



HQ/CS/CL.24B/16317  
13 December 2017

BSE Limited 25, PJ Towers, Fort, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
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Security Code – 500483  
Security ID – TATACOMM

Dear Sir/Madam,

**Sub: Outcome of Board Meeting - Scheme of Arrangement and Reconstruction between Tata Communications Limited and Hemisphere Properties India Limited and their respective shareholders and creditors.**

In compliance with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), read with SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015, this is to inform you that the Board of Directors of Tata Communications Limited (“Board”) at its meeting held today, i.e. 13 December 2017, has approved a draft scheme of arrangement and reconstruction between Tata Communications Limited (“Company” or “Transferor Company”) and Hemisphere Properties India Limited (“HPIL” or “Transferee Company”) and their respective shareholders and creditors as may be modified from time to time (“Draft Scheme” or “Scheme”) under Sections 230 to 232 of the Companies Act, 2013, subject to receipt of approvals from shareholders and creditors of the Company as may be directed by the National Company Law Tribunal (“NCLT”) bench at Mumbai, BSE Limited, the National Stock Exchange of India Limited, the Securities and Exchange Board of India (“SEBI”), and approval of other regulatory or statutory authorities as may be required.

The Company has been informed that the Board of Directors of HPIL, at its meeting held earlier in the day, has also approved the Draft Scheme.

The Scheme provides for a demerger by way of reconstruction or splitting up of the Company by way of transfer of the surplus land to HPIL and the consequent issue of equity shares by HPIL to the shareholders of Company, which will be followed by a transfer of equity shares of HPIL allotted to Panatone Group Companies (*collectively, Panatone, Tata Sons Limited and Tata Power Company Limited*) to the erstwhile shareholders of Transferor Company who had tendered shares in the open offer by Panatone and to the Government of India, in the manner set out in the Scheme and various other matters consequential to or otherwise integrally connected with the above.

**TATA COMMUNICATIONS**

Tata Communications Limited

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CIN : 164200MH1995PL1002976



The Audit Committee has furnished its report to the Board recommending the Scheme. The Fairness Opinion on the Scheme has been furnished by M/s. SBI Capital Markets Limited an independent merchant banker. The valuation report(s) for the Scheme have been provided by M/s. MSKA & Associates an independent chartered accountant (“**Valuation Report**”).

The information pertaining to the Scheme as required under Regulation 30 of the SEBI Listing Regulations read with SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015, is enclosed herewith as Annexure I.

You are kindly requested to take the same on record.

Thanking you,

Yours Faithfully,  
For Tata Communications Limited

A handwritten signature in blue ink, appearing to read 'Manish Sansi', written over a horizontal line.

Manish Sansi  
Company Secretary &  
General Counsel (India)



**ANNEXURE 1**  
**Disclosure under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements)**  
**Regulations, 2015**  
**Scheme of Arrangement and Reconstruction**

**1) Brief details of the division to be demerged**

The division to be demerged is the surplus land as provided under clause 1.1(h) of the Scheme of Arrangement. The surplus land is described in Schedule 1 of the Scheme of Arrangement and includes all the rights, title, interest and/or liabilities, if any, of the Transferor Company in relation thereto.

**2) Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year.**

Turnover of surplus land in financial year 2016-17 – Nil  
% of turnover of surplus land to the total turnover of the Company – Nil

**3) Rationale for Demerger**

In 2002, the Government of India had conducted a disinvestment exercise in respect of 25% of its equity holding in the Company. The terms of the bid for the disinvestment required the bidders to take into account the value of the land which would remain with the Company and to exclude the value of certain surplus lands of the Company. Panatone Finvest Limited (“Panatone”), current promoter of the Company, was the successful bidder in this disinvestment process.

Consequently, a share purchase agreement dated February 6, 2002 was executed between the Government of India and amongst others, Panatone and the Company (“SPA”) for the sale of equity shares of the Company to Panatone and a shareholders’ agreement dated February 13, 2002 was also executed between the Government of India and, amongst others, Panatone (“SHA”). The terms and conditions of the SPA and SHA, *inter alia*, required such surplus lands of the Company to be hived off or demerged into a separate company (i.e., in this case, the Transferee Company). Further, in accordance with the terms of the said SPA, the SHA and the letter of offer issued by Panatone dated March 27, 2002 (“Letter of Offer”), Panatone is required to gift, sell or transfer, as the case may be, without further consideration, the shares of the Transferee Company, as allotted to Panatone under the Scheme to: (a) the Government of India, to the extent of 25% of the Transferee Company’s issued shares; and (b) the shareholders of the Company who tendered equity shares to Panatone pursuant to the Letter of Offer, to the extent their tender was accepted by Panatone, but not exceeding the maximum extent of 20% of the total issued capital of the Transferee Company.





#### 4) Brief details of change in shareholding pattern (if any) of all entities

- a. There will be no change in the shareholding pattern of the Company pursuant to the Scheme.
- b. Upon the Scheme becoming effective and in consideration of the demerger, the Transferee Company shall, issue and allot to each member of the Company whose name is recorded in the register of members as a shareholder of the Company on the Record Date, equity shares in the Transferee Company in the ratio of 1 (One) equity share in the Transferee Company of face value INR 10 (Rupees Ten only) each credited as fully paid up for every 1 (One) equity share of face value INR 10 (Rupees Ten only) each fully paid up held by such member in the Company (the “**Share Entitlement Ratio**”) as on the Record Date.
- c. Immediately upon the issuance of shares by Transferee Company to the shareholders of Company, the entire share capital of the Transferee Company as existing on the Appointed Date i.e., March 30, 2018 shall stand cancelled, without any further act or deed.

#### 5) Consideration

Upon the Scheme becoming effective and in consideration of the demerger, the Transferee Company shall, issue and allot to each member of the Company whose name is recorded in the register of members as a shareholder of the Company on the Record Date, equity shares in the Transferee Company in the ratio of 1 (One) equity shares in the Transferee Company of face value INR 10 (Rupees Ten only) each credited as fully paid up for every 1 (One) equity share of face value INR 10 (Rupees Ten only) each fully paid up held by such member in the Company (the “**Share Entitlement Ratio**”) as on the record date.

There is no other consideration involved in the Scheme.

#### 6) Whether listing would be sought for the resulting entity.

The Transferee Company shall apply for listing and/or trading of its equity shares issued pursuant to the Scheme on the BSE Limited and the National Stock Exchange of India Limited under Rule 19(7) of Securities Contract Regulation Rules, 1957.

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