



HQ/CS/CL.24B/16990  
July 30, 2020

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

Sir,

**Sub: Unaudited Financial Results of Tata Communications Limited ("the Company") for the quarter ended June 30, 2020.**

Pursuant to Regulation 33 read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the standalone and consolidated financial results of the Company for the quarter ended June 30, 2020, 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 unaudited financial results (Attachment B).

A press release in this regard is also enclosed at Attachment C.

The aforesaid documents are also placed on the website of the Company at <https://www.tatacommunications.com/investors/results>.

The meeting of the Board of Directors held today commenced at 14:00 hours IST and concluded at 20:15 hours IST.

Thanking you,  
Yours faithfully,  
For Tata Communications Limited

DocuSigned by:

A handwritten signature in black ink, appearing to be 'Manish Sansi', enclosed in a rounded rectangular box.

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Pp Manish Sansi  
Company Secretary &  
General Counsel (India)

**TATA COMMUNICATIONS**

Tata Communications Limited

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Tel: 91 22 6659 1968 email: manish.sansi@tatacommunications.com  
CIN no. : L64200MH1986PLC039266 website: www.tatacommunications.com



# TATA COMMUNICATIONS LIMITED

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

(₹ in Lakhs)

## A. STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

	Particulars	For the quarter ended			For the year ended
		June 30 2020	March 31 2020	June 30 2019	March 31 2020
	(Refer notes below)	(Unaudited)	(refer note 2)	(Unaudited)	(Audited)
1	<b>Income from operations</b>	151035	148893	137308	575033
2	Other income, net	3550	2904	7670	18027
3	<b>Total Income (1+2)</b>	<b>154585</b>	<b>151797</b>	<b>144978</b>	<b>593060</b>
4	<b>Expenses</b>				
	a. Network and transmission expense	47167	42566	42588	184235
	b. Employee benefits expense	26451	26147	24609	99883
	c. Finance costs	3090	1657	1204	5519
	d. Depreciation and amortisation expense (Refer note 3)	23817	28385	22866	97744
	e. Other expenses	29499	38181	29929	133709
	<b>f. Total expenses (4a to 4e)</b>	<b>130024</b>	<b>136936</b>	<b>121196</b>	<b>521090</b>
5	<b>Profit from ordinary activities before exceptional items and tax (3 - 4)</b>	<b>24561</b>	<b>14861</b>	<b>23782</b>	<b>71970</b>
6	Exceptional items (Refer note 4)	(1049)	(34023)	-	(34615)
7	<b>Profit / (Loss) from ordinary activities before tax (5 + 6)</b>	<b>23512</b>	<b>(19162)</b>	<b>23782</b>	<b>37355</b>
8	<b>Tax expense/ (benefit):</b>				
	a. Current tax	8168	5460	9192	23848
	b. Deferred tax	(2023)	(9933)	(2108)	(7371)
9	<b>Profit / (Loss) for the period (7 - 8)</b>	<b>17367</b>	<b>(14689)</b>	<b>16698</b>	<b>20878</b>
10	Other Comprehensive Income / (Loss) (net of tax)	(1239)	(562)	(1232)	(3201)
11	<b>Total Comprehensive Income / (Loss) (9 + 10)</b>	<b>16128</b>	<b>(15251)</b>	<b>15466</b>	<b>17677</b>
12	Paid up equity share capital (Face value of ₹ 10 per share)	28500	28500	28500	28500
13	Reserves excluding Revaluation reserve				772954
14	Earnings per share (of ₹ 10/- each) (not annualised)				
	Basic and diluted earnings per share (₹)	6.09	(5.15)	5.86	7.33



## B. Standalone Business Segment Information:

### i. Segment wise revenue and results:

(₹ in Lakhs)

Particulars	For the quarter ended			For the year ended
	June 30 2020	March 31 2020	June 30 2019	March 31 2020
	(Unaudited)	(refer note 2)	(Unaudited)	(Audited)
<b>Income from Operations</b>				
Voice Solutions	5051	3768	6393	20232
Data and Managed Services	141710	139448	127148	537976
Real Estate	4274	5677	3767	16825
<b>Total</b>	<b>151035</b>	<b>148893</b>	<b>137308</b>	<b>575033</b>
<b>Segment result</b>				
Voice Solutions	(9661)	(8409)	(6624)	(29090)
Data and Managed Services	30960	17872	21635	77500
Real Estate	2802	4151	2305	11052
<b>Total</b>	<b>24101</b>	<b>13614</b>	<b>17316</b>	<b>59462</b>
Less :				
(i) Finance Costs	3090	1657	1204	5519
(ii) Other un-allocable (income) net of un-allocable expenses	(2501)	31119	(7670)	16588
<b>Profit/ (Loss) before taxes</b>	<b>23512</b>	<b>(19162)</b>	<b>23782</b>	<b>37355</b>

### ii. Segment Assets and Liabilities:

(₹ in Lakhs)

Particulars	As on		
	June 30 2020	March 31 2020	June 30 2019
<b>Segment Assets</b>			
Voice Solutions	8972	12227	12920
Data and Managed Services	683022	638791	616480
Real Estate	49964	50111	44943
Unallocable Assets	676530	647840	589006
<b>Total Assets</b>	<b>1418488</b>	<b>1348969</b>	<b>1263349</b>
<b>Segment Liabilities</b>			
Voice Solutions	22560	18976	13491
Data and Managed Services	336835	338661	292657
Real Estate	11428	9871	17029
Unallocable Liabilities	209477	159401	105968
<b>Total Liabilities</b>	<b>580300</b>	<b>526909</b>	<b>429145</b>





### 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.

### Notes to standalone financial results:

- The above standalone unaudited financial results of the Company for the quarter ended June 30, 2020 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 July 30, 2020.
- The figures of the quarters ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published figures of nine months ended December 31, 2019, which were subjected to limited review by the statutory auditors.
- During the quarter ended March 31, 2020 the Company has aligned useful life of certain upgrades to the property, plant and equipment with the useful life of the respective base assets and has recorded an additional depreciation charge of ₹ 2183 lakhs.
- Details of exceptional items are listed below

	(₹ in Lakhs)			
	For the quarter ended			For the year ended
	June 30 2020	March 31 2020	June 30 2019	March 31 2020
1. Provision towards advances (refer note a)	-	-	-	(592)
2. Staff cost optimization (refer note b)	-	141	-	141
3. Provision towards license fees (refer note c)	(1049)	(34164)	-	(34164)
<b>Total</b>	<b>(1049)</b>	<b>(34023)</b>	-	<b>(34615)</b>

- On March 5, 2018, the Company filed with the National Company Law Tribunal, Mumbai Bench ("NCLT"), a scheme of arrangement and reconstruction among the Company and Hemisphere Properties India Limited ("HPIL") and their respective shareholders and creditors for demerger of surplus land ("Scheme"). By order of the NCLT, a meeting of the shareholders of the Company was held on May 10, 2018, at which the shareholders approved the Scheme. On July 12, 2018, the NCLT approved the Scheme. HPIL, being a 'government company', as defined under Section 2(45) of the Companies Act, 2013, had filed its petition seeking sanction to the Scheme, before the Central Government through the Ministry of Corporate Affairs, New Delhi ("MCA"). The MCA has approved the Scheme through its order dated August 5, 2019 and HPIL has filed the order with the Registrar of Companies, New Delhi. Consequent to the receipt of the approvals of the NCLT and the MCA, to the Scheme, the Board of Directors of the Company fixed September 18, 2019 as the "Record Date" for the Scheme, for determining the shareholders of the Company who shall



be eligible to receive the equity shares of HPIL. The Board of Directors of HPIL, at its meeting held on February 18, 2020, approved the allotment of HPIL's shares to the shareholders of the Company on the Record Date in the ratio of 1 share of HPIL for every share of the Company. The Company has been informed that HPIL has applied to the stock exchanges for listing of its equity shares and is working towards listing of the equity shares allotted.

Accordingly, during the year ended March 31, 2020, the Company has recorded an expense of ₹ 592 lakhs relating to such demerger under exceptional items. Further, the carrying value of surplus land and fixed deposits amounting to ₹ 306 lakhs has been derecognised and the same is adjusted in retained earnings.

- b. As part of its initiative to enhance the long-term efficiency of the business, the Company undertook organisational changes to align to the Company's current and prospective business requirements. These changes involved certain positions in the Company becoming redundant.
  - c. During the quarter ended March 31, 2020 the Company made a provision towards licence fees of ₹ 34164 lakhs which includes ₹ 33717 lakhs towards the period covered in the DOT demand (Refer note 5). Further for the quarter ended June 30, 2020, the Company made a provision of ₹ 1049 lakhs towards interest on the unpaid provisions.
5. During the quarter ended September 30, 2019, the Company had received demands from Department of Telecommunications (DOT) aggregating to ₹ 663343 lakhs towards License Fee on its Adjusted Gross Revenue (AGR) for the financial years 2006-07 till 2017-18.
- The demands received by the Company included an amount of ₹ 543370 lakhs which were disallowed by the DOT towards the cost adjusted to Gross Revenues by the Company that were claimed on 'accrual basis' instead of payment basis, for which revised statements on the basis of actual payment has been submitted to the DOT. Though, the Company believes that it has a case to defend, it has made a provision of ₹ 33717 lakhs during the quarter ended March 31, 2020 and for the balance amount of ₹ 509653 lakhs, the Company believes that the likelihood of the same materializing is remote since the deduction on payment basis has not been considered by the DOT.
- With respect to demands for the balance amount of ₹ 119973 lakhs, the Company has existing appeals relating to its IILD & NLD 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 included in the Hon'ble Supreme Court ruling of October 24, 2019 on AGR. Further, the Company believes that all its licenses are different from UASL, which was the subject matter of Supreme Court judgement of October 24, 2019. The Company has responded to the DOT denying and disputing the amounts claimed by the DOT in the above mentioned demands. The Company has not received any response from the DOT after the submission. The Company believes that it will be able to defend its position and also has obtained a legal opinion in this regard. Accordingly, the Company has assessed the balance demand of ₹ 119973 lakhs as part of contingent liability.
6. The Company has exercised the option of lower tax rate of 25.17% (inclusive of surcharge and cess) permitted under Section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Deferred Tax Assets (net) as at March 31, 2019 have been re-measured. Consequently, tax expense for year ended March 31, 2020 includes a charge of ₹ 6764 lakhs.
  7. The outbreak of Coronavirus (Covid-19) pandemic globally and in India has caused and continues to cause significant disturbance and slowdown of economic activity. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement up to the date of approval of the financial statements by the Board of Directors. The impact of Covid-19 on the standalone financial results may differ from that estimated as at the date of approval of the standalone financial results. The Company will continue to closely monitor any changes in future economic conditions and assess its impact on the operations.
  8. Previous periods' figures have been reclassified wherever necessary to conform to the current period classifications/disclosures.





# TATA COMMUNICATIONS LIMITED

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

(₹ in lakhs)

## C. STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

Particulars	For the quarter ended			For the year ended
	June 30 2020	March 31 2020	June 30 2019	March 31 2020
	(Unaudited)	(Refer Note 2)	(Unaudited)	(Audited)
<b>1 Income from operations</b>	440294	439789	416862	1706799
2 Other income, net	1474	3733	884	6968
<b>3 Total income (1 + 2)</b>	<b>441768</b>	<b>443522</b>	<b>417746</b>	<b>1713767</b>
<b>4 Expenses</b>				
a. Network and transmission expense	174134	168860	170840	677756
b. Employee benefits expense	76244	79224	76865	303914
c. Finance costs	11629	12317	11574	47074
d. Depreciation and amortisation expense (Refer note 7)	58993	68672	55215	235772
e. Other expenses	85740	104821	86594	396234
<b>Total expenses (4a to 4e)</b>	<b>406740</b>	<b>433894</b>	<b>401088</b>	<b>1660750</b>
5 Profit before exceptional items, tax & share of profit/(loss) of associates (3 - 4)	35028	9628	16658	53017
6 Exceptional items (Refer note 3)	(1049)	(37811)	(648)	(39051)
<b>7 Profit/(Loss) from operations before tax and share of profit/(loss) of associates (5 + 6)</b>	<b>33979</b>	<b>(28183)</b>	<b>16010</b>	<b>13966</b>
8 Tax expense/ (benefit): (Refer note 6)				
a. Current tax	11882	10283	11658	33418
b. Deferred tax	(3761)	(11267)	(3134)	(10751)
<b>9 Profit/(loss) before share of profit/(loss) of associates (7 - 8)</b>	<b>25858</b>	<b>(27199)</b>	<b>7486</b>	<b>(8701)</b>
10 Share in Profit/(Loss) of associates	(51)	(300)	214	218
<b>11 Profit/ (loss) for the period (9 + 10)</b>	<b>25807</b>	<b>(27499)</b>	<b>7700</b>	<b>(8483)</b>
<b>Attributable to:</b>				
Equity holders of the parent	25780	(27502)	7661	(8596)
Non-controlling interest	27	3	39	113
12 Other Comprehensive Income/(loss) (net of tax)	(2664)	(43320)	(2244)	(69311)
<b>13 Total Comprehensive income/(loss) (11+12)</b>	<b>23143</b>	<b>(70819)</b>	<b>5456</b>	<b>(77794)</b>
<b>Attributable to:</b>				
Equity holders of the parent	23116	(70822)	5417	(77907)
Non-controlling interest	27	3	39	113
14 Paid up equity share capital (Face value of ₹10 per share)	28500	28500	28500	28500
15 Reserves excluding Revaluation reserve				(176942)
16 Earnings per share (of ₹ 10/- each) (not annualised)				
Basic and diluted earnings per share (₹)	9.05	(9.65)	2.69	(3.02)





**D. Consolidated Business Segment Information:**

**i. Consolidated Segment wise revenue and results:**

(₹ in Lakhs)

Particulars	For the quarter ended			For the year ended
	June 30 2020	March 31 2020	June 30 2019	March 31 2020
	(Unaudited)	(Refer Note 2)	(Unaudited)	(Audited)
<b>Income from operations</b>				
Voice Solutions	79932	80295	89025	337622
Data and Managed Services	350936	345776	315604	1319248
Payment Solutions	5225	8199	8895	34341
Real Estate	4581	6015	3952	17906
Less: Inter Segment Revenue	(380)	(496)	(614)	(2318)
<b>Total</b>	<b>440294</b>	<b>439789</b>	<b>416862</b>	<b>1706799</b>
<b>Segment result</b>				
Voice Solutions	5766	3706	8228	23312
Data and Managed Services	39732	14015	18255	65161
Payment Solutions	(3234)	(3609)	(1319)	(6288)
Real Estate	2919	4100	2184	10938
<b>Total</b>	<b>45183</b>	<b>18212</b>	<b>27348</b>	<b>93123</b>
Less:				
(i) Finance Costs	11629	12317	11574	47074
(ii) Other un-allocable (income) net of un-allocable expenditure	(425)	34078	(236)	32083
<b>Profit/(Loss) before tax</b>	<b>33979</b>	<b>(28183)</b>	<b>16010</b>	<b>13966</b>



ii. Consolidated Segment Assets and Liabilities:

(₹ in Lakhs)

Particulars	As at		
	June 30 2020 (Unaudited)	March 31 2020 (Audited)	June 30 2019 (Unaudited)
<b>Segment Assets</b>			
Voice Solutions	49798	45304	54073
Data and Managed Services	1609284	1588136	1503590
Payment Solutions	36665	39422	40111
Real Estate	47357	46586	37648
	<b>1743104</b>	<b>1719448</b>	<b>1635422</b>
Unallocated Assets	558334	496699	409840
<b>Total Segment Assets</b>	<b>2301438</b>	<b>2216147</b>	<b>2045262</b>
<b>Segment Liabilities</b>			
Voice Solutions	80159	75354	73595
Data and Managed Services	1028344	1033212	940620
Payment Solutions	23995	24923	19157
Real Estate	11526	10000	17113
	<b>1144024</b>	<b>1143489</b>	<b>1050485</b>
Unallocated Liabilities	1261755	1200019	1024529
<b>Total Segment Liabilities</b>	<b>2405779</b>	<b>2343508</b>	<b>2075014</b>

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 and Managed Services, Payment Solutions and Real Estate. The composition of the operating segments is as follows:

Voice Solutions includes International and National Long Distance Voice services.

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

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





**Notes to consolidated financial results:**

1. The above consolidated unaudited results of the Group for the quarter ended June 30, 2020 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 July 30, 2020.
2. The figures of the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published figures of nine months ended December 31, 2019, which were subjected to limited review by the statutory auditors.
3. Details of exceptional items are listed below

(₹ in lakhs)

Particulars	For the quarter ended			For the year ended
	June 30 2020	March 31 2020	June 30 2019	March 31 2020
1. Provision towards advances (refer note a)	-	-	-	(592)
2. Loss on sale of investment (refer note b)	-	-	(648)	(648)
3. Provision towards License Fee (Refer note c)	(1049)	(34164)	-	(34164)
4. Staff cost optimization (Refer note d)	-	(3647)	-	(3647)
<b>Total</b>	<b>(1049)</b>	<b>(37811)</b>	<b>(648)</b>	<b>(39051)</b>

a) On March 5, 2018, the Company filed with the National Company Law Tribunal, Mumbai Bench ("NCLT"), a scheme of arrangement and reconstruction among the Company and Hemisphere Properties India Limited ("HPIL") and their respective shareholders and creditors for demerger of surplus land ("Scheme"). By order of the NCLT, a meeting of the shareholders of the Company was held on May 10, 2018, at which the shareholders approved the Scheme. On July 12, 2018, the NCLT approved the Scheme. HPIL, being a 'government company', as defined under Section 2(45) of the Companies Act, 2013, had filed its petition seeking sanction to the Scheme, before the Central Government through the Ministry of Corporate Affairs, New Delhi ("MCA"). The MCA has approved the Scheme through its order dated August 5, 2019 and HPIL has filed the order with the Registrar of Companies, New Delhi. Consequent to the receipt of the approvals of the NCLT and the MCA, to the Scheme, the Board of Directors of the Company fixed September 18, 2019 as the "Record Date" for the Scheme, for determining the shareholders of the Company who shall be eligible to receive the equity shares of HPIL. The Board of Directors of HPIL, at its meeting held on February 18, 2020, approved the allotment of HPIL's shares to the shareholders of the Company on the Record Date in the ratio of 1 share of HPIL for every share of the Company. The Company has been informed that HPIL has applied to the stock exchanges for listing of its equity shares and is working towards listing of the equity shares allotted.

Accordingly, during the year ended March 31, 2020, the Company has recorded an expense of ₹ 592 lakhs relating to such demerger under exceptional items. Further, the carrying value of surplus land and fixed deposits amounting to ₹ 306 lakhs has been derecognised and the same is adjusted in retained earnings.

- b) During the quarter ended June 30, 2019 the Group sold its entire stake in its associate, STT Tai Seng Pte Limited, for a consideration of ₹ 7210 lakhs resulting into a loss of ₹ 648 lakhs.
- c) During the quarter ended March 31, 2020 the company made a provision towards license fees of ₹ 34164 lakhs which includes ₹ 33717 lakhs towards the period covered in the DOT demand (Refer note 4). Further for the quarter ended June 30, 2020, the Company made a provision of ₹ 1049 lakhs towards interest on the unpaid provisions.
- d) As part of its initiative to enhance the long-term efficiency of the business, the Group undertook organisational changes to align to the Group's current and prospective business requirements. These changes involved certain positions in the Group becoming redundant.





4. During the quarter ended September 30, 2019, the Company had received demands from Department of Telecommunications (DOT) aggregating to ₹ 663343 lakhs towards License Fee on its Adjusted Gross Revenue (AGR) for the financial years 2006-07 till 2017-18.

The demands received by the Company included an amount of ₹ 543370 lakhs which were disallowed by the DOT towards the cost adjusted to Gross Revenues by the Company that were claimed on 'accrual basis' instead of payment basis, for which revised statements on the basis of actual payment has been submitted to the DOT. Though, the Company believes that it has a case to defend, it has made a provision of ₹ 33717 lakhs during the quarter ended March 31, 2020 and for the balance amount of ₹ 509653 lakhs, the Company believes that the likelihood of the same materializing is remote since the deduction on payment basis has not been considered by the DOT.

With respect to demands for the balance amount of ₹ 119973 lakhs, the Company has existing appeals relating to its ILD & NLD 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 included in the Hon'ble Supreme Court ruling of October 24, 2019 on AGR. Further, the Company believes that all its licenses are different from UASL, which was the subject matter of Supreme Court judgement of October 24, 2019. The Company has responded to the DOT denying and disputing the amounts claimed by the DOT in the abovementioned demands. The Company has not received any response from the DOT after the submission. The Company believes that it will be able to defend its position and also has obtained a legal opinion in this regard. Accordingly, the Company has assessed the balance demand of ₹ 119973 lakhs as part of contingent liability.

5. During the quarter ended September 30, 2019, a subsidiary domiciled abroad, has received a final VAT assessment from VAT authorities for ₹ 13120 lakhs, during the quarter ended December 31, 2019 a final penalty assessment of ₹ 15320 lakhs was also received. Subsequent to the quarter ended June 30, 2020 the Group has filed its grounds for appeal with the Economic Administrative Court towards the final VAT and penalty assessment which is currently pending for hearing. The management believes that there are grounds to defend its position and has also obtained an external opinion in this regards.
6. The Company and its Indian subsidiaries have exercised the option of lower tax rate of 25.17% (inclusive of surcharge and cess) permitted under Section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Deferred Tax Assets (net) as at March 31, 2019 have been re-measured. Consequently, tax expense for year ended March 31, 2020 includes a charge of ₹ 7322 lakhs.
7. During the quarter ended March 31, 2020 the Group has aligned useful life of certain upgrades to the property, plant and equipment with the useful life of the respective base assets and has recorded an additional depreciation charge of ₹ 2793 lakhs.
8. The outbreak of Coronavirus (Covid-19) pandemic globally and in India has caused and continues to cause significant disturbance and slowdown of economic activity. The Group has considered internal and external information while finalizing various estimates in relation to its financial statement up to the date of approval of the financial statements by the Board of Directors. The impact of Covid-19 on the consolidated financial results may differ from that estimated as at the date of approval of the consolidated financial results. The Group will continue to closely monitor any changes in future economic conditions and assess its impact on the operations.
9. Previous periods' figures have been rearranged wherever necessary to conform to the current period classifications/disclosures.

For TATA COMMUNICATIONS LIMITED

AMUR S. LAKSHMINARAYANAN  
MANAGING DIRECTOR & CEO

Place: Mumbai  
Date: July 30, 2020

**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of 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 Ind AS Financial Results of Tata Communications Limited (the 'Company') for the quarter ended June 30, 2020 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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. 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.





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

5. As fully discussed in note 5 to the standalone results for the period, the Company had received demands dated September 12, 2019 from Department of Telecommunications (DoT) towards license fee on its Adjusted Gross Revenue (AGR) for FY 2006-07 to 2017-18, for Rs 663,343 lakhs. Of this amount, the Company during previous financial year had made provision of Rs 33,717 lakhs with respect to the demand of Rs 543,370 lakhs and recorded Rs 1,049 lakhs towards interest on the unpaid amount of provision for the current quarter, and believes that the likelihood of the balance demand materialising is remote. Further, with respect to the demand of Rs 119,973 lakhs, the Company has assessed the same as part of contingent liability. The Company believes that it has grounds to defend its position and has also obtained a legal opinion in this regard. Our opinion is not modified in this regard.

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004



per Hormuz Master  
Partner  
Membership No.: 110797  
UDIN: 20110797AAAABX4650



Place: Mumbai  
Date: July 30, 2020

**Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of 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 Ind AS Financial Results of Tata Communications Limited (the 'Parent') and its subsidiaries (the Parent Company and its subsidiaries together referred to as 'the Group') and its share of net profit after tax and total comprehensive income for its associates for the quarter ended June 30, 2020 (the 'Statement') attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').
2. This Statement, which is the responsibility of the Parent Company's Management and approved by the Parent Company's Board of Directors, has been prepared 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. 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 as 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 another auditor referred to in paragraph 8 below, 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



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

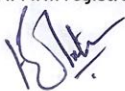
amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. As fully discussed in note 4 to the consolidated results for the period, the Company had received demands dated September 12, 2019 from Department of Telecommunications (DoT) towards license fee on its Adjusted Gross Revenue (AGR) for FY 2006-07 to 2017-18, for Rs 663,343 lakhs. Of this amount, the Company during previous financial year had made provision of Rs 33,717 lakhs with respect to the demand of Rs 543,370 lakhs and recorded Rs 1,049 lakhs towards interest on the unpaid amount of provision for the current quarter, and believes that the likelihood of the balance demand materialising is remote. Further, with respect to the demand of Rs 119,973 lakhs, the Company has assessed the same as part of contingent liability. The Company believes that it has grounds to defend its position and has also obtained a legal opinion in this regard. Our opinion is not modified in this regard.
7. We draw attention to note 5 to the consolidated results for the period, which describes the uncertainty related to the outcome of the on-going tax litigation of Rs 28,440 lakhs, in one of the subsidiaries of the Group. Our opinion is not modified in this regard.
8. The accompanying Statement includes unaudited interim financial results of a subsidiary, whose interim financial results reflect Group's share of total revenues of Rs 1,391 lakhs, Group's share of total net profit after tax of Rs 271 lakhs, Group's share of total comprehensive income of Rs 281 lakhs, for the quarter and period ended June 30, 2020, which have been reviewed by their respective independent auditors. Our conclusion on the statement is not modified in respect of the above matter.
9. The accompanying Statement includes the Group's share of net loss of Rs 50.76 lakhs and total comprehensive loss of Rs 42.22 lakhs, for the quarter and period ended June 30, 2020, as considered in the unaudited consolidated financial results, in respect of three associates, based on their interim financial results which have not been reviewed by their auditors. These unaudited financial results and other unaudited financial information have been approved and furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these associates, is based solely on such unaudited financial results and other unaudited financial information. 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 is not modified in respect of the above matter.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Hormuz Master

Partner

Membership No.: 110797

UDIN: 20110797AAAABY6427



Place: Mumbai

Date: July 30, 2020



Annexure to Independent Auditor's Review Report on the Quarterly 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) Sprl
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) LLC
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 Move Singapore Pte. Ltd.
39. Tata Communications Move Uk Limited
40. Tata Communications Payment Solutions Limited
41. Tata Communications Services (International) Pte. Ltd.
42. Tata Communications Svcs Pte Ltd
43. Tata Communications Transformation Services (Hungary) Kft.
44. Tata Communications Transformation Services (Us) Inc
45. Tata Communications Transformation Services Limited



# **S.R. BATLIBOI & ASSOCIATES LLP**

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46. Tata Communications Transformation Services Pte Limited
47. Tata Communications Transformation Services South Africa (Pty) Ltd
48. Tc lot Managed Solutions Limited (Applied For Strike Off On 29.11.2019)
49. Tclop Communication GmbH
50. Tcts Senegal Limited
51. Vsnl Snospv Pte. Ltd.
52. Itxc Ip Holdings S.A.R.L.
53. Mucoso B.V.
54. Netfoundry Inc.
55. Nexus Connexion (Sa) Pty Limited
56. Sepco Communications (Pty) Limited

## Associates

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



For immediate release

PRESS RELEASE

## Tata Communications delivers strong performance

*Consolidated highest ever EBITDA at INR 1,042 crore; increase of +26% YoY with margin expansion of 390 Bps*

*PAT at INR 258 crore; growth of +236% YoY*

*Data services revenue grew by +10% YoY with 460 Bps margin expansion*

Mumbai - July 30<sup>th</sup>, 2020 - Tata Communications today announces its financial results for the quarter ended June 30<sup>th</sup>, 2020

### Highlights | Q1 FY2021

#### Data services portfolio

- Strong growth in Data business; revenue grew by +10% YoY on the back of robust performance across all segments, despite an uncertain economic environment.
- Data EBITDA was at INR 975 crore; up +32.4% YoY on the back of margin expansion of 460 Bps YoY led by cost efficiency initiatives.
- Due to lockdown and remote working, we are witnessing increased bandwidth usage and higher collaboration traffic. Enterprises have upgraded their capacities and are consuming more data to support this work model. Consequently, our India enterprise business grew by 6.7% YoY and international enterprise business grew by 8.3% YoY on the back of strong demand. This has led to increase in both revenue and profitability.

#### Consolidated financial highlights

- Consolidated revenue was at INR 4,403 crore; growth of +5.6% YoY on the back of strong growth in Data business.
- Consolidated EBITDA at INR 1,042 crore; increase of +26.2% YoY and margin expansion of 390 Bps on the back of strong profitable growth in data business and focus on cost efficiencies.
- Consolidated PAT at INR 258 crore as compared to a profit of INR 77 crore in Q1 FY20; growth of +236% YoY.
- CAPEX for this quarter was INR 372 crore as compared to INR 342 crore in Q4 FY20.

Consolidated Nos.	INR Crore	QoQ Growth	YoY Growth
Gross Revenue	4,403	0.1%	5.6%
EBITDA	1,042	19.9%	26.2%
EBITDA margin	23.7%	390 Bps	390 Bps
PAT	258	↑	236%



For immediate release

PRESS RELEASE

Commenting on the results, **A.S Lakshminarayanan, MD and CEO, Tata Communications**, said, “We have started this new financial year with strong performance amidst an uncertain and unpredictable economic environment. Digital is increasingly defining and shaping the experiences in this new world. It will become even more strategically core as businesses look to adopt new ways of working and transform how they operate, and how they engage with their audiences and with each other. We continue to be a key partner for our customers as they look to now focus on business recovery, acceleration, and growth.

Our new proposition, Secure Connected Digital Experience, is aimed at enabling customers to adopt new digital working models by providing a holistic ecosystem of solutions that are suited for this digital-first environment and are built for the long term. We’re seeing good interest in the market for these solutions. We remain focused on our strategy to deliver profitable growth and to be a preferred digital partner to our customers.”

Commenting on the results, **Pratibha K. Advani, Chief Financial Officer, Tata Communications**, said, “We have registered another quarter of strong growth. Data portfolio, which has been the key driver for our business, recorded a double-digit growth of 10% YoY with robust margin expansion of 460 Bps.

Enterprise business has also shown a healthy increase in the quarter, on the back of strong growth in India as well as the international markets, with India growing by 6.7% and international by 8.3% YoY. We continue to drive cost efficiencies in our business and with every successive quarter, we are improving our financial fitness.

An investor fact sheet providing detailed analysis of the results for the quarter ended June 30<sup>th</sup>, 2020 has been uploaded on the Tata Communications website and can be accessed [here](#).

## For immediate release

## PRESS RELEASE

### Business highlights | Q1 FY2021

#### Customer wins:

- In Q1 FY21, we expanded our relationship with [VICE Media](#), a digital media and broadcasting company, to manage content across all its production centres and offer immersive, high quality viewing experience to its audiences, globally. Tata Communications is providing a range of network solutions, cloud storage and a suite of Media and Entertainment solutions including Video Connect and Media Asset Management to VICE Media, enabling secure, scalable, and cost-efficient cloud-based post-production workflows for its content editors. These suite of solutions will allow VICE Media to be agile and grow its global footprint by capturing content from anywhere in the world, transferring it over a secure, hybrid network to its editors in production centres across 36 locations in Europe, US, Canada, Asia Pacific, and the UK, and broadcasting it across VICE Media channels to global audiences.
- Tata Communications is providing [Petrofac](#), a leading international service provider to the energy industry, with a secure, global and flexible suite of enterprise-grade WAN services, consisting notably of IZO™ Internet WAN and IZO™ SDWAN, connecting their 50+ locations across the globe. IZO™ Internet WAN is a unique global Internet-based WAN service that gives enterprises the flexibility and predictability of a private network, with the global reach of the Internet. This is in addition to the Secure Web Gateway that we have been providing to Petrofac's global users. With Tata Communications' cutting edge software-defined and virtualised network technologies, Petrofac will now be able to leverage consistent network performance, end-to-end Service Level Agreements (SLAs) & reporting, and a future-ready network to aid cloud adoption for its existing enterprise application with predictable performance.

#### Awards: Best employer

- Recognised among ['India's Best Companies to Work For 2020'](#) by Great Place to Work® Institute, for fourth year in a row.
- Recognised among the ['Best Workplaces in Hong Kong™ 2020'](#) by Great Place to Work® Institute, for fourth year in a row

#### Awards: Analyst recognitions

- **[Eight awards at Frost & Sullivan's 2020 India ICT Awards:](#)**
  - Enterprise Data Service Provider of the Year (eleventh year)
  - Enterprise Telecom Service Provider of the Year - Large Enterprise Segment (fifth year)
  - Managed Multi Cloud Service Provider of the Year (third consecutive year)
  - SDWAN Service Provider of the Year (third consecutive year)
  - Unified Communications Service Provider of the Year (third consecutive year)
  - Managed Security Service Provider of the Year - Telecom (second consecutive year)
  - Cloud Interconnect Service Provider of the Year (second consecutive year)
  - Video Managed Services Provider of the Year (second consecutive year)
- **Omdia:** Leader in Global Video CDN landscape (first year)
- **IDC MarketScope:** 'Major Player' in Asia/Pacific Managed Security Services 2020 (second consecutive year)
- **Everest Group:** Leader in Global Network Transformation & Managed Services PEAK Matrix Assessment 2020 (first year)
- **Forrester:** Covered in the Forrester NowTech Global as Midsize Vendor in Cloud Contact Center Vendors report (first year)

## For immediate release

## PRESS RELEASE

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### About Tata Communications

Tata Communications is a digital ecosystem enabler that powers today's fast-growing digital economy.

The company enables the digital transformation of enterprises globally, including 300 of the Fortune 500 - unlocking opportunities for businesses by enabling borderless growth, boosting product innovation and customer experience, improving productivity and efficiency, building agility and managing risk.

With its solutions orientated approach and proven managed service capabilities and cutting-edge infrastructure, Tata Communications drives the next level of intelligence powered by cloud, mobility, Internet of Things (IoT), collaboration, security, and network services.

Tata Communications carries around 30% of the world's internet routes and connects businesses to 60% of the world's cloud giants and 4 out of 5 mobile subscribers.

The company's capabilities are underpinned by its global network, the world's largest wholly owned subsea fibre backbone and a Tier-1 IP network with connectivity to more than 200 countries and territories.

Tata Communications Limited is listed on the Bombay Stock Exchange and the National Stock Exchange of India.

[www.tatacommunications.com](http://www.tatacommunications.com)

### 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](http://www.tatacommunications.com). Tata Communications is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements.