal

FINANCIAL DISCUSSION & ANALYSIS
Ankur Baser
Navin Sharma
Prateek Manpuria

SEGMENT ANALYSIS
K S Rao

FITT FOR GROWTH SECTION
Ankit Agarwal
Ankit Gupta
Anubhav Saraf
Balram Sharma
Chada S. Kali
Diptangshu Sen
Dr. Arvind Mishra
Dr. Badri Gomatam
L K Pathak
Niharika Jajoria
Pankaj Priyadarshi
Rohit Saurabh
Sanjeev Thakkar
Sashanka Some
Thomas Yang
Vaibhav Khanna
Vikas Songara
Vimal Malhotra

CORPORATE SOCIAL RESPONSIBILITY
Darshan Mundada

DIRECTORS' REPORT & CORPORATE GOVERNANCE REPORT
Amit Deshpande
Mrunal Dixit
Sonali Agarkar
Swapnil Patil

PROJECT MANAGER
Manish Ingole

COVER DESIGN
Shailesh Kolekar

PROJECT SPONSORS
Anupam Jindal
Arindam Haldar

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