

A woman with dark curly hair and glasses is shown in profile, smiling and drinking from a clear plastic cup. The cup is tilted, and a pink liquid is visible inside. The background is a dark blue gradient with some light blue and pink abstract lines. The text 'SIMPLIFYING DIGITAL MAXIMISING POTENTIAL' is overlaid on the right side of the image.

SIMPLIFYING DIGITAL MAXIMISING POTENTIAL



“
**CAN
YOU
HEAR
ME?**

STL

Remember the joy and wonder on our faces when we learned how to make a simple communication device using just a paper cup and string and it worked...

This is the joy we feel when our solutions simplify the complex process of connecting people and businesses effortlessly, anytime and anywhere. Our innovative solutions have enabled countless individuals and organisations to communicate and collaborate more effectively than ever before. We take pride in being a reliable partner in the ever-evolving world of connectivity, and we are committed to staying ahead of the curve with cutting-edge technological advancements.

Our dedication to excellence is reflected in every aspect of our work, from our talented team to our advanced optical and digital solutions. We look forward to continuing to enable seamless connections and transform billions of lives.

**YES,
I CAN!**”

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Forward-looking and Cautionary Statement

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

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

DIGITAL CONNECTIVITY -

FROM PROMISE
TO PROGRESS*Dear Stakeholders,*

It is with great pleasure that I bring to you the Annual Report of STL (Sterlite Technologies Limited) for FY23. The bygone year saw STL *Transforming Billions of Lives* by Connecting the World across 4 continents and nearly 100 countries.

As the world stands at the cusp of a **digital revolution**, I remember the year 1983 when the Internet, as we know it today, was born. It promised a new world with then, unimaginable possibilities. It has been 25 years now and the Internet has changed our lives. It now beholds another such revolution that promises to touch our lives more profoundly than ever.

**Internet has Proven Useful
Beyond Doubt**

As they say, during the time of crisis, heroes are born. True to this saying, during the tough times of the pandemic, **digital connectivity** emerged as not only a saviour but also as a possibility that promised to unlock human potential through technology. For educators, it opened up a path to equitable education. For healthcare providers, it broke the shackles of distance and resources. For manufacturers, Industry 4.0 promised to digitally transform operations.

The **promise of technology** has been established beyond doubt for all. Now the next frontier is progress.

“Ubiquitous, equitable
and affordable connectivity is the
need of the hour”

**Time to Progress**

Recently, at a technology event, I had a wonderful near real-world **virtual reality** experience. These days, we talk a lot about how VR can bring in an immersive learning experience to classrooms. We can now vividly imagine this reality, but it's not yet simple and scalable. This led me to think about how we can take this technology to people who need it the most and use it on a more granular level. What if 150 million students in rural India can leverage this technology to understand textbooks curricula through visual effects and our friendly neighborhood doctors can use VR in medical diagnostic imaging to help create 3D models for better visualisation? Similarly, AI can be harnessed in a lot more ways to create a meaningful impact on society and **transform billions of lives**.

But for any technology to make such an impact on a large scale, what we really require is taking **top-notch connectivity** to every nook and corner in the world. This is not an easy task and it will take every ounce of our collective effort to connect the unconnected.

The world is still far from universal and meaningful connectivity. There are still significant differences between and within countries in network availability and quality.

Ubiquitous, **equitable** and affordable connectivity is the need of the hour

To make this magic happen, we will have to come together and create a roadmap to establish a network infrastructure that can support these technologies. A lot of fibre needs to reach everywhere, now to the premises, in the future even to rooms and devices! Building this extensive **digital infrastructure** is more like a highly coordinated line dance, rather than a riveting solo performance. Imagine a 'Macarena', rather than a solo Ballet performance. Industry, academia, policymakers and governments – all of these stakeholders, must work in perfect sync to bridge the 'coverage gap', 'familiarity gap' and then, 'usage gap' by combining digital connectivity, familiarity and contextualised use cases. I am keenly watching this journey in India where BharatNet - India's **digital inclusion programme** is moving towards its next phase and many rural use cases are emerging to make the most out of these rural digital highways.

**Networks that are Green
and Sustainable**

While we collectively strive towards ubiquitous connectivity, we cannot let the internet tip the balance in favour of climate change. Telecom is an energy-intensive industry - accounting for ~2% of global energy demand. The Internet and supporting network components account for ~3.7% of global **greenhouse emissions**.

We have been innovating for humankind since forever. Now is the time to innovate for the environment. The question of how to reduce the plastic content in our networks, how to get more energy efficiency into data centres and wireless networks and how to make the telecom supply chain sustainable requires our relentless pursuit.

At STL, behind all the tech-driven capabilities and processes, lies our purpose of **Transforming Billions of Lives by Connecting the World**, but in a responsible way. We aspire to build green, resilient and **sustainable digital networks**. To do so, we have strengthened our focus on sustainability by committing to achieve **Net Zero Emissions** by 2030. Our initiatives like water positivity, Zero Waste to Landfill certifications and sustainable sourcing, reflect our commitment to a **greener planet**. A large part of our product innovation is also centred around reducing material consumption and plastic footprint in our optical solutions.

I feel blessed to be able to contribute when the world is ready to experience the magic of **digital technology** that will drive our future generations. I feel that we can take this magic to each and every person on this planet. As we enter FY24, I look forward to your continued support and encouragement in this digital journey of ours.

Warm Regards,

Anil Agarwal

Non-executive chairman, STL

UNRAVELLING THE PATH TO

SEAMLESS AND
INCLUSIVE DIGITAL
CONNECTIVITY*Dear Stakeholders,*

I would like to begin by taking a moment to reflect on the incredible impact that digital connectivity has created on our lives, bringing with it, a vibrant mix of **convenience, connection** and **wonder**. Our devices converse and perform tasks for us. Our applications continuously learn and help us. Starting from being a humble tool of communication about a decade ago, it would be hard today, to point out an industry that the internet has not disrupted in the last 3 years. The statistics are clear as day and point towards an even more **digitally brilliant** future for all of us. In order to fully unlock the potential of these advancements, **high-speed** and **low-latency networks** are crucial. Technology is, after all only as successful as it is seamless.

That is where **STL's Ikigai** rests. Optical Fibre has emerged as the foundational element for the next leap in technology and the global deployment of fibre is rapidly accelerating. To borrow a quote from Reed Hastings, Co-Founder of Netflix, "**Fibre optic** is becoming like electricity. If you look at how electricity spread around the globe 100 years ago, that's what's happening now."

Another example is roads and highways. The impact of optical fibre is akin to the transformative power of roads in shaping the world. Just as roads connected distant regions, opened up new trade routes and drove economic growth centuries ago, optical fibre networks have become the **digital highways**, serving as the backbone of modern society in enabling connection and convenience

From Fields to Pixels: Closing the Connectivity Gap

Continuing with the roads and electricity analogy, there must have been a definitive point in those journeys which moved the needle from **Promise to Progress**. We are at the same juncture in the journey of digital connectivity. Now that the promise of digital connectivity is established beyond doubt, we need to move the needle on progress. It is surely a collective effort where

industry, technologists, academia, policymakers and governments will join hands to build these digital networks that will shape the technology evolution for the next three decades!

2022 saw urban areas largely fiberised, and the next few years will focus on connecting semi-rural and rural regions, where a significant population of 3.4 billion resides. Citing examples from STL's key markets, about 75 million households in the US still do not have access to fibre internet. 150 million homes across Europe do not have access to FTTH. Upwards of 275 million households in India do not have access to fixed broadband internet.

It is now clear that we must collectively make the path to **connect the unconnected** simple, affordable and scalable. We need to do this today, but with a keen eye on the future because, we stand at the cusp of the next wave of **digital infrastructure build**, that will shape everything from our daily lives to the economy and even the geo-political order.

BB Transforming Billions of Lives by
Connecting the World QQ

BB Multiverse, a groundbreaking,
industry-first product
that unlocks 4X capacity. QQ

**Future-proofing Tomorrow by
Innovating Today**

Last year, **network creators** made significant investments in 5G, Datacentres and Citizen Networks. Looking ahead, we are future-proofing our networks in preparation for **6G networks**.

FY23, for us, has been, in many ways, about future readiness and converting our **promises into on-ground realities**. This year, your Company continued its journey of "Transforming Billions of Lives by Connecting the World" across 4 continents and 100 countries. The results are in and I am proud to say we have been able to register our highest-ever revenues, of ₹6,925 crore (US\$863 million), a robust 27% growth over FY22.

Ankit Agarwal
Managing Director

Pravin Agarwal
Vice Chairman and
Whole-time Director



With a sharp focus on our 3 business units, we delivered strong operating performance across geographies and progressed steadily towards our goal of becoming one of **the top 3 Optical players** globally.

We delivered a stellar 46% revenue and 93% EBITDA growth in the Optical business on the back of higher volumes and realisations. This was the result of passionate execution of the outlined priorities by our global teams. In the Global Services business, we strengthened our position in the private telecom segment, achieved operational break-even in the UK and received the prestigious **CMMI level-5 certification** for our India operations. At the close of the fiscal year, the Board approved the demerger of Global Services into a separate legal entity - a new chapter to unlock unconstrained growth for the business! We also took great strides in **STL Digital**, our newly incubated IT Services business, where we won orders worth ₹650 crore (US\$81 million) on the back of our talent and agility.

Across the world, our performance in our key markets gave us many reasons to celebrate. We kicked off commercial operations in our US factory in South Carolina, expanded our presence far and wide in UK/Europe with orders worth ₹2,400 crore (US\$298.92 million) and supported India's 5G rollout with engagements worth ₹1,000 crore (US\$124.55 million) from Indian telecom operators.

Working steadily towards future-proofing networks, we introduced Multiverse, a groundbreaking, industry-first product that unlocks 4X capacity. We were also the second company in the world to develop our slimmest fibre yet - a 180-micron optical fibre that enables the smallest diameters in cables with the highest fibre densities. We also embraced technology-intensive methods such as robotic trenching, 360° photogrammetry and GIS database visualisation, revamping the fiberisation value chain. Our focus on speed and quality resulted in a 2X increase in deployment velocity along with network lifespan enhancement.

And speaking of **innovation**, we applied our creativity not only to increase deployment speeds but also to achieve our sustainability goals. Our manufacturing plants went above and beyond, diverting over 96% of waste from landfills. We achieved Zero Liquid Discharge in six out of our eleven global manufacturing facilities. We replenished a staggering 1.4 billion litres of water in rural Maharashtra. This has had a tangible and positive impact on the lives of local communities. Our efforts haven't gone unnoticed. We received 19 national and global recognitions for our dedication to **sustainability** and **community development** throughout FY23.

Doing it the STLer Way!

Another testament to our future-readiness is the **Future-ready Organisation** award to STL by the esteemed Economic Times (ET), which honours companies that are staying ahead of the curve and adapting to the changing needs of our industry and the world. Our sincere efforts towards building a diverse and inclusive environment earned us the **'Best Organisation for Women'** recognition.

FY24 and Beyond

As we embark into FY24, we carry with us the progress we made in the past year and future aspirations that fuel our drive. Our intent and efforts remain resolute. Equipped with **strategic capabilities**, an innovative portfolio and **best-in-class** people practices, we are more connected than ever to our larger purpose of "Transforming Billions of Lives by Connecting the World". **Sustainability** is ingrained in our core and guides our every step. Moving forward, we will continue to push these boundaries to simplify connectivity and pave the way for **robust digital networks** that connect the unconnected across the world.

Warm Regards.



Optical Networking

SPREADING OUR LOVE FOR OPTICAL AROUND THE WORLD

Our love for optical fibre networks dates back to 1993 when we established an optical fibre cable plant in Silvassa, India. Cut to 2023, we now have 11 world-class manufacturing facilities globally and talent from 30+ nationalities to serve our customers across 100+ countries!

In the past three decades, we have come closer to our customers by developing optical capabilities globally. This optical story starts with our semiconductor-grade glass preform facility in Aurangabad in the state of Maharashtra, India. Our 10 advanced optical fibre, cable and interconnect facilities are spreading this love across India, US, Italy, China and Brazil.

Our leadership team and 1400 STLers across these 11 plants are striving day and night to build greener products and make our operations **100% sustainable**. All our facilities in India and Italy divert more than 99% of the waste away from landfills and channelise this waste for usage in other industries or upstream and downstream into the fibre value chain. Six of our global facilities are certified as '**Zero liquid discharge**' and our community water conservation programmes are helping fight water scarcity in our homeland - the state of Maharashtra.

Innovation - be it for the environment or for our customers - is always on our mind. This year we developed solutions that eased customer problems and accelerated digital infrastructure builds. We unveiled **Multiverse - India's first Multicore fibre at IMC 2022** and co-designed a ruggedised **optical connectivity solution - Opto-CRS** with one of our top customers in the UK. Opto-CRS is all about speed. It consists of fibre optic joint enclosures with 2X network ports and 12X drop cable ports and connectors which enhance endpoint capacity and enable high compatibility across different network architectures. **Multiverse** fibre is a futuristic design that enables **4X** capacity and is expected to play a pivotal role in high-bandwidth, low-latency applications.

With these solutions, we are **connecting lives** across four continents and 100 countries with optical solutions.

Last year, we also strengthened our ongoing relationships with customers like Vocus by becoming a major part of Project Horizon in Western Australia. In the UK and Europe, we brought smiles to millions by enabling gigabit connectivity through the top operators. In the US, we were thrilled to work with network creators and service providers to move the needle on **rural connectivity** projects like the Rural Digital Opportunity Fund (RDOF) and the American Connection Project.

World-class, sustainable optical manufacturing across India, USA, Italy, Brazil and China



Global Services Business

INFUSING AUTOMATION INTO FIBERISATION

FY23, for us, was about **bringing automation** at the core of our deployment services. Our unique seven gate approach brought in **tech-intensive** methods like robotic trenching, 360° photogrammetry and GIS database visualisation, into the fiberisation value chain. We wanted to solve for speed and quality in broadband rollouts and infusing **automation into fiberisation**, achieved just that, leading to a 2X increase in deployment speed and network lifetime enhancement. We are also proud to become the 13th Indian company to achieve the prestigious **CMMI Level 5** accreditation. At the moment, only 23 companies worldwide are certified at CMMI Level 5.

With a rich fibre deployment experience of **~94,000 km** under our belt, we went deeper in India, supporting the 5G-led fiberisation and network modernisation in 18 states across India. Our first-time-right approach has enabled us to become a preferred partner for leading telecom companies in their pursuit of deploying **5G networks** across the country.

6 **13th Indian company to achieve the prestigious CMMI Level 5 accreditation**

6 **5G-led fiberisation and network modernisation in 18 states across India**

We successfully delivered a **10,000 km network buildout** for one of the leading telecom companies. It was not only for operators, but FY23 also saw greater momentum from public and private enterprises which needed integrated services across a broader spectrum. We stepped in with enhanced offerings, adding **managed services** to our portfolio, to work with the likes of NTT, NHAI and RajCOMP Info Services, a leading IT consulting company owned by Rajasthan government.

Moving westward, we took greater strides towards delivery, **skilling** and **automation** in the UK and ably supported Project Gigabit! As a part of our network augmentation programme, we created synergies between skilled field engineers in India and the UK, to creatively address **fibre deployment** challenges.

STL Digital

ENGINEERING FOR EXPERIENCE

Taking bold steps into the future
with **STL Digital**

While our optical fibre and services are connecting the world, our tech talent is all set to drive **digital transformation** with agility and style! With a vision to be one of the top **IT services** companies, we are taking bold steps into the future with STL Digital, which will enable enterprises and industries to experience the **future of digital transformation**. Our leadership, with over 200 person years' of experience, in IT Services and solutioning, is challenging status-quo and building futuristic

and resilient solutions for our customers. Currently, we have a team of 900+ IT consultants across offices in the US, UK and a delivery centre in Bengaluru, India. With a strong association with reputed partners like AWS, Google, Microsoft, IBM and other technology majors, we **offer end-to-end IT solutions** that can help businesses deliver innovative experiences and **operational excellence** with **agility**. Our expertise lies in building customised solutions across product engineering, software,

cloud, data and analytics, enterprise application services, and cyber-security.

In the span of less than a year, we have successfully acquired **more than 18 global customers** from leading healthcare, manufacturing, automotive, software and cloud enterprises. Some of our **marquee wins** include building core product engineering platforms for a major cloud player and providing Enterprise SaaS, Cyber Security, Data and Analytics solutions for a major conglomerate.

GOING GLOBAL WITH OUR SOLUTIONS

Lights, camera, action...in the US

FY23 was a year when diverse and seasoned industry experts came together to deliver a fantastic year for STL in the US. When we started the year, we wanted to **connect the unconnected**. And we started working towards that. Through our manufacturing facility in South Carolina, we strengthened operations and bolstered our local commercial and technical talent. To meet **optical fibre demand** and deliver on *shorter-than-average* market lead times, we flexed our global supply chain and strong partner networks. Through our flagship optical solutions, ribbon and loose tube cables, we enabled in rural connectivity projects. As a result, we bagged many multi-year, multi-million dollar orders for optical fibre cables. One was for a leading broadband connectivity company serving more than 32 million customers in 41 states and the other for a leading communications provider offering **gigabit speeds** in 25 states.

Fiberising Europe, far and wide

This year, we set our hearts to connect the unconnected across Europe. We enabled many **national broadband programmes** across Europe including Italy's 'Italia 1 Giga' and UK's Project Gigabit, etc., through our **sustainable optical offerings**. Our 400 strong UK and Europe team worked with the top operators to co-create

products that could lend speed and scale to these rollouts. On one hand, we worked towards **de-skilling field operations** with plug and play optical connectivity products like **OPTO-BLAZE** and **OPTO-BOLT** and on the other hand, we focused on skilling the workforce on fast fiberisation practices. We synergised with our talent pool back in India to train the local field force on achieving **scale with speed**.

Another piece of the puzzle was to deliver optical fibre fast, in wake of mounting demand. Our plants in Italy scaled up to deliver shorter lead times and reliable supplies. The trust and confidence of our customers reflected in our numbers as we grew ~40 % in order book over last year. We further **strengthened our relationship** with our UK-based customers like Netomnia while serving new geographies like Portugal, Switzerland, Croatia, Greece, Poland, Slovenia and Norway.

A year of many 'firsts' for MEA region

FY23 was the year of many 'firsts' in the Middle East and Africa region. Through our **Centre of Excellence** in Dubai, we integrated R&D and product development to develop **tailormade solutions** for our customers. For the first time ever, we also received orders for optical fibre solutions from an oil and gas company in Sudan and also supplied our optical fibre cable solutions in Iraq. In total, we bagged **multi-million dollar orders** from 8 eight new Gulf nations this year. Our biggest wins were from the region's top two telecom operators. We also strengthened our focus on the enterprise segment with Cat7A Specialty cables and a new Enterprise solution.

3 Through our flagship optical solutions, we ably supported in **rural connectivity projects**