



HQ/CS/CL.24B/17606
October 19, 2023

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai – 400 051
SYMBOL: TATACOMM

BSE Limited
P.J. Towers, Dalal Street,
Mumbai – 400 001
Scrip Code: 500483

Dear Sir / Madam,

Sub: Outcome of Board Meeting scheduled on October 19, 2023.

Pursuant to Regulation 33 and Regulation 52 read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the unaudited standalone and consolidated financial results of the Company for the quarter and half year ended September 30, 2023, which have been approved and taken on record at the meeting of the Board of Directors of the Company held today (**Attachment A**).

We would like to state that S.R. Batliboi & Associates, LLP, Statutory Auditors of the Company, have issued a Limited Review Report with an unmodified opinion on the above-mentioned financial results (**Attachment B**).

A press release in this regard is also enclosed (**Attachment C**). These documents are available on the website of the Company at www.tatacommunications.com/investors/results/.

Further, the Board of Directors, at the Meeting, approved amendment in the Articles of Association ('AOA') of the Company, which proposes insertion of a new article (clause) in AOA which provide a right to the debenture trustee to appoint a nominee director on the Board of Directors of the Company. Such right shall be exercised by the debenture trustee(s) only in the event of default, as stipulated in Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993. The amendment is subject to approval of the shareholders by way of a special resolution.

The meeting of the Board of Directors commenced at 13:30 hours IST and concluded at 17:15 hours IST.

Thanking you,

Yours faithfully,
For Tata Communications Limited

Zubin Adil Patel
Company Secretary and Compliance Officer
Encl.: as above

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Tata Communications Limited

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TATA COMMUNICATIONS LIMITED

REGD. OFFICE: VSB, M.G. ROAD, FORT, MUMBAI-400001.

(₹ in crores)

A. STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2023	June 30 2023	September 30 2022	September 30 2023	September 30 2022	March 31 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations	4,872.50	4,771.36	4,430.74	9,643.86	8,741.26	17,838.26
2 Other income, net	25.36	188.63	36.62	213.99	270.61	363.15
3 Total income (1 + 2)	4,897.86	4,959.99	4,467.36	9,857.85	9,011.87	18,201.41
4 Expenses						
a. Network and transmission expense	1,800.69	1,673.32	1,562.86	3,474.01	3,120.86	6,375.49
b. Employee benefits expense	1,072.27	1,043.47	870.37	2,115.74	1,677.04	3,597.46
c. Finance costs	137.42	131.03	97.78	268.45	177.68	432.46
d. Depreciation and amortisation expense	605.12	579.74	551.63	1,184.86	1,088.49	2,261.81
e. Other expenses	984.09	1,030.53	867.89	2,014.62	1,736.71	3,547.08
Total expenses (4a to 4e)	4,599.59	4,458.09	3,950.53	9,057.68	7,800.78	16,214.30
5 Profit before exceptional items, tax & share in profit of associates (3 - 4)	298.27	501.90	516.83	800.17	1,211.09	1,987.11
6 Exceptional items (Refer note 2)	-	1.97	76.35	1.97	76.35	76.35
7 Profit before tax and share in profit of associates (5 + 6)	298.27	503.87	593.18	802.14	1,287.44	2,063.46
8 Tax expense/(benefit):						
a. Current tax	70.18	151.71	94.22	221.89	258.13	432.77
b. Deferred tax	7.70	(21.08)	(28.37)	(13.38)	(33.14)	(136.15)
9 Profit before share in profit of associates (7-8)	220.39	373.24	527.33	593.63	1,062.45	1,766.84
10 Share in Profit of associates	0.87	8.51	6.93	9.38	16.63	34.03
11 Profit for the period/year (9 + 10)	221.26	381.75	534.26	603.01	1,079.08	1,800.87
Attributable to:						
Equity holders of the parent	220.66	381.69	532.29	602.35	1,076.05	1,795.96
Non-controlling interest	0.60	0.06	1.97	0.66	3.03	4.91
12 Other Comprehensive Income/(loss) (net of tax)	(64.67)	65.72	(187.71)	1.05	(506.34)	(615.34)
13 Total Comprehensive income for the period/year (11+12)	156.59	447.47	346.55	604.06	572.74	1,185.53
Attributable to:						
Equity holders of the parent	155.99	447.41	344.58	603.40	569.71	1,180.62
Non-controlling interest	0.60	0.06	1.97	0.66	3.03	4.91
14 Paid up equity share capital (Face value of ₹10 per share)	285.00	285.00	285.00	285.00	285.00	285.00
15 Reserves excluding Revaluation reserve						1,027.19
16 Earnings per share (of ₹ 10/- each) (not annualised)						
Basic and diluted earnings per share (₹)	7.74	13.39	18.68	21.14	37.76	63.02



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B. Consolidated Business Segment Information:

i. Consolidated Segment wise revenue and results:

(₹ in crores)

Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2023	June 30 2023	September 30 2022	September 30 2023	September 30 2022	March 31 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<u>Income from operations</u>						
Voice Solutions	428.68	418.29	524.49	846.97	1,085.89	2,054.16
Data Services	4,007.15	3,931.13	3,507.30	7,938.28	6,860.74	14,156.91
Payment Solutions	39.44	44.57	45.79	84.01	89.78	185.36
Transformation Services	384.54	366.85	346.57	751.39	691.86	1,417.78
Real Estate	58.87	59.08	49.23	117.95	100.43	200.87
Less: Inter Segment Revenue	(46.18)	(48.56)	(42.64)	(94.74)	(87.44)	(176.82)
Total	4,872.50	4,771.36	4,430.74	9,643.86	8,741.26	17,838.26
<u>Segment result</u>						
Voice Solutions	53.88	53.49	92.19	107.37	144.46	301.37
Data Services	329.60	376.59	480.65	706.19	946.20	1,667.22
Payment Solutions	(12.70)	(13.09)	(18.74)	(25.79)	(34.91)	(44.64)
Transformation Services	(4.72)	(6.72)	1.27	(11.44)	9.87	30.86
Real Estate	44.27	34.03	22.62	78.30	52.54	101.61
Total	410.33	444.30	577.99	854.63	1,118.16	2,056.42
Less:						
(i) Finance Costs	137.42	131.03	97.78	268.45	177.68	432.46
(ii) Other un-allocable (income) net of un-allocable expenditure	(25.36)	(190.60)	(112.97)	(215.96)	(346.96)	(439.50)
Profit before tax and share of profit of associates	298.27	503.87	593.18	802.14	1,287.44	2,063.46



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ii. Consolidated Segment Assets and Liabilities:

(₹ in crores)

Particulars	As at			
	September 30 2023	June 30 2023	September 30 2022	March 31 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(audited)
Segment Assets				
Voice Solutions	366.23	360.61	408.82	349.34
Data Services	14,950.80	14,785.12	13,878.81	13,779.05
Payment Solutions	147.82	185.68	247.07	203.43
Transformation Services	582.96	477.15	476.08	460.63
Real Estate	446.31	447.77	441.51	438.34
	16,494.12	16,256.33	15,452.29	15,230.79
Unallocated Assets	4,059.60	4,623.98	4,629.07	5,321.83
Total Segment Assets	20,553.72	20,880.31	20,081.36	20,552.62
Segment Liabilities				
Voice Solutions	409.98	421.97	495.27	457.48
Data Services	9,132.25	9,213.73	8,934.96	9,072.49
Payment Solutions	256.79	272.17	280.12	276.15
Transformation Services	368.62	347.11	349.31	352.78
Real Estate	110.44	117.73	115.27	106.08
	10,278.08	10,372.71	10,174.93	10,264.98
Unallocated Liabilities	8,820.07	8,511.53	8,970.55	8,739.04
Total Segment Liabilities	19,098.15	18,884.24	19,145.48	19,004.02

iii. Notes to Segments:

The Group's (the Company and its subsidiaries together referred to as "the Group") operating segments comprise of Voice Solutions, Data Services, Payment Solutions, Transformation services and Real Estate. The composition of the operating segments is as follows:

Voice Solutions includes International and National Long Distance Voice services.

Data Services includes Core and Nextgen Connectivity services, Digital platforms and connected services.

Payment Solutions includes end-to-end ATM deployment, end-to-end POS enablement, hosted core banking, end to end financial inclusion and card issuance and related managed services and switching services to banking sector carried out by the Company's wholly owned subsidiary Tata Communications Payment Solutions Limited.

Transformation Services includes the business of providing telecommunication network management and support services. These services are carried out by the Company's wholly owned subsidiary Tata Communications Transformation Services Limited and its subsidiaries.

Real Estate segment includes lease rentals for premises given on lease.



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C. Statement of Consolidated Assets and Liabilities:

(₹ in Crores)

Particulars	As at	As at
	September 30 2023	March 31 2023
	(Unaudited)	(Audited)
<u>ASSETS</u>		
Non-current assets		
(a) Property, plant and equipment	7,304.86	7,459.80
(b) Capital work-in-progress	1,317.46	1,003.37
(c) Right-of-use assets	1,084.61	996.80
(d) Investment property	385.95	397.01
(e) Goodwill	371.63	115.05
(f) Other intangible assets	1,644.68	1,530.92
(g) Intangible assets under development	131.90	144.69
(h) Financial assets		
(i) Investments		
(a) Investments in associates	1,058.01	1,019.69
(b) Other investments	176.09	171.30
(ii) Other financial assets	187.09	146.80
(i) Deferred tax assets (net)	373.33	355.17
(j) Non-current tax assets	1,137.42	1,268.51
(k) Other non-current assets	158.71	132.52
Total Non-current assets	15,331.74	14,741.63
Current assets		
(a) Inventories	49.33	160.00
(b) Financial assets		
(i) Other investments	165.98	759.56
(ii) Trade receivables	3,397.67	2,734.99
(iii) Cash and cash equivalents	437.74	1,004.48
(iv) Bank balances other than (iii) above	107.54	58.09
(v) Other financial assets	154.93	146.40
(c) Other current assets	798.93	691.12
	5,112.12	5,554.64
Assets classified as held for sale	109.86	256.35
Total Current assets	5,221.98	5,810.99
TOTAL ASSETS	20,553.72	20,552.62



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C. Statement of Consolidated Assets and Liabilities:

(₹ in

Crores)

Particulars	As at	As at
	September 30 2023	March 31 2023
	(Unaudited)	(Audited)
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	285.00	285.00
(b) Other equity	1,168.21	1,233.26
Equity attributable to equity holders of the parent	1,453.21	1,518.26
Non-controlling interests	2.36	30.34
Total Equity	1,455.57	1,548.60
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	6,359.17	5,008.58
(ia) Lease liabilities	825.10	771.58
(ii) Other financial liabilities	159.79	132.59
(b) Provisions	727.82	687.56
(c) Deferred tax liabilities (net)	49.30	33.31
(d) Other non-current liabilities	2,457.70	2,584.46
Total Non-current liabilities	10,578.88	9,218.08
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,315.02	2,524.90
(ia) Lease liabilities	313.08	271.58
(ii) Trade payables	3,299.28	3,277.21
(iii) Other financial liabilities	1,004.09	913.47
(b) Provisions	153.21	159.61
(c) Current tax liabilities (net)	754.52	614.30
(d) Other current liabilities	1,680.04	2,024.84
	8,519.24	9,785.91
Liabilities relating to assets held for sale	0.03	0.03
Total Current liabilities	8,519.27	9,785.94
TOTAL EQUITY AND LIABILITIES	20,553.72	20,552.62



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D. Statement of Consolidated Cash Flow:

(₹ in Crores)

	Particulars	For the half year ended		For the year ended
		September 30 2023 (Unaudited)	September 30 2022 (Unaudited)	March 31 2023 (Audited)
1	CASH FLOWS FROM OPERATING ACTIVITIES			
	Profit from operations before tax and share of profit of associates for the period	802.14	1,287.44	2,063.46
	Adjustments for:			
	Depreciation and amortisation expense	1,184.86	1,088.49	2,261.81
	Gain on disposal of property, plant and equipment (net)	(5.31)	(3.84)	(6.00)
	Gain on disposal of assets held for sale (exceptional item)	(1.97)	(46.74)	(46.74)
	Gain on modification/ termination of lease	(4.47)	(5.08)	(6.53)
	Interest income on financial assets carried at amortised cost	(7.66)	(4.22)	(18.00)
	Finance cost	268.45	177.68	432.46
	Reversal of provision for litigation (exceptional item)	-	(29.61)	(29.61)
	Bad debts written off	40.98	31.39	46.32
	Allowance for trade receivables	(39.88)	(6.39)	(41.82)
	Provision for inventories and CWIP	1.86	42.57	46.46
	Allowance for doubtful advances	(0.18)	(1.35)	(0.80)
	Gain on investments carried at fair value through profit or loss (net)	(12.68)	(11.58)	(28.40)
	Reversal of liability towards decommissioning cost	(1.62)	(7.07)	(11.52)
	Exchange fluctuation	(5.94)	(41.40)	(17.81)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,218.58	2,470.29	4,643.28
	Adjustment for (increase)/decrease in operating assets			
	Inventories	111.43	(3.11)	(120.87)
	Trade receivables	(598.45)	(201.98)	(67.82)
	Other assets	(131.46)	124.64	178.22
	Adjustment for increase/(decrease) in operating liabilities			
	Trade payables	(101.74)	300.72	133.09
	Other liabilities	(254.81)	(284.13)	(180.90)
	Provisions	(0.27)	(6.89)	(20.38)
	Adjustment of translation differences on working capital	6.49	18.79	23.51
	Cash generated from operations before tax	1,249.77	2,418.33	4,588.13
	Income tax refund/(paid) (net)	51.31	(15.54)	(203.78)
	NET CASH FLOW FROM OPERATING ACTIVITIES	1,301.08	2,402.79	4,384.35



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D. Statement of Consolidated Cash Flow:

(₹ in Crores)

	Particulars	For the half year ended		For the year ended
		September 30 2023 (Unaudited)	September 30 2022 (Unaudited)	March 31 2023 (Audited)
2	CASH FLOW FROM INVESTING ACTIVITIES			
	Payment to purchase of property, plant and equipments and intangible assets	(1,017.29)	(652.84)	(1,493.14)
	Advance received towards assets held for sale	25.78	-	-
	Proceeds from disposal of property, plant and equipments and intangible assets	5.47	4.93	8.12
	Proceeds from disposal of asset held for sale	4.93	41.78	41.67
	Purchase of investments in associates	(29.00)	(61.68)	(90.51)
	Advance against equity investment	-	(1.84)	-
	Proceeds towards return of capital on non-current investments (net of purchase)	13.29	-	(1.84)
	Acquisition of Non-controlling interest in Subsidiary	(98.32)	-	-
	Acquisition of Subsidiary (net off acquired cash)	(424.36)	-	-
	Purchase of current investments	(3,769.12)	(3,671.73)	(7,608.75)
	Proceeds from sale of current investments	4,375.38	3,533.31	7,299.27
	Fixed deposits (placed)/ liquidated	(47.12)	(7.19)	43.07
	Earmarked funds	(0.28)	(50.80)	(50.80)
	Interest received	24.07	2.30	11.28
	NET CASH FLOW (USED IN) INVESTING ACTIVITIES	(936.57)	(863.76)	(1,841.63)
3	CASH FLOWS FROM FINANCING ACTIVITIES			
	Proceeds from Short-term borrowings	559.31	28.00	-
	Repayment of Short-term borrowings	-	(141.83)	(341.50)
	Proceeds from Long-term borrowings	1,749.54	1,223.82	1,239.38
	Repayment of Long-term borrowings	(2,241.77)	(1,756.27)	(1,844.29)
	Repayment of lease liabilities	(161.06)	(177.70)	(352.67)
	Dividends paid	(598.50)	(589.95)	(589.95)
	Dividends paid to non-controlling interest	(0.27)	(2.99)	(3.06)
	Finance cost	(240.04)	(159.66)	(348.71)
	NET CASH FLOW (USED IN) FINANCING ACTIVITIES	(932.79)	(1,576.58)	(2,240.80)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(568.28)	(37.55)	301.92
	CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD	1,004.48	696.86	696.86
	Exchange difference on translation of foreign currency cash and cash equivalents	1.54	4.87	5.70
	CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD	437.74	664.18	1,004.48
i	Figures in brackets represent outflows			



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Notes to consolidated financial results:

- The above unaudited consolidated results of the Group for the quarter and half year ended September 30, 2023 have been subjected to a limited review by the statutory auditors. These results have been reviewed by the audit committee and taken on record and approved by the Board of Directors at their meeting held on October 19, 2023.
- Details of exceptional items are listed below :

(₹ in crores)

Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2023	June 30 2023	September 30 2022	September 30 2023	September 30 2022	March 31 2023
1. Gain on sale of assets held for sale (Refer note a)	-	1.97	46.74	1.97	46.74	46.74
2. Provision for Litigation (Refer note b)	-	-	29.61	-	29.61	29.61
Total	-	1.97	76.35	1.97	76.35	76.35

- The Group concluded the sale of few of its properties, the gain from which is recorded under exceptional items.
 - During the year ended March 31, 2022, based upon managements' assessment, the Group made a provision of ₹ 35.98 crores against a pending litigation in one of its international subsidiary. During the previous year, the Group entered into a settlement agreement for this litigation and accordingly, the Group reversed a provision of ₹ 29.61 crores.
- During the period ended September 30, 2023, the Company received 'Show Cause-cum Demand Notices' ('demand notices') from Department of Telecommunications of India ('DOT') aggregating to ₹ 8,127.55 crores for financial years (FY) ranging from FY 2005-06 to FY 2021-22. These demand notices replace the earlier demand notices received by the Company in the past and include ₹ 276.68 crores towards disallowance of deductions claimed by the Company on payment basis for FY 2010-11 under ISP license and FY 2006-07 & FY 2009-10 under NLD license ('three years'). The Company, through various appeals filed in Telecom Disputes Settlement and Appellate Tribunal (TDSAT), has obtained a stay order for payment of these demands. Also, the DOT has amended the definition of Gross Revenue (GR) /Adjusted Gross Revenue ('AGR') in the Unified License and including licenses held by the Company effective October 1, 2021. The new definition allows for deduction of revenue from activities other than telecom activities / operations. The demand notice received for FY 2021-22 includes ₹ 27.36 crores towards disallowance of certain components of revenue from activities other than telecom activities / operations. The Company has existing appeals relating to its ILLD, NLD & ISP licenses which were filed in the past and are pending at the Hon'ble Supreme Court and Hon'ble Madras High Court and the Company's appeals are not covered by the Hon'ble Supreme Court judgement dated October 24, 2019, on AGR under UASL. Further, the Company believes that all its licenses are different from UASL, which was the subject matter of Hon'ble Supreme Court judgement of October 24, 2019. The Company, based on its assessment and independent legal opinions, believes that it will be able to defend its position. Accordingly, the Company has included ₹ 7,796.68 crores as part of the contingent liability and has considered ₹ 276.68 crores as remote, being the disallowance of deductions claimed by the Company on payment basis for three years.
 - During the year ended March 31, 2020, a subsidiary domiciled abroad, received a final VAT assessment from VAT authorities for ₹ 136.62 crores (EUR 15.5 Mn) and a final penalty assessment of ₹ 159.50 crores (EUR 18.1 Mn). On July 1, 2020, the Group filed its grounds for appeal with the Economic Administrative Court towards the final VAT and penalty assessments. On March 29, 2022, the Economic Administrative Court notified its resolution, finding against the Group and dismissing the appeal against the VAT and penalty assessments. The Group lodged a contentious-administrative appeal before the National Court on May 24, 2022. Additionally, the Group filed a request for the suspension of the final VAT and penalty assessment payment pending the outcome of the appeal, which was granted. The National Court declared the contentious-administrative appeal proceedings closed on November 25, 2022.



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and the Group awaits the National Court's decision. The Group believes that there are grounds to defend its' position and has accordingly disclosed ₹ 296.12 crores (EUR 33.6 Mn) as contingent liability.

5. On May 1, 2023, the Group acquired 100% stake in The Switch Enterprises LLC and certain of its international assets (collectively known as "Switch") for a consideration of ₹ 481.16 crores (USD 58.80 Mn). As on the date of acquisition, Switch had net assets of ₹ 227.10 crores (USD 27.75 Mn) (basis management accounts). The Group's profit after tax for the quarter and half year ended September 30, 2023 is reduced by ₹ 37.21 crores and ₹ 58.78 crores on consolidation of Switch. The Group is in the process of finalising the Purchase Price Allocation.
6. On October 5, 2023 (the acquisition date), on fulfilment of all conditions precedent in the agreement, Kaleyra Inc. (Kaleyra) has become a wholly owned direct subsidiary of the Company pursuant to the reverse merger between TC Delaware Technologies Inc (a direct subsidiary of the Company) and Kaleyra, wherein Kaleyra is the surviving entity. The aggregate consideration for this acquisition is ₹ 833.35 crores (USD 100.06 Mn). Additionally, the Company has assumed all of Kaleyra's outstanding adjusted gross and net debt of approximately ₹ 1,810.22 crores (USD 217.71Mn) and ₹ 1,561.24 crores (USD 187.77 Mn) as on the acquisition date respectively. Consequent to the completion of the acquisition, Kaleyra, is now delisted on the New York Stock Exchange. The financial results for the quarter and half year ended September 30, 2023 do not include any impact of such acquisition.
7. On July 28, 2023, pursuant to fulfilment of all conditions stated in the Agreement, the Group, through its wholly owned international subsidiary, acquired remaining equity ownership of 41.9% in Oasis Smart Sim Europe SAS (OSSE France) for a consideration of ₹ 98.32 crores (USD 12 Mn). As a result of this transaction, OSSE France has become a wholly-owned indirect subsidiary of the Company and an amount of ₹ 69.95 crores, being the difference between the carrying amount of non-controlling interest and the consideration have been adjusted in retained earnings.
8. One of the Group's wholly owned Indian subsidiary has significant part of the 'revenue from operations' for the quarter and half year ended September 30, 2023, and trade receivables outstanding (including unbilled revenue) as at September 30, 2023 from a large customer. The customer in its declared unaudited results for quarter ended June 30, 2023, had expressed its ability to continue as a going concern, to be dependent on raising additional funds as required, successful negotiations with lenders and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. Further, the results stated that as at June 30, 2023, the said customer has met all its debt obligations payable to its lenders / banks and financial institutions along with applicable interest and has utilized extended credit period to discharge some of its contractual obligations. The said customer continues to be in discussion with its vendors to agree to a payment plan for the outstanding dues. Also, during February 2023, the said customer allotted equity shares to the Department of Investment and Public Asset Management, Government of India (GOI), towards conversion of net present value of the interest amount relating to deferment of certain dues and accordingly GOI now holds 33.1 % in the said customer.

The carrying amount of trade receivables (including unbilled revenue and net of provisions) from the said customer was ₹ 262.54 crores and ₹ 171.50 crores as on September 30, 2023 and March 31, 2023 respectively. The Group believes that the balance is good and recoverable basis its on-going interactions with that customer.

9. Subsequent to the half year ended September 30, 2023, on October 16, 2023, the Hon'ble Supreme Court of India has pronounced a judgement regarding the treatment of AGR paid to DOT since July 1999, as capital in nature and not revenue expenditure for the purpose of computation of taxable income in a matter to which the Company is not a party. Over the past several years, the Company had acquired/renewed various licenses from the DOT, the terms of which are different from those of the licenses dealt with in the aforesaid judgement. Further, there have been no disallowances in earlier years, by the tax authorities, on the AGR payments claimed by the Company as revenue expenditure in its tax filings. However, in light of the above judgement, the Company is in the process of undertaking a detailed evaluation of its applicability and its consequential impact, if any, on the Company. Pending the foregoing, no adjustments have been made to these financial results for the quarter and period ended September 30, 2023, in this regard.



TATA COMMUNICATIONS

TATA COMMUNICATIONS LIMITED

REGD. OFFICE: VSB, M.G. ROAD, FORT, MUMBAI-400001.

(₹ in crores)

E. STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2023	June 30 2023	September 30 2022	September 30 2023	September 30 2022	March 31 2023
(Refer notes below)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations	2,007.66	1,975.08	1,775.02	3,982.74	3,495.38	7,236.28
2 Other income	46.17	209.11	66.24	255.28	325.26	497.02
3 Total Income (1+2)	2,053.83	2,184.19	1,841.26	4,238.02	3,820.64	7,733.30
4 Expenses						
a. Network and transmission expense	759.08	671.19	594.73	1,430.27	1,175.65	2,511.53
b. Employee benefits expense	439.68	442.97	378.53	882.65	737.70	1,553.18
c. Finance costs	23.39	15.07	22.97	38.46	48.31	90.04
d. Depreciation and amortisation expense	255.17	249.42	232.08	504.59	464.48	996.03
e. Other expenses	358.86	371.05	351.78	729.91	662.17	1,325.47
f. Total expenses (4a to 4e)	1,836.18	1,749.70	1,580.09	3,585.88	3,088.31	6,476.25
5 Profit before exceptional items and tax (3 - 4)	217.65	434.49	261.17	652.14	732.33	1,257.05
6 Exceptional items (refer note 2)	-	1.97	46.74	1.97	46.74	(276.02)
7 Profit / (Loss) before tax (5 + 6)	217.65	436.46	307.91	654.11	779.07	981.03
8 Tax expense/ (benefit):						
a. Current tax	45.25	121.43	69.11	166.68	190.15	325.51
b. Deferred tax	7.96	(13.13)	3.44	(5.17)	(6.06)	(10.63)
9 Profit / (Loss) for the period/ year (7 - 8)	164.44	328.16	235.36	492.60	594.98	666.15
10 Other Comprehensive Income / (Loss) (net of tax)	(2.29)	(9.74)	(2.90)	(12.03)	(7.91)	(17.50)
11 Total Comprehensive Income / (Loss) for the period/ year (9 + 10)	162.15	318.42	232.46	480.57	587.07	648.65
12 Paid up equity share capital (Face value of ₹ 10 per share)	285.00	285.00	285.00	285.00	285.00	285.00
13 Reserves excluding Revaluation reserve						9,370.27
14 Net worth						9,861.33
15 Earnings per share (of ₹ 10/- each) (not annualised)						
Basic and diluted earnings per share (₹)	5.77	11.51	8.26	17.28	20.88	23.37



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F. Standalone Business Segment Information:

i. Segment wise revenue and results:

(₹ in crores)

Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2023	June 30 2023	September 30 2022	September 30 2023	September 30 2022	March 31 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income from Operations						
Voice Solutions	14.62	14.50	16.90	29.12	36.04	72.07
Data and Managed Services	1,934.97	1,902.77	1,709.83	3,837.74	3,360.78	6,966.90
Real Estate	58.07	57.81	48.29	115.88	98.56	197.31
Total	2,007.66	1,975.08	1,775.02	3,982.74	3,495.38	7,236.28
Segment result						
Voice Solutions	(43.16)	(43.31)	(62.01)	(86.47)	(101.52)	(217.92)
Data and Managed Services	190.73	247.55	259.40	438.28	504.75	957.55
Real Estate	47.30	36.21	20.51	83.51	52.15	110.44
Total	194.87	240.45	217.90	435.32	455.38	850.07
Less :						
(i) Finance Costs	23.39	15.07	22.97	38.46	48.31	90.04
(ii) Other un-allocable (income) net of un-allocable expenses	(46.17)	(211.08)	(112.98)	(257.25)	(372.00)	(221.00)
Profit/(Loss) before taxes	217.65	436.46	307.91	654.11	779.07	981.03

ii. Segment Assets and Liabilities:

(₹ in crores)

Particulars	As at			
	September 30 2023	June 30 2023	September 30 2022	March 31 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment Assets				
Voice Solutions	82.76	71.74	81.53	72.46
Data and Managed Services	7,252.50	7,048.08	6,653.25	6,749.03
Real Estate	459.18	459.87	455.07	452.19
Unallocable Assets	8,820.89	7,526.55	7,939.02	7,991.60
Total Assets	16,615.33	15,106.24	15,128.87	15,265.28
Segment Liabilities				
Voice Solutions	135.21	143.67	124.53	147.39
Data and Managed Services	3,647.36	3,676.56	3,492.72	3,565.62
Real Estate	110.75	116.96	111.85	105.90
Unallocable Liabilities	2,978.61	989.30	1,600.02	1,585.04
Total Liabilities	6,871.93	4,926.49	5,329.12	5,403.95



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iii. Notes to Segments:

The Company's operating segments comprises of Voice Solutions, Data and Managed Services and Real Estate. The composition of the operating segments is as follows:

Voice Solutions include International and National Long Distance Voice services.

Data and Managed Services include corporate data transmission services, virtual private network, signaling and roaming services, television and other network and managed services.

Real Estate includes lease rentals for premises given on lease.

G. Statement of Standalone Assets and Liabilities as at September 30, 2023

(₹ in crores)

Particulars	As at	As at
	September 30	March 31
	2023	2023
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	3,625.78	3,609.59
(b) Capital work-in-progress	818.68	608.88
(c) Right of Use Asset	470.10	465.09
(d) Investment property	395.30	406.10
(e) Other Intangible assets	583.57	523.96
(f) Intangible assets under development	62.18	92.39
(g) Financial assets		
(i) Investments	4,986.32	3,725.06
(ii) Loans	1,760.55	1,206.63
(iii) Other financial assets	140.75	134.42
(h) Deferred tax assets (net)	335.56	328.96
(i) Non – current tax assets (net)	1,045.81	1,187.33
(j) Other Non-current assets	125.52	105.80
Total Non-current assets	14,350.12	12,394.21
Current assets		
(a) Inventories	19.26	115.34
(b) Financial assets		
(i) Other Investments	82.03	691.84
(ii) Trade receivables	1,504.29	1,162.27
(iii) Cash and cash equivalents	124.91	252.11
(iv) Bank balances other than (iii) above	52.70	52.83
(v) Other financial assets	113.21	115.22
(c) Other Current assets	361.44	326.52
	2,257.84	2,716.13
Assets classified as held for sale	7.37	154.94
Total Current assets	2,265.21	2,871.07
TOTAL ASSETS	16,615.33	15,265.28



TATA COMMUNICATIONS

G. Statement of Standalone Assets and Liabilities as at September 30, 2023

Particulars	(₹ in crores)	
	As at	As at
	September 30 2023	March 31 2023
	(Unaudited)	(Audited)
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	285.00	285.00
(b) Other equity	9,458.40	9,576.33
	9,743.40	9,861.33
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,751.25	6.22
(ia) Lease liabilities	338.66	373.87
(ii) Other financial liabilities	25.78	23.55
(b) Provisions	296.26	268.32
(c) Other non - current liabilities	503.68	464.42
Total Non-current liabilities	2,915.63	1,136.38
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	205.80	530.62
(ia) Lease liabilities	97.09	50.93
(ii) Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises	15.93	11.57
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,375.43	1,387.30
(iii) Other financial liabilities	778.13	695.20
(b) Provisions	91.46	104.19
(c) Current tax liability (net)	698.90	542.61
(d) Other current liabilities	693.53	945.12
	3,956.27	4,267.54
Liabilities for assets classified as held for sale	0.03	0.03
Total Current liabilities	3,956.30	4,267.57
TOTAL EQUITY AND LIABILITIES	16,615.33	15,265.28



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H. Statement of Standalone Cash Flow Statement:

(₹ in crores)

Particulars	For the half year ended September 30, 2023	For the half year ended September 30, 2022	For the year ended March 31, 2023
Cash flows from operating activities			
Profit/(Loss) before tax	654.11	779.07	981.03
Adjustments for non cash items:			
Depreciation and amortization	504.59	464.48	996.03
Interest income	(20.83)	(34.76)	(73.45)
Finance cost	38.46	48.31	90.04
Provision for diminution in fair value of investment (exceptional item)	-	-	322.76
Gain on disposal of assets held for sale (exceptional item)	(1.97)	(46.74)	(46.74)
Gain on investments at fair value through profit and loss (net)	(9.60)	(11.26)	(26.58)
Dividend income	(2.29)	(26.44)	(26.44)
Unrealised foreign exchange gain/ (loss) (net)	-	(10.55)	(9.50)
Allowance for doubtful trade receivables	(12.91)	(7.54)	(14.75)
Gain/(loss) on modification/ termination of lease	(0.41)	0.14	-
Provision for inventories and capital work-in-progress	1.86	1.08	3.97
Allowance for doubtful advances	0.02	(0.14)	(0.09)
Bad Debts written off	29.59	21.65	21.65
Gain/ (loss) on disposal of property, plant and equipment (net)	(5.00)	(3.89)	(5.67)
Operating Profit before working capital changes	1,175.62	1,173.41	2,212.26
Adjustment for (increase)/decrease in operating assets:			
Inventories	96.39	(1.78)	(101.09)
Trade receivables	(358.68)	(222.41)	(83.70)
Other assets	(59.75)	98.89	80.67
Adjustment for increase/(decrease) in operating liabilities			
Trade payables	(7.49)	86.43	88.92
Other liabilities	32.54	34.24	22.73
Provisions	(7.23)	(1.01)	(10.07)
Cash generated from operations before tax	871.40	1,167.77	2,209.72
Income tax refund/(paid) (net)	123.06	83.18	(122.52)
Net cash flows from operating activities	994.46	1,250.95	2,087.20
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	(738.76)	(453.38)	(1,019.39)
Proceeds from disposal of property, plant and equipment and intangible assets	5.11	4.63	6.25
Proceeds from disposal of assets held for sale	4.93	41.67	41.67
Purchase of non-current investments	(1,261.27)	(93.69)	(190.94)
Advance against equity instrument	-	(1.84)	-
Purchase of current investments	(3,691.22)	(3,628.48)	(7,228.30)
Proceeds from sale of current investments	4,310.63	3,500.38	6,993.86
Loan given to subsidiaries	(1,753.45)	-	-
Loan repaid by subsidiaries	1,206.63	69.33	90.22
Advance received towards assets held for sale	25.64	-	10.00
Dividend income from subsidiaries	2.29	26.44	26.44
Fixed deposits	-	(50.00)	-
Proceeds from transfer of business to subsidiary	-	-	50.82
Interest received	27.32	3.72	46.00
Earmarked funds	-	(50.80)	(50.80)
Net cash flows (used in) investing activities	(1,862.15)	(632.02)	1,224.17



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Particulars	For the half year ended September 30, 2023	For the half year ended September 30, 2022	For the year ended March 31, 2023
Cash flows from financing activities			
Proceeds from short-term borrowings	200.00	-	-
Proceeds from long-term borrowings	1,749.49	3.57	3.57
Repayment of long-term borrowings	(528.07)	(2.78)	(5.85)
Proceeds from sublease	2.81	2.66	5.45
Repayment of lease liabilities	(46.04)	(41.07)	(83.32)
Dividend paid	(598.50)	(589.95)	(589.95)
Interest paid	(39.20)	(39.66)	(39.60)
Net cash flows (used in) /from financing activities	740.49	(667.23)	(709.70)
Net Increase /(Decrease) in cash and cash equivalents	(127.20)	(48.30)	153.33
Cash and cash equivalents as at the beginning of the period/year	252.11	98.78	98.78
Cash and cash equivalents as at the end of the period/year	124.91	50.48	252.11

Figures in brackets represent outflows

I. Additional information pursuant to Regulation 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended for the quarter and half year ended September 30, 2023

	For the quarter ended			For the half year ended		For the year ended
	September 30 2023	June 30 2023	September 30 2022	September 30 2023	September 30 2022	March 31 2023
1. Operating Margin (%)						
Earnings before exceptional items, Interest and Tax/ Income from Operations	9.71%	12.17%	12.28%	10.93%	13.03%	11.75%
2. Net Profit Margin (%)						
Profit/(Loss) for the period/ Income from Operations	8.19%*	16.62%	13.26%	12.37%**	17.02%	9.21%
3. Interest service coverage ratio (no. of times)						
Earning before exceptional items, interest, depreciation and amortization and tax (EBITDA) / Finance costs	19.24#	32.51	19.59	24.44##	19.04	20.50

* Decreased mainly due to interest on income tax refund.

** Decreased mainly due to employee cost and operating and other expenses.

Decreased mainly due to issuance of unsecured debentures.

Increased mainly due to repayment of secured debentures as per the terms.



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	As at	As at
	September 30 2023	March 31 2023
1. Asset coverage ratio (no. of times) (Property, plant and equipment + Capital work in progress + Investment property + Other intangible assets + Intangible assets under development + Investment property under development) / Total Debt	2.80##	9.76
2. Debt Equity ratio Total Debt (Long term borrowings + Short term borrowings (including Current maturities of long term borrowings)) / Equity	0.20@	0.05
3. Debt service coverage ratio (no. of times)\$ EBITDA/ (Finance costs + Short term borrowings (including Current maturities of long term borrowings))	3.85@@	2.97
4. Current Ratio (no. of times) Total Current Assets/ Total Current Liabilities	0.57	0.67
5. Bad debts to Accounts receivables ratio (%)\$ Bad debts written off/ Average Trade receivables	2.22%	1.91%
6. Current Liability ratio (no. of times) Total Current Liabilities/ Total Equity and Liabilities	0.24	0.28
7. Total Debt to Total Assets Total Debt/ Total Assets	0.12@	0.04
8. Debtors turnover (no. of times)\$ Income from Operations/ Average Trade receivables	2.99	6.39
9. Long term debt to working capital (Long term borrowings/ (Total Current Assets – Total Current Liabilities))	(1.04)##	(0.004)
10. Net worth (₹ in crores)	9,743.40	9,861.33

\$ Not annualized

Decreased mainly due to issuance of unsecured debentures and repayment of secured debentures as per the terms.

@ Increased mainly due to issuance of unsecured debentures and repayment of secured debentures as per the terms.

@@ Increased mainly due to repayment of secured debentures as per the terms.

Notes to standalone financial results:

- The above unaudited standalone financial results of the Company for the quarter and half year ended September 30, 2023 have been subjected to a limited review by the statutory auditors. These results have been reviewed by the audit committee and taken on record and approved by the Board of Directors at their meeting held on October 19, 2023.
- Details of exceptional items are listed below:

(₹ in crores)

PARTICULARS	For the quarter ended			For the half year ended		For the year ended
	September 30 2023	June 30 2023	September 30 2022	September 30 2023	September 30 2022	March 31 2023
1. Gain on sale of assets held for sale (refer note a)	-	1.97	46.74	1.97	46.74	46.74
2. Diminution in fair value of investment in subsidiary (refer note b)	-	-	-	-	-	(322.76)
Total	-	1.97	46.74	1.97	46.74	(276.02)



TATA COMMUNICATIONS

- a. The Company concluded the sale of few of its properties, the gain from which is recorded under exceptional items.
- b. The Company has investment in its wholly owned subsidiary Tata Communications Payment Solutions Limited. During the quarter and year ended March 31, 2023, there has been a diminution in the fair value of the investment resulting into a loss of ₹ 322.76 crores.
3. During the period ended September 30, 2023, the Company received 'Show Cause-cum Demand Notices' ('demand notices') from Department of Telecommunications of India ('DOT') aggregating to ₹ 8,127.55 crores for financial years (FY) ranging from FY 2005-06 to FY 2021-22. These demand notices replace the earlier demand notices received by the Company in the past and include ₹ 276.68 crores towards disallowance of deductions claimed by the Company on payment basis for FY 2010-11 under ISP license and FY 2006-07 & FY 2009-10 under NLD license ('three years'). The Company, through various appeals filed in Telecom Disputes Settlement and Appellate Tribunal (TDSAT), has obtained a stay order for payment of these demands.

Also, the DOT has amended the definition of Gross Revenue (GR) /Adjusted Gross Revenue ('AGR') in the Unified License and including licenses held by the Company effective October 1, 2021. The new definition allows for deduction of revenue from activities other than telecom activities / operations. The demand notice received for FY 2021-22 includes ₹ 27.36 crores towards disallowance of certain components of revenue from activities other than telecom activities / operations.

The Company has existing appeals relating to its ILLD, NLD & ISP licenses which were filed in the past and are pending at the Hon'ble Supreme Court and Hon'ble Madras High Court and the Company's appeals are not covered by the Hon'ble Supreme Court judgement dated October 24, 2019, on AGR under UASL. Further, the Company believes that all its licenses are different from UASL, which was the subject matter of Hon'ble Supreme Court judgement of October 24, 2019. The Company, based on its assessment and independent legal opinions, believes that it will be able to defend its position.

Accordingly, the Company has included ₹ 7,796.68 crores as part of the contingent liability and has considered ₹ 276.68 crores as remote, being the disallowance of deductions claimed by the Company on payment basis for three years.

4. On October 5, 2023 (the acquisition date), on fulfilment of all conditions precedent in the agreement, Kaleyra Inc. (Kaleyra) has become a wholly owned direct subsidiary of the Company pursuant to the reverse merger between TC Delaware Technologies Inc (a direct subsidiary of the Company) and Kaleyra, wherein Kaleyra is the surviving entity. The aggregate consideration for this acquisition is ₹ 833.35 crores (USD 100.06 Mn). Additionally, the Company has assumed all of Kaleyra's outstanding adjusted gross and net debt of approximately ₹ 1,810.22 crores (USD 217.71Mn) and ₹ 1,561.24 crores (USD 187.77 Mn) as on the acquisition date, respectively. Consequent to the completion of the acquisition, Kaleyra, is now delisted on the New York Stock Exchange. The financial results for the quarter and half year ended September 30, 2023 do not include any impact of such acquisition.
5. Subsequent to the half year ended September 30, 2023, on October 16, 2023, the Hon'ble Supreme Court of India has pronounced a judgement regarding the treatment of AGR paid to DOT since July 1999, as capital in nature and not revenue expenditure for the purpose of computation of taxable income in a matter to which the Company is not a party. Over the past several years, the Company had acquired/renewed various licenses from the DOT, the terms of which are different from those of the licenses dealt with in the aforesaid judgement. Further, there have been no disallowances in earlier years, by the tax authorities, on the AGR payments claimed by the Company as revenue expenditure in its tax filings. However, in light of the above judgement, the Company is in the process of undertaking a detailed evaluation of its applicability and its consequential impact, if any, on the Company. Pending the foregoing, no adjustments have been made to these financial results for the quarter and period ended September 30, 2023, in this regard.

For TATA COMMUNICATIONS LIMITED

AMUR SWAMINATHAN
LAKSHMINARAYANAN

Digitally signed by AMUR
SWAMINATHAN
LAKSHMINARAYANAN
Date: 2023.10.19 17:10:00
+05'30'

Place: Mumbai
Date: October 19, 2023

A. S. LAKSHMINARAYANAN
MANAGING DIRECTOR & CEO
DIN :- 08616830

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Tata Communications Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Tata Communications Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates for the quarter ended September 30, 2023 and year to date from April 1, 2023 to September 30, 2023 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities referred to in the Annexure.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditor referred to in paragraph 10 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Tata Communications Limited

Limited review report on consolidated financial results – September 30, 2023

6. As fully discussed in note 3 to the consolidated financial results for the quarter and period ended September 30, 2023, the Company has received ‘Show Cause-cum Demand Notices’ during the quarter, from Department of Telecommunications (DoT) towards license fee on its Adjusted Gross Revenue (AGR) for financial years ranging from FY 2005-06 to 2021-22 and has disclosed Rs 7,796.68 crores as contingent liability based on management’s assessment of likelihood of materializing the demand. The Company believes that it has grounds to defend its above positions based on the independent legal opinions obtained in this regard and accordingly, no provision has been made in the accompanying results.
7. As more fully discussed in note 9 to the consolidated financial results for the quarter and period ended September 30, 2023, the Company is in the process of undertaking a detailed evaluation of the impact, if any, of the judgment of Hon’ble Supreme Court of India, on the Company. Pending such evaluation, no adjustments have been made to these financial results for the quarter and period ended September 30, 2023, in this regard.
8. We draw attention to note 4, which describes the uncertainty related to the outcome of the ongoing tax litigation of Rs 296.12 crores, in one of the subsidiaries of the Group. The Group is confident of defending its position and has obtained legal opinion in this regard.
9. We draw attention to note 8 to the consolidated financial results, which describes the material uncertainty on ability of a large customer of one of the subsidiaries of the Group to continue as a going concern and the corresponding impact on the business operations, receivables and financial position of the Group thereon.

Our conclusion is not modified in respect of matters discussed in para 6, 7, 8 and 9 above.

10. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of a subsidiary, whose unaudited interim financial results include total assets of Rs 79.36 crores as at September 30, 2023, total revenues of Rs 18.02 crores and Rs 36.08 crores, total net profit after tax of Rs 3.21 crores and Rs 4.88 crores, total comprehensive income of Rs 3.82 crores and Rs 5.39 crores, for the quarter ended September 30, 2023 and the period ended on that date respectively, and net cash outflows of Rs 0.64 crores for the period from April 1, 2023 to September 30, 2023, as considered in the Statement which have been reviewed by their respective independent auditor. The independent auditor’s report on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of this subsidiary is based solely on the report of such auditor and procedures performed by us as stated in paragraph 3 above.
11. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of three subsidiaries, whose interim financial results and other financial information reflect total assets of Rs 435.72 crores as at September 30, 2023, total revenues of Rs 164.08 crores and Rs 275.56 crores, total net loss after tax of Rs 35.29 crores and Rs 55.85 crores, total comprehensive loss of Rs 35.42 crores and Rs 55.96 crores, for the quarter ended September 30, 2023 and the period ended on that date respectively and net cash inflows of Rs 18.42 crores for the period from April 1, 2023 to September 30, 2023 and three associates whose interim financial results includes the Group’s share of net profit of Rs 0.87 crores and Rs 9.38 crores and Group’s share of total comprehensive income of Rs 0.79 crores and Rs 9.32 crores for the quarter ended September 30, 2023 and for the period ended on that date respectively. The unaudited interim financial results and other unaudited financial information of these subsidiaries and associates have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries and associates, is based solely on such unaudited interim financial results and other unaudited financial information.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Tata Communications Limited

Limited review report on consolidated financial results – September 30, 2023

According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 10 and 11 above is not modified with respect to our reliance on the work done and the reports of the other auditor and the financial results and other financial information approved and furnished by the Management.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

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per Hormuz Eruch Master

Partner

Membership No.: 110797

UDIN: 23110797BGYJVZ5298

Mumbai

October 19, 2023

Tata Communications Limited

Limited review report on consolidated financial results – September 30, 2023

Annexure to Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

List of Subsidiaries and Associates

Subsidiaries

1. Tata Communications (America) Inc.
2. Tata Communications (Australia) Pty Limited
3. Tata Communications (Beijing) Technology Limited
4. Tata Communications (Belgium) SRL
5. Tata Communications (Bermuda) Limited
6. Tata Communications (Brazil) Participacoes Limitada
7. Tata Communications (Canada) Ltd.
8. Tata Communications (France) Sas
9. Tata Communications (Guam) L.L.C.
10. Tata Communications (Hong Kong) Limited
11. Tata Communications (Hungary) KFT
12. Tata Communications (Ireland) Dac
13. Tata Communications (Italy) S.R.L
14. Tata Communications (Japan) K.K.
15. Tata Communications (Malaysia) Sdn. Bhd.
16. Tata Communications (Middle East) Fz-LLC
17. Tata Communications (Netherlands) B.V.
18. Tata Communications (New Zealand) Limited
19. Tata Communications (Nordic) As
20. Tata Communications (Poland) Sp. Z O. O.
21. Tata Communications (Portugal) Instalação E Manutenção De Redes, Lda
22. Tata Communications (Portugal), Unipessoal Lda
23. Tata Communications (Russia) LLC.
24. Tata Communications (South Korea) Limited
25. Tata Communications (Spain), S.L.
26. Tata Communications (Sweden) Ab
27. Tata Communications (Switzerland) Gmbh
28. Tata Communications (Taiwan) Ltd
29. Tata Communications (Thailand) Limited
30. Tata Communications (Uk) Limited
31. Tata Communications Collaboration Services Pvt Limited
32. Tata Communications Comunicações E Multimídia (Brazil) Limitada
33. Tata Communications Deutschland Gmbh
34. Tata Communications International Pte. Ltd.
35. Tata Communications Lanka Limited
36. Tata Communications Move B.V.
37. Tata Communications Move Nederland B.V.
38. Tata Communications Payment Solutions Limited
39. Tata Communications Services (International) Pte. Ltd.
40. Tata Communications Svcs Pte Ltd
41. Tata Communications Transformation Services (Hungary) Kft.
42. Tata Communications Transformation Services (Us) Inc
43. Tata Communications Transformation Services Limited
44. Tata Communications Transformation Services Pte Limited
45. Tata Communications Transformation Services South Africa (Pty) Ltd
46. Tpop Communication Gmbh
47. Tcts Senegal Limited



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Tata Communications Limited

Limited review report on consolidated financial results – September 30, 2023

48. Vsnl Snospv Pte. Ltd.
49. Itxc Ip Holdings S.A.R.L.
50. Mucoso B.V.
51. Netfoundry Inc.
52. Nexus Connexion (Sa) Pty Limited
53. Sepco Communications (Pty) Limited
54. Oasis Smart Sim Europe SAS
55. Oasis Smart E-Sim Pte. Ltd
56. The Switch Enterprises L.L.C.
57. TC Middle East Technology Services L.L.C.
58. TC Delaware Technologies Inc

Associates

1. STT Global Data Centres India Private Limited
2. Smart ICT Services Private Limited
3. United Telecom Limited

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Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Tata Communications Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Tata Communications Limited (the "Company") for the quarter ended September 30, 2023 and year to date from April 1, 2023 to September 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. As fully discussed in note 3 to the standalone financial results for the quarter and period ended September 30, 2023, the Company has received 'Show Cause-cum Demand Notices' during the quarter, from Department of Telecommunications (DoT) towards license fee on its Adjusted Gross Revenue (AGR) for financial years ranging from FY 2005-06 to 2021-22 and has disclosed Rs 7,796.68 crores as contingent liability based on management's assessment of likelihood of materializing the demand. The Company believes that it has grounds to defend its above positions based on the independent legal opinions obtained in this regard and accordingly, no provision has been made in the accompanying results. Our conclusion is not modified in this regard.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Tata Communications Limited

Limited review report on standalone financial results – September 30, 2023

6. As more fully discussed in note 5 to the standalone financial results for the quarter and period ended September 30, 2023, the Company is in the process of undertaking a detailed evaluation of the impact, if any, of the judgment of Hon'ble Supreme Court of India, on the Company. Pending such evaluation, no adjustments have been made to these financial results for the quarter and period ended September 30, 2023, in this regard. Our conclusion is not modified with respect to this matter.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

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per Hormuz Eruch Master

Partner

Membership No.: 110797

UDIN: 23110797BGYJVY2466

Mumbai

October 19, 2023

PRESS RELEASE

Data Revenue continues double-digit growth momentum

Data Revenue grows at 14.4% YoY | Digital Portfolio grows +30.2% YoY

Mumbai, INDIA – 19th October 2023 - Tata Communications, a global digital ecosystem enabler, today announces its financial results for the quarter ended 30th September 2023. The Data business grows to INR 3,995 Crores in Q2 FY24, registering a growth of 14.4% YoY.

Highlights | Q2 FY24

Consolidated financial highlights

- Consolidated revenue stood at INR 4,872 crore (USD 589.5 Mn); increasing +10% YoY.
- Consolidated EBITDA came in at INR 1,015 crore (USD 122.8 Mn); margins at 20.8%; Underlying EBITDA Margins at 21.7%.
- Consolidated PAT at INR 221 Crores (USD 26.6 Mn).
- Cash CAPEX for this quarter stood at USD 71 Mn.

₹ 4,872 Cr
Consolidated Revenue

₹ 1,015 Cr
Consolidated EBITDA

Consolidated Nos	INR Crore	QoQ Growth	YoY Growth
Gross Revenue	4,872	2.1%	10%
Data Revenue	3,995	2.1%	14.4%
EBITDA	1,015	(0.8%)	(10.1%)
EBITDA Margin	20.8%	(62) bps	(465) bps
PAT	221	(42.2%)	(58.5%)

Data Services Portfolio

- Data business revenues came in at INR 3,995 crore (USD 483.3 Mn), recording an increase of + 14.4% YoY; Underlying Data Revenue growth came in at + 10% YoY.
- Data EBITDA stood at INR 913 crore (USD 110.4 Mn), down 9.3% YoY because of organic and inorganic investments.
- The Core Connectivity business reported + 6.9% YoY growth in revenue.
- Digital Portfolio delivered robust growth of + 30.2% YoY driven by growth across the Cloud and Next Gen Connectivity segments and integration of The Switch.

Commenting on the results, **A.S. Lakshminarayanan, MD and CEO, Tata Communications**, said, "We are pleased to announce a robust 14% YoY revenue growth this quarter. With the fast-tracked integration of The Switch, we are witnessing synergies being realised. Besides this, we are happy to announce the accelerated closure of the Kaleyra Inc. transaction which will enable us to create a new digital platform category - Customer Interaction Suite - in line with our ambitions. Overall, we remain confident of the long-term opportunities and will continue to invest in the product portfolio to strengthen our value proposition to enterprises."

Kabir Ahmed Shakir, Chief Financial Officer, Tata Communications said, "Our planned investments in the organic and inorganic opportunities are in line with our 'Fit to Grow' Strategy. Our focus now is on relentless execution of these investments to accelerate the value creation process."

An investor data pack providing detailed analysis of the results for the quarter ended 30th September 2023 has been uploaded on the Tata Communications website and can be accessed [here](#).

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About Tata Communications

A part of the Tata Group, Tata Communications (NSE: TATACOMM; BSE: 500483) is a global digital ecosystem enabler powering today's fast-growing digital economy in more than 190 countries and territories. Leading with trust, it enables digital transformation of enterprises globally with collaboration and connected solutions, core and next gen connectivity, cloud hosting and security solutions and media services. 300 of the Fortune 500 companies are its customers and the company connects businesses to 100% of the world's cloud giants. For more information, please visit www.tatacommunications.com



Forward-looking and cautionary statements

Forward-looking and cautionary statements Certain words and statements in this release concerning Tata Communications and its prospects, and other statements, including those relating to Tata Communications expected financial position, business strategy, the future development of Tata Communications' operations, and the general economy in India, are forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors, including financial, regulatory and environmental, as well as those relating to industry growth and trend projections, which may cause actual results, performance or achievements of Tata Communications, or industry results, to differ materially from those expressed or implied by such forward-looking statements. The important factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements include, among others, failure to increase the volume of traffic on Tata Communications' network; failure to develop new products and services that meet customer demands and generate acceptable margins; failure to successfully complete commercial testing of new technology and information systems to support new products and services, including voice transmission services; failure to stabilize or reduce the rate of price compression on certain of the company's communications services; failure to integrate strategic acquisitions and changes in government policies or regulations of India and, in particular, changes relating to the administration of Tata Communications' industry; and, in general, the 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 Tata Communications' control, include, but are not limited to, those risk factors discussed in Tata Communications Limited's Annual Reports.

The Annual Reports of Tata Communications Limited are available at www.tatacommunications.com. Tata Communications is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements.

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