



HQ/CS/CL.24B/17221  
October 20, 2021

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: Unaudited Financial Results of Tata Communications Limited ("the Company") for the quarter and half year ended September 30, 2021.**

Pursuant to Regulation 33 read with Regulation 30 and Regulation 52 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, 2021, 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 at (**Attachment C**).

The aforesaid documents are also available on the website of the Company at [www.tatacommunications.com/investors/results](http://www.tatacommunications.com/investors/results).

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

**TATA COMMUNICATIONS**

Tata Communications Limited

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## TATA COMMUNICATIONS

# TATA COMMUNICATIONS LIMITED

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

(₹ in crores)

A. STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021						
Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2021	June 30 2021	September 30 2020	September 30 2021	September 30 2020	March 31 2021
(Refer notes below)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 <b>Income from operations</b>	1,628.17	1,576.20	1,592.15	3,204.37	3,102.50	6,225.32
2 Other income, net	43.45	169.00	157.26	212.45	192.76	274.56
3 <b>Total Income (1+2)</b>	<b>1,671.62</b>	<b>1,745.20</b>	<b>1,749.41</b>	<b>3,416.82</b>	<b>3,295.26</b>	<b>6,499.88</b>
4 <b>Expenses</b>						
a. Network and transmission expense	530.97	518.37	516.98	1,049.34	1,016.13	2,051.01
b. Employee benefits expense	309.78	328.44	270.68	638.22	535.19	1,104.61
c. Finance costs	22.25	23.54	27.78	45.79	58.68	106.73
d. Depreciation and amortisation expense	229.02	219.56	238.96	448.58	477.13	972.89
e. Other expenses	255.62	254.73	263.00	510.35	530.51	1,086.16
<b>f. Total expenses (4a to 4e)</b>	<b>1,347.64</b>	<b>1,344.64</b>	<b>1,317.40</b>	<b>2,692.28</b>	<b>2,617.64</b>	<b>5,321.40</b>
5 <b>Profit from ordinary activities before exceptional items and tax (3 - 4)</b>	<b>323.98</b>	<b>400.56</b>	<b>432.01</b>	<b>724.54</b>	<b>677.62</b>	<b>1,178.48</b>
6 Exceptional items (Refer note 2)	10.08	-	53.30	10.08	42.81	50.82
7 <b>Profit / (Loss) from ordinary activities before tax (5 + 6)</b>	<b>334.06</b>	<b>400.56</b>	<b>485.31</b>	<b>734.62</b>	<b>720.43</b>	<b>1,229.30</b>
8 <b>Tax expense/ (benefit):</b>						
a. Current tax	77.63	73.91	96.51	151.54	178.19	286.92
b. Deferred tax	4.86	(7.10)	(9.93)	(2.24)	(30.16)	(20.28)
9 <b>Profit / (Loss) for the period (7 - 8)</b>	<b>251.57</b>	<b>333.75</b>	<b>398.73</b>	<b>585.32</b>	<b>572.40</b>	<b>962.66</b>
10 Other Comprehensive Income / (Loss) (net of tax)	(6.68)	(24.49)	10.23	(31.17)	(2.16)	(2.73)
11 <b>Total Comprehensive Income / (Loss) (9 + 10)</b>	<b>244.89</b>	<b>309.26</b>	<b>408.96</b>	<b>554.15</b>	<b>570.24</b>	<b>959.93</b>
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						8,575.47
14 <b>Net worth</b>						<b>9,066.53</b>
15 <b>Earnings per share (of ₹ 10/- each) (not annualised)</b>						
Basic and diluted earnings per share (₹)	8.83	11.71	13.99	20.54	20.08	33.78



## TATA COMMUNICATIONS

### B. Standalone Business Segment Information:

#### i. Segment wise revenue and results:

Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2021	June 30 2021	September 30 2020	September 30 2021	September 30 2020	March 31 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Income from Operations</b>						
Voice Solutions	23.47	26.60	65.83	50.07	116.34	166.02
Data Services	1,551.57	1,508.35	1,485.02	3,059.92	2,902.12	5,890.43
Real Estate	53.13	41.25	41.30	94.38	84.04	168.87
<b>Total</b>	<b>1,628.17</b>	<b>1,576.20</b>	<b>1,592.15</b>	<b>3,204.37</b>	<b>3,102.50</b>	<b>6,225.32</b>
<b>Segment result</b>						
Voice Solutions	(40.61)	(54.23)	(65.71)	(94.84)	(162.32)	(267.38)
Data Services	306.17	282.35	344.35	588.52	653.95	1,168.27
Real Estate	37.22	26.98	23.89	64.20	51.91	109.76
<b>Total</b>	<b>302.78</b>	<b>255.10</b>	<b>302.53</b>	<b>557.88</b>	<b>543.54</b>	<b>1,010.65</b>
Less :						
(i) Finance Costs	22.25	23.54	27.78	45.79	58.68	106.73
(ii) Other un-allocable (income) net of un-allocable expenses	(53.53)	(169.00)	(210.56)	(222.53)	(235.57)	(325.38)
<b>Profit/(Loss) before taxes</b>	<b>334.06</b>	<b>400.56</b>	<b>485.31</b>	<b>734.62</b>	<b>720.43</b>	<b>1,229.30</b>

#### ii. Segment Assets and Liabilities:

Particulars	As on			
	September 30 2021	June 30 2021	September 30 2020	March 31 2021
<b>Segment Assets</b>				
Voice Solutions	91.70	97.30	128.20	100.93
Data Services	6,436.27	6,488.47	6,421.94	6,083.08
Real Estate	430.37	427.51	488.62	421.03
Unallocable Assets	7,319.96	7,471.17	7,255.23	7,592.65
<b>Total Assets</b>	<b>14,278.30</b>	<b>14,484.45</b>	<b>14,293.99</b>	<b>14,197.69</b>
<b>Segment Liabilities</b>				
Voice Solutions	134.41	146.39	186.92	147.18
Data Services	3,482.44	3,431.79	3,188.33	3,394.69
Real Estate	96.00	88.41	132.88	85.65
Unallocable Liabilities	1,343.77	1,841.07	2,109.02	1,503.64
<b>Total Liabilities</b>	<b>5,056.62</b>	<b>5,507.66</b>	<b>5,617.15</b>	<b>5,131.16</b>



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### iii. Notes to Segments:

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

Voice Solutions include International and National Long Distance Voice services.

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

Real Estate includes lease rentals for premises given on lease.

### C. Statement of Standalone Assets and Liabilities as at September 30, 2021

(₹ in crores)

Particulars	As at	As at
	September 30 2021	March 31 2021
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	3,604.34	3,725.85
(b) Capital work-in-progress	468.58	155.08
(c) Right of Use Asset	476.76	494.12
(d) Investment property	382.66	287.99
(e) Other Intangible assets	411.96	436.53
(f) Intangible assets under development	86.62	49.96
(g) Investment property under development	22.22	116.21
(h) Financial assets		
(i) Investments	3,716.91	3,577.28
(ii) Loans	496.15	-
(iii) Other financial assets	137.59	149.06
(i) Deferred tax assets (net)	341.03	336.24
(j) Advance tax (net)	1,462.97	1,665.46
(k) Other Non-current assets	126.76	138.49
<b>Total Non-current assets</b>	<b>11,734.55</b>	<b>11,132.27</b>
<b>Current assets</b>		
(a) Inventories	21.90	18.05
(b) Financial assets		
(i) Other Investments	560.30	1,158.77
(ii) Trade receivables	1,212.41	1,089.84
(iii) Cash and cash equivalents	173.92	197.50
(iv) Other bank balances	1.74	51.74
(v) Other financial assets	116.40	126.25
(c) Other Current assets	313.07	296.26
	<b>2,399.74</b>	<b>2,938.41</b>
Assets classified as held for sale	144.01	127.01
<b>Total Current assets</b>	<b>2,543.75</b>	<b>3,065.42</b>
<b>TOTAL ASSETS</b>	<b>14,278.30</b>	<b>14,197.69</b>



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### C. Statement of Standalone Assets and Liabilities as at September 30, 2021

Particulars	₹ in crores	
	As at	As at
	September 30 2021 (Unaudited)	March 31 2021 (Audited)
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	285.00	285.00
(b) Other equity	8,936.68	8,781.53
	<b>9,221.68</b>	<b>9,066.53</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	534.18	532.14
(ia) Lease liabilities	381.11	402.53
(ii) Other financial liabilities	46.41	58.91
(b) Provisions	275.41	240.03
(c) Other liabilities	409.97	383.07
<b>Total Non-current liabilities</b>	<b>1,647.08</b>	<b>1,616.68</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	6.50	48.62
(ia) Lease liabilities	45.44	48.36
(ii) Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises	16.96	13.04
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,429.71	1,518.95
(iii) Other financial liabilities	722.33	563.56
(b) Provisions	76.39	89.32
(c) Current tax liability (net)	368.64	426.69
(d) Other liabilities	739.08	801.45
(e) Liabilities for assets classified as held for sale	4.49	4.49
<b>Total Current liabilities</b>	<b>3,409.54</b>	<b>3,514.48</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,278.30</b>	<b>14,197.69</b>



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### D. Statement of Standalone Cash Flow Statement:

₹ in crores

Particulars	For the half year ended September 30, 2021	For the half year ended September 30, 2020	For the year ended March 31, 2021
<b>Cash flows from operating activities</b>			
Profit/(Loss) before tax	734.62	720.43	1,229.30
Adjustments for non cash items:			
Depreciation and amortization	448.58	477.13	972.89
Interest income	(11.58)	(6.37)	(15.98)
Finance cost	45.79	58.68	106.73
Gain on disposal of assets held for sale (exceptional item, advance received in previous period)	-	-	(67.38)
Gain on investments at fair value through profit and loss (net)	(17.33)	(16.70)	(39.22)
Dividend income	(130.45)	(101.09)	(101.09)
Unrealised foreign exchange gain/ (loss) (net)	0.64	(8.29)	(10.27)
Allowance for doubtful trade receivables	(7.83)	26.24	35.71
Gain on modification/ termination of lease	(0.52)	-	-
Provision for inventories and capital work-in-progress	4.26	6.50	15.09
Allowance for doubtful advances	0.78	(0.18)	1.15
Bad Debts written off	4.67	1.75	1.75
Gain/ (loss) on disposal of property, plant and equipment (net)	2.27	(1.49)	0.48
<b>Operating Profit before working capital changes</b>	<b>1,073.90</b>	<b>1,156.61</b>	<b>2,129.16</b>
Adjustment for increase/(decrease) in working capital:			
Inventories	(6.54)	30.72	46.75
Trade receivables	(119.41)	(228.99)	172.39
Other assets	(6.50)	75.00	33.87
Trade payables	(85.32)	(144.98)	(59.46)
Other liabilities	46.30	(43.27)	(311.29)
Provisions	(25.73)	(7.14)	(10.00)
<b>Cash generated from operations before tax</b>	<b>876.70</b>	<b>837.95</b>	<b>2,001.42</b>
Income tax paid (net of refund)	0.82	(151.25)	(353.98)
<b>Net cash flows from operating activities</b>	<b>877.52</b>	<b>686.70</b>	<b>1,647.44</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets	(548.52)	(415.24)	(870.71)
Proceeds from disposal of property, plant and equipment and intangible assets	1.95	1.79	3.09
Proceeds from disposal of assets held for sale	-	0.41	0.41
Purchase of non-current investments	(139.63)	(34.31)	(104.31)
Purchase of current investments	(2,461.68)	(1,820.65)	(5,876.40)
Proceeds from sale of current investments	3,077.47	1,387.44	5,321.62
Loan given to subsidiaries	(496.13)	-	-
Advance received towards assets held for sale	-	9.11	9.11
Dividend income from subsidiaries	130.45	101.09	101.09
Fixed deposits	50.00	-	(50.00)
Interest received	6.04	4.78	12.78
Earmarked funds	0.01	-	(0.97)
<b>Net cash flows (used in) investing activities</b>	<b>(380.04)</b>	<b>(765.58)</b>	<b>(1,454.29)</b>



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₹ in crores

Particulars	For the half year ended September 30, 2021	For the half year ended September 30, 2020	For the year ended March 31, 2021
<b>Cash flows from financing activities</b>			
Proceeds from short-term borrowings	2.66	142.68	142.68
Repayment of short-term borrowings	(46.67)	(273.47)	(619.24)
Proceeds from long-term borrowings	5.25	522.63	524.29
Repayment of long-term borrowings	(2.53)	-	(2.79)
Proceeds from sublease	2.55	-	-
Repayment of lease liabilities	(43.06)	(29.01)	(68.88)
Dividend paid	(399.00)	(114.00)	(114.00)
Interest paid	(40.26)	(8.26)	(20.66)
<b>Net cash flows (used in) /from financing activities</b>	<b>(521.06)</b>	<b>240.57</b>	<b>158.60</b>
Net Increase / (Decrease) in cash and cash equivalents	(23.58)	161.69	34.55
Cash and cash equivalents as at the beginning of the period	197.50	162.95	162.95
<b>Cash and cash equivalents as at the end of the period</b>	<b>173.92</b>	<b>324.64</b>	<b>197.50</b>



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**E. Additional information pursuant to Regulation 54(2) 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, 2021**

	For the quarter ended			For the half year ended		For the year ended
	September 30 2021	June 30 2021	September 30 2020	September 30 2021	September 30 2020	March 31 2021
1. Operating Margin (%) Earnings before Interest and Tax/ Income from Operations	18.60%	16.18%	19.00%	17.41%	17.52%	16.23%
2. Net Profit Margin (%) Profit/(Loss) for the period/ Income from Operations	15.45%	21.17%	25.04%	18.27%	18.45%	15.46%
3. Interest service coverage ratio (no. of times) Earning before exceptional items, interest, depreciation and amortization and tax (EBITDA) / Finance costs	23.90	20.16	19.49	21.98	17.39	18.58

	As at September 30 2021	As at March 31 2021
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	9.20	8.22
2. Debt Equity ratio Total Debt (Long term borrowings + Short term borrowings (including Current maturities of long term borrowings)) / Equity	0.06	0.06
3. Debt service coverage ratio (no. of times) EBITDA/ (Finance costs + Short term borrowings (including Current maturities of long term borrowings))	19.25*	12.77
4. Current Ratio (no. of times) Total Current Assets/ Total Current Liabilities	0.75	0.87
5. Bad debts to Accounts receivables ratio (%) Bad debts written off/ Average Trade receivables	0.41%*	0.15%
6. Current Liability ratio (no. of times) Total Current Liabilities/ Total Equity and Liabilities	0.24	0.25
7. Total Debt to Total Assets Total Debt/ Total Assets	0.04	0.04
8. Debtors turnover (no. of times) Income from Operations/ Average Trade receivables	2.78*	5.21
9. Long term debt to working capital Long term borrowing / (Total Current Assets - Total Current Liabilities)	-0.62	-1.19

\*Not annualized



## TATA COMMUNICATIONS

### Notes to standalone financial results:

1. The above standalone unaudited financial results of the Company for the quarter and half year ended September 30, 2021 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 20, 2021.

2. Details of exceptional items are listed below

(₹ in crores)

	For the quarter ended			For the half year ended		For the year ended
	September 30 2021	June 30 2021	September 30 2020	September 30 2021	September 30 2020	March 31 2021
1. Staff cost optimization (refer note a)	-	-	(2.28)	-	(2.28)	(2.93)
2. Provision towards license fees (refer note b)	-	-	(11.80)	-	(22.29)	(37.88)
3. Gain on sale of fixed assets (refer note c)	-	-	67.38	-	67.38	67.38
4. Insurance claim (refer note d)	10.08	-	-	10.08	-	24.25
<b>Total</b>	<b>10.08</b>	<b>-</b>	<b>53.30</b>	<b>10.08</b>	<b>42.81</b>	<b>50.82</b>

a. 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.

b. During the year ended March 31, 2020 the Company made a provision towards licence fees of ₹ 341.64 crores which includes ₹ 337.17 crores towards the period covered in the DOT demand (Refer note 3). Further for the year ended March 31, 2021, the Company made a provision of ₹ 37.88 crores towards interest on the unpaid provisions and made a payment of ₹ 379.51 crores under protest to DOT.

c. During the year ended March 31, 2021, the Company concluded the sale off a parcel of its land along with building on such land, for a total consideration of ₹ 67.41 crores (net of transaction cost) resulting into a gain of ₹ 67.38 crores. These assets were disclosed under assets held for sale.

d. During the quarter and year ended March 31, 2021, the Company had recognized an insurance claim of ₹ 24.25 crores against loss caused due to malfunctioning of the fire suppression system in earlier years. Further, during the current quarter, the Company recognised an amount of ₹ 10.08 crores based on final settlement of claim.

3. During the quarter ended September 30, 2019, the Company had received demands from Department of Telecommunications (DOT) aggregating to ₹ 6,633.43 crores 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 ₹ 5,433.70 crores 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 ₹ 337.17 crores during the quarter ended March 31, 2020 and for the balance amount of ₹ 5,096.53 crores, 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. During the quarter ended March 31, 2021, the Company has made a payment of ₹ 379.51 crores under protest to DOT.



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With respect to demands for the balance amount of ₹ 1,199.73 crores, the Company has existing appeals relating to its ILLD & 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 ₹ 1,199.73 crores as part of contingent liability.

4. Previous periods' figures have been reclassified wherever necessary to conform to the current period classifications/disclosures.



## TATA COMMUNICATIONS

# TATA COMMUNICATIONS LIMITED

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

(₹ in crores)

### F. STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2021	June 30 2021	September 30 2020	September 30 2021	September 30 2020	March 31 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Income from operations</b>	4,174.02	4,102.79	4,401.08	8,276.81	8,804.02	17,100.10
2 Other income, net	36.42	13.35	76.10	49.77	90.84	156.76
<b>3 Total income (1 + 2)</b>	<b>4,210.44</b>	<b>4,116.14</b>	<b>4,477.18</b>	<b>8,326.58</b>	<b>8,894.86</b>	<b>17,256.86</b>
<b>4 Expenses</b>						
a. Network and transmission expense	1,567.03	1,561.89	1,674.58	3,128.92	3,454.98	6,513.66
b. Employee benefits expense	728.48	809.69	761.94	1,538.17	1,524.38	3,049.09
c. Finance costs	90.82	96.21	106.41	187.03	222.70	420.20
d. Depreciation and amortisation expense	541.60	531.76	571.93	1,073.36	1,161.86	2,313.87
e. Other expenses	765.66	745.16	807.03	1,510.82	1,625.37	3,276.77
<b>Total expenses (4a to 4e)</b>	<b>3,693.59</b>	<b>3,744.71</b>	<b>3,921.89</b>	<b>7,438.30</b>	<b>7,989.29</b>	<b>15,573.59</b>
5 Profit before exceptional items, tax & share of profit/(loss) of associates (3 - 4)	516.85	371.43	555.29	888.28	905.57	1,683.27
6 Exceptional items (Refer note 2)	12.74	5.62	(53.95)	18.36	(64.44)	(74.72)
<b>7 Profit from operations before tax and share of profit/(loss) of associates (5 + 6)</b>	<b>529.59</b>	<b>377.05</b>	<b>501.34</b>	<b>906.64</b>	<b>841.13</b>	<b>1,608.55</b>
8 Tax expense/ (benefit):						
a. Current tax	109.33	93.84	126.78	203.17	245.60	406.49
b. Deferred tax	(5.55)	(14.57)	(11.44)	(20.12)	(49.05)	(51.60)
<b>9 Profit/(loss) before share of profit/(loss) of associates (7 - 8)</b>	<b>425.81</b>	<b>297.78</b>	<b>386.00</b>	<b>723.59</b>	<b>644.58</b>	<b>1,253.66</b>
10 Share in Profit/(Loss) of associates	0.64	(0.88)	(1.19)	(0.24)	(1.70)	(2.14)
<b>11 Profit/ (loss) for the period (9 + 10)</b>	<b>426.45</b>	<b>296.90</b>	<b>384.81</b>	<b>723.35</b>	<b>642.88</b>	<b>1,251.52</b>
<b>Attributable to:</b>						
Equity holders of the parent	425.38	296.11	384.48	721.49	642.28	1,250.63
Non-controlling interest	1.07	0.79	0.33	1.86	0.60	0.89
12 Other Comprehensive Income/(loss) (net of tax)	(23.15)	(177.88)	228.68	(201.03)	202.04	257.19
<b>13 Total Comprehensive income/(loss) (11+12)</b>	<b>403.30</b>	<b>119.02</b>	<b>613.49</b>	<b>522.32</b>	<b>844.92</b>	<b>1,508.71</b>
<b>Attributable to:</b>						
Equity holders of the parent	402.23	118.23	613.16	520.46	844.32	1,507.82
Non-controlling interest	1.07	0.79	0.33	1.86	0.60	0.89
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						(375.60)
16 Earnings per share (of ₹ 10/- each) (not annualised)						
Basic and diluted earnings per share (₹)	14.93	10.39	13.49	25.32	22.54	43.88



## TATA COMMUNICATIONS

### G. 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 2021	June 30 2021	September 30 2020	September 30 2021	September 30 2020	March 31 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		Refer note a below	Refer note a below		Refer note a below	Refer note a below
<b><u>Income from operations</u></b>						
Voice Solutions	606.04	589.18	758.92	1,195.22	1,558.24	2,790.77
Data Services	3,157.19	3,121.92	3,228.50	6,279.11	6,424.45	12,672.76
Payment Solutions	40.89	37.58	58.05	78.47	110.30	215.37
Transformation Services	359.74	350.50	350.10	710.24	700.91	1,405.81
Real Estate	54.77	42.78	44.17	97.55	89.98	179.67
Less: Inter Segment Revenue	(44.61)	(39.17)	(38.66)	(83.78)	(79.86)	(164.28)
<b>Total</b>	<b>4,174.02</b>	<b>4,102.79</b>	<b>4,401.08</b>	<b>8,276.81</b>	<b>8,804.02</b>	<b>17,100.10</b>
<b><u>Segment result</u></b>						
Voice Solutions	39.36	19.94	40.74	59.30	98.40	136.47
Data Services	529.28	422.54	551.09	951.82	951.53	1,799.72
Payment Solutions	(15.22)	(10.33)	(33.81)	(25.55)	(66.15)	(107.58)
Transformation Services	(19.81)	(4.93)	3.59	(24.74)	0.47	7.17
Real Estate	37.64	27.07	23.99	64.71	53.18	110.93
<b>Total</b>	<b>571.25</b>	<b>454.29</b>	<b>585.60</b>	<b>1,025.54</b>	<b>1,037.43</b>	<b>1,946.71</b>
Less:						
(i) Finance Costs	90.82	96.21	106.41	187.03	222.70	420.20
(ii) Other un-allocable (income) net of un-allocable expenditure	(49.16)	(18.97)	(22.15)	(68.13)	(26.40)	(82.04)
<b>Profit before tax</b>	<b>529.59</b>	<b>377.05</b>	<b>501.34</b>	<b>906.64</b>	<b>841.13</b>	<b>1,608.55</b>



## TATA COMMUNICATIONS

### ii. Consolidated Segment Assets and Liabilities:

(₹ in crores)

Particulars	As at			
	September 30 2021	June 30 2021	September 30 2020	March 31 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		Refer note a below	Refer note a below	Refer note a below
<b>Segment Assets</b>				
Voice Solutions	401.70	407.65	509.56	397.46
Data Services	13,696.57	14,076.67	14,513.10	13,666.49
Payment Solutions	276.52	286.73	370.56	299.58
Transformation Services	610.07	645.01	691.02	667.40
Real Estate	414.38	409.59	465.51	404.80
	<b>15,399.24</b>	<b>15,825.65</b>	<b>16,549.75</b>	<b>15,435.73</b>
Unallocated Assets	4,838.83	4,985.13	5,943.56	5,897.68
<b>Total Segment Assets</b>	<b>20,238.07</b>	<b>20,810.78</b>	<b>22,493.31</b>	<b>21,333.41</b>
<b>Segment Liabilities</b>				
Voice Solutions	565.57	620.46	750.29	622.07
Data Services	8,697.81	8,764.13	8,993.10	8,785.41
Payment Solutions	217.72	211.13	263.82	217.64
Transformation Services	427.08	373.00	444.31	434.10
Real Estate	89.42	82.40	133.75	79.68
	<b>9,997.60</b>	<b>10,051.12</b>	<b>10,585.27</b>	<b>10,138.90</b>
Unallocated Liabilities	9,975.79	10,897.88	12,451.95	11,050.88
<b>Total Segment Liabilities</b>	<b>19,973.39</b>	<b>20,949.00</b>	<b>23,037.22</b>	<b>21,189.78</b>

### iii. Notes to Segments:

a. Upto June 30, 2021, the Transformation services business was included in 'Data Services' segment. Effective, July 1, 2021, the Transformation services business is now separately reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and accordingly, it has been reported as a separate segment. The previous period segment information is restated to reflect the changes in the segment

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.



## TATA COMMUNICATIONS

### H. Statement of Consolidated Assets and Liabilities:

Particulars	₹ in Crores	
	As at	As at
	September 30 2021 (Unaudited)	March 31 2021 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	7,843.53	8,209.78
(b) Capital work-in-progress	741.15	394.46
(c) Right-of-use assets	1,250.26	1,333.67
(d) Investment property	371.38	276.94
(e) Investment property under development	22.22	116.21
(f) Goodwill	110.62	110.33
(g) Other intangible assets	1,392.84	1,472.68
(h) Intangible assets under development	135.43	98.46
(i) Financial assets		
(i) Investments		
(a) Investments in associates	788.05	718.69
(b) Other investments	165.81	232.24
(ii) Other financial assets	127.63	126.78
(j) Deferred tax assets (net)	328.90	310.23
(k) Non-current tax assets	1,695.08	1,888.71
(l) Other non-current assets	176.74	207.09
<b>Total Non-current assets</b>	<b>15,149.64</b>	<b>15,496.27</b>
<b>Current assets</b>		
(a) Inventories	37.03	34.44
(b) Financial assets		
(i) Other investments	589.95	1,282.43
(ii) Trade receivables	2,745.89	2,607.68
(iii) Cash and cash equivalents	692.21	817.85
(iv) Bank balances other than (iii) above	46.47	109.25
(v) Other financial assets	115.92	109.03
(c) Other current assets	716.84	746.22
	<b>4,944.31</b>	<b>5,706.90</b>
Assets classified as held for sale	144.12	130.24
<b>Total Current assets</b>	<b>5,088.43</b>	<b>5,837.14</b>
<b>TOTAL ASSETS</b>	<b>20,238.07</b>	<b>21,333.41</b>



## TATA COMMUNICATIONS

### H. Statement of Consolidated Assets and Liabilities:

Particulars	₹ in Crores	
	As at	As at
	September 30 2021 (Unaudited)	March 31 2021 (Audited)
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	285.00	285.00
(b) Other equity	(48.08)	(169.54)
<b>Equity attributable to equity holders of the parent</b>	<b>236.92</b>	<b>115.46</b>
Non-controlling interests	27.76	28.17
<b>Total Equity</b>	<b>264.68</b>	<b>143.63</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	7,042.39	8,886.39
(ia) Lease liabilities	1,058.73	1,153.06
(ii) Other financial liabilities	28.03	8.79
(b) Provisions	603.94	547.52
(c) Deferred tax liabilities (net)	25.81	27.84
(d) Other non-current liabilities	2,694.31	2,799.61
<b>Total Non-current liabilities</b>	<b>11,453.21</b>	<b>13,423.21</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	2,008.51	1,072.07
(ia) Lease liabilities	276.98	282.08
(ii) Trade payables	3,216.27	3,239.47
(iii) Other financial liabilities	841.61	690.26
(b) Other current liabilities	1,625.29	1,846.82
(c) Provisions	127.52	140.57
(d) Current tax liabilities (net)	419.51	490.81
<b>Total Current liabilities</b>	<b>8,515.69</b>	<b>7,762.08</b>
Liabilities relating to assets held for sale	4.49	4.49
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20238.07</b>	<b>21,333.41</b>



## TATA COMMUNICATIONS

### I. Statement of Consolidated Cash Flow:

(₹ in Crores)

Particulars	For the half year ended		For the year ended
	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	March 31, 2021 (Audited)
<b>1 CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit from operations before tax and share of profit/(loss) of associates for the period	<b>906.64</b>	<b>841.13</b>	<b>1,608.55</b>
<b>Adjustments for:</b>			
Depreciation and amortisation expense	1,073.36	1,161.86	2,313.87
Gain on disposal of property, plant and equipment (net)	(1.43)	(42.82)	(42.27)
Gain on disposal of assets held for sale (exceptional item, advance received in previous period)	-	(67.38)	(67.38)
Gain on modification/ termination of lease	(0.62)	(23.11)	(31.94)
Interest income on financial assets carried at amortised cost	(4.32)	(7.84)	(11.53)
Finance cost	187.03	222.70	420.20
Bad debts written off	18.73	46.95	47.33
Allowance for trade receivables	(17.77)	12.34	20.02
Provision for inventories and CWIP	4.26	6.50	15.09
Allowance for doubtful advances	1.17	(0.70)	0.29
Gain on investments carried at fair value through profit or loss (net)	(18.81)	(19.49)	(44.54)
Dividend from investments at fair value through OCI		-	(20.93)
Exchange fluctuation	(9.36)	9.21	22.10
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,138.88</b>	<b>2,139.35</b>	<b>4,228.86</b>
<b>Adjustment for (increase)/decrease in operating assets</b>			
Inventories	(5.02)	14.46	31.51
Trade receivables	(122.58)	(79.84)	515.76
Other assets	45.12	99.49	70.20
<b>Adjustment for increase/(decrease) in operating liabilities</b>			
Trade payables	(49.81)	(254.66)	(554.67)
Other liabilities	(266.81)	(233.98)	(553.58)
Provisions	(13.09)	9.94	(25.85)
Adjustment of translation differences on working capital	4.61	(18.08)	(35.98)
<b>Cash generated from operations before tax</b>	<b>1,731.30</b>	<b>1,676.68</b>	<b>3,676.25</b>
Income tax refund/(paid) (net)	(73.73)	(230.07)	(496.42)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>1,657.57</b>	<b>1,446.61</b>	<b>3,179.83</b>



## TATA COMMUNICATIONS

### I. Statement of Consolidated Cash Flow:

(₹ in Crores)

	Particulars	For the half year ended		For the year ended
		September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	March 31, 2021 (Audited)
2	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Payment to purchase of property, plant and equipments and intangible assets	(704.43)	(655.45)	(1,363.63)
	Proceeds from disposal of property, plant and equipments and intangible assets	2.47	3.11	11.36
	Advance received towards assets held for sale	-	9.11	9.11
	Proceeds from disposal of asset held for sale	3.44	0.41	0.41
	Purchase of investments in associates	(69.63)	(34.31)	(34.31)
	Purchase of non-current investments	(4.46)	(29.51)	(29.25)
	Dividend from investments at fair value through OCI	-	-	20.93
	Net cash outflow on acquisition of subsidiary	-	-	(1.58)
	Purchase of current investments	(2,560.35)	(3,767.39)	(6,389.26)
	Proceeds from sale of current investments	3,271.64	3,294.30	5,813.14
	Fixed deposits liquidated/(placed)	63.66	2.70	(50.96)
	Earmarked funds	0.01	-	(0.98)
	Interest received	3.67	6.13	10.42
	<b>NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES</b>	<b>6.02</b>	<b>(1,170.90)</b>	<b>(2,004.60)</b>
3	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Proceeds from Short-term borrowings	908.27	1,849.57	2,929.55
	Repayment of Short-term borrowings	(1,116.25)	(1,975.76)	(4,252.87)
	Proceeds from Long-term borrowings	5.25	649.51	5,372.55
	Repayment of Long-term borrowings	(849.62)	(38.16)	(4,517.35)
	Repayment of lease liabilities	(183.93)	(190.49)	(369.94)
	Dividends paid	(399.00)	(114.00)	(114.00)
	Dividends paid to non-controlling interest	(2.27)	(1.23)	(1.21)
	Finance cost	(153.36)	(133.48)	(251.50)
	<b>NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>(1,790.91)</b>	<b>45.96</b>	<b>(1,204.77)</b>
	<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(127.32)</b>	<b>321.67</b>	<b>(29.54)</b>
	<b>CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD</b>	<b>817.85</b>	<b>850.00</b>	<b>850.00</b>
	Exchange difference on translation of foreign currency cash and cash equivalents	1.68	(7.00)	(2.61)
	<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD</b>	<b>692.21</b>	<b>1,164.67</b>	<b>817.85</b>
i	Figures in brackets represent outflows			



## TATA COMMUNICATIONS

### Notes to consolidated financial results:

- The above consolidated unaudited results of the Group for the quarter and half year ended September 30, 2021 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 20, 2021.
- 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 2021	June 30 2021	September 30 2020	September 30 2021	September 30 2020	March 31 2021
1. Gain on sale of assets held for sale (refer note a)	-	-	67.38	-	67.38	67.38
2. Provision towards License Fee (Refer note b)	-	-	(11.80)	-	(22.29)	(37.88)
3. Staff cost optimization (Refer note c)	2.66	5.62	(109.53)	8.28	(109.53)	(128.47)
4. Insurance claim (Refer note d)	10.08	-	-	10.08	-	24.25
<b>Total</b>	<b>12.74</b>	<b>5.62</b>	<b>(53.95)</b>	<b>18.36</b>	<b>(64.44)</b>	<b>(74.72)</b>

- During the year ended March 31, 2021, the Company concluded the sale off a parcel of its land along with building on such land, for a total consideration of ₹ 67.41 crores (net of transaction cost) resulting into a gain of ₹ 67.38 crores. These assets were disclosed under assets held for sale.
  - During the year ended March 31, 2020 the company made a provision towards license fees of ₹ 341.64 crores which includes ₹337.17 crores towards the period covered in the DOT demand (Refer note 3a). Further during the year ended March 31, 2021, the Company made a provision of ₹ 37.88 crores towards interest on the unpaid provisions and made a payment of ₹ 379.51 crores under protest to DOT.
  - 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. The Group has reversed certain provisions based on final settlement.
  - During the quarter and year ended March 31, 2021, the Company had recognized an insurance claim of ₹ 24.25 crores against loss caused due to malfunctioning of the fire suppression system in earlier years. Further, during the current quarter, the Company recognised an amount of ₹ 10.08 crores based on final settlement of the claim.
- During the quarter ended September 30, 2019, the Company had received demands from Department of Telecommunications (DOT) aggregating to ₹ 6,633.43 crores 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 ₹ 5,433.70 crores 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 ₹ 337.17 crores during the quarter ended March 31, 2020 and for the balance amount of ₹ 5,096.53 crores, 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. During the quarter ended March 31, 2021, the Company has made a payment of ₹ 379.51 crores under protest to DOT.



## TATA COMMUNICATIONS

With respect to demands for the balance amount of ₹ 1,199.73 crores, 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 ₹ 1,199.73 crores as part of contingent liability.

b) During year ended March 31, 2021 an associate considered certain provision in its financials, the Group has considered the same as contingent liability which is consistent with the treatment of similar item in its financials and accordingly adjusted its share of profit/(loss) in associate by ₹ 24.40 crores (net of tax). The Groups share of profit in the associate after this adjustment is ₹ 6.55 crores. The Group has obtained a legal opinion in this regard.

4. During the quarter ended September 30, 2019, a subsidiary domiciled abroad, has received a final VAT assessment from VAT authorities for ₹ 133.29 crores, during the quarter ended December 31, 2019 a final penalty assessment of ₹ 155.61 crores was also received. On July 1, 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 regard.
5. The Group recognizes change in fair value of one of its investments in a fund through Other Comprehensive Income. From the current quarter, the Group has started reviewing such investment on a net aggregate basis, accordingly, any gain or loss on disposal of individual investment of the Fund is considered as a Fair Value change on the aggregate basis and recognized in Other Comprehensive Income resulting into a reduction of ₹ 26.86 crores
6. Previous periods' figures have been rearranged wherever necessary to conform to the current period classifications/disclosures.

For TATA COMMUNICATIONS LIMITED

AMUR  
SWAMINATHAN  
LAKSHMINARAYANAN

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Date: 2021.10.20 15:19:45  
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Place: Mumbai  
Date: October 20, 2021

A. S. LAKSHMINARAYANAN  
MANAGING DIRECTOR & CEO

**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, 2021 and year to date from April 1, 2021 to September 30, 2021 (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. 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

Tata Communications Limited  
Limited Review Report – September 30, 2021

5. As fully discussed in note 3 to the standalone financial results for the quarter ended and period September 30, 2021, 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 6,633.43 crores. Of this amount, the Company has provided Rs 337.17 crores with respect to the demand of Rs 5,433.70 crores and believes that the likelihood of the balance demand Rs 5,096.53 crores materializing is remote. Further, the Company has disclosed the demand of Rs 1,199.73 crores 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 conclusion is not modified in this regard.

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

Chartered Accountants

**ICAI Firm registration number: 101049W/E300004**

HORMUZ  
ERUCH  
MASTER

Digitally signed by HORMUZ  
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**per Hormuz Master**

Partner

Membership No.: 110797

UDIN: 21110797AAAACL4624

Place: Mumbai

Date: October 20, 2021

**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, 2021 and year to date from April 1, 2021 to September 30, 2021 (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. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding 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 other 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 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

Tata Communications Limited

Limited Review Report – September 30, 2021

6. As fully discussed in note 3 to the consolidated financial results for the quarter and period ended September 30, 2021, the Holding 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 6,633.43 crores. Of this amount, the Holding Company has provided Rs 337.17 crores with respect to the demand of Rs 5,433.70 crores and believes that the likelihood of the balance demand of Rs 5,096.53 crores materializing is remote. Further, the Holding Company has disclosed the demand of Rs 1,199.73 crores and Rs 24.40 crores on estimated basis with respect to equity share in an associate company for a similar matter, as part of contingent liability. The Holding Company believes that it has grounds to defend its position and has also obtained a legal opinion in this regard. Our conclusion is not modified in this regard.
7. We draw attention to note 4 to the consolidated financial results for the quarter and period ended September 30, 2021, which describes the uncertainty related to the outcome of the ongoing tax litigation of Rs. 288.90 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. Our conclusion is not modified in this regard.
8. 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. 74.34 crores as at September 30, 2021, total revenues of Rs 16.20 crores and Rs 30.51 crores, total net profit after tax of Rs. 1.17 crores and Rs. 4.25 crores, total comprehensive income of Rs. 1.16 crores and Rs. 5.20 crores, for the quarter ended September 30, 2021 and the period ended on that date respectively, and net cash outflows of Rs. 12.98 crores for the period from April 1, 2021 to September 30, 2021, as considered in the Statement which have been reviewed by their respective independent auditor. The independent auditor's report on interim financial results of this entity has 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.
9. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of two subsidiaries, whose interim financial results and other financial information reflect total assets of Rs 64.35 crores as at September 30, 2021, and total revenues of Rs 12.66 crores and Rs 22.54 crores, total net profit after tax of Rs. 2.46 crores and Rs. 3.81 crores, total comprehensive income of Rs. 1.44 crores and Rs. 3.25 crores, for the quarter ended September 30, 2021 and the period ended on that date respectively, and net cash outflows of Rs. 8.86 crores for the period from April 1, 2021 to September 30, 2021 and three associates whose interim financial results includes the Group's share of net profit of Rs. 0.64 crores and net loss of Rs. 0.24 crores and Group's share of total comprehensive income of Rs. 0.63 crores and total comprehensive loss of Rs. 0.28 crores for the quarter ended September 30, 2021 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 auditor(s) 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. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

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

Chartered Accountants

Tata Communications Limited  
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Our conclusion on the Statement in respect of matters stated in para 8 and 9 above is not modified with respect to our reliance on the work done and the report of the other auditor and the financial results and other financial information approved and furnished to us by the Management.

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

Chartered Accountants

**ICAI Firm registration number: 101049W/E300004**

**HORMUZ**  
**ERUCH**  
**MASTER**

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**per Hormuz Master**

Partner

Membership No.: 110797

UDIN: 21110797AAAACM7255

Place: Mumbai

Date: October 20, 2021

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

Chartered Accountants

Tata Communications Limited  
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## **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 Move Uk Limited
39. Tata Communications Payment Solutions Limited
40. Tata Communications Services (International) Pte. Ltd.
41. Tata Communications Svcs Pte Ltd
42. Tata Communications Transformation Services (Hungary) Kft.
43. Tata Communications Transformation Services (Us) Inc
44. Tata Communications Transformation Services Limited
45. Tata Communications Transformation Services Pte Limited
46. Tata Communications Transformation Services South Africa (Pty) Ltd

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

Chartered Accountants

Tata Communications Limited  
Limited Review Report – September 30, 2021

47. Te Iot Managed Solutions Limited (Applied For Strike Off On 29.11.2019)
48. Tpop Communication Gmbh
49. Tets Senegal Limited
50. Vsnl Snospv Pte. Ltd.
51. Itxc Ip Holdings S.A.R.L.
52. Mucoso B.V.
53. Netfoundry Inc.
54. Nexus Connexion (Sa) Pty Limited
55. Sepco Communications (Pty) Limited
56. Oasis Smart Sim Europe SAS
57. Oasis Smart E-Sim Pte. Ltd

## Associates

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

PRESS RELEASE

## Tata Communications delivers robust profit growth

**Q2 FY22 PAT at INR 425 crores | Consolidated EBITDA increased by +12.9% QoQ with margin expansion of 260 basis points (BPs)**

**Mumbai – 20<sup>th</sup> October 2021** - Tata Communications, a global digital ecosystem enabler, today announces its financial results for the second quarter ended 30<sup>th</sup> September 2021.

### Highlights | Q2 FY2022

#### Consolidated financial highlights

- Consolidated revenue came in at INR 4,174 crore (USD 563 Mn); growth of +1.7% QoQ and 5.2% decrease YoY. Sequential growth is on account of gradual recovery across both Data and Voice segments.
- Consolidated EBITDA stood at INR 1,113 crore (USD 150 Mn); an increase of +12.9% QoQ and a decrease of 3.9% YoY with margins at 26.7%. Margin expanded by 260 BPs QoQ and 40 BPs on a YoY basis.
- Consolidated Profit After Tax (PAT) is at INR 425 crore (USD 57 Mn) as compared to a profit of INR 385 crore in Q2 FY21, registering a growth of + 10.6% YoY and 43.7% QoQ.
- CAPEX for this quarter was at INR 392 crore as compared to INR 318 crore in Q2 FY21.

₹ 4174 Cr

Consolidated revenue

₹ 1113 Cr

Consolidated EBITDA

Consolidated Nos.	INR Crore	QoQ Growth	YoY Growth
Gross Revenue	4174	1.7%	(5.2%)
EBITDA	1113	12.9%	(3.9%)
EBITDA Margin	26.7%	260 BPs	40 BPs
PAT	425	43.7%	10.6%

**Data services portfolio**

- Data revenues stood at INR 3,140 crore, registering a growth of + 1.1% QoQ and a decrease of 2.2% YoY. With COVID situation easing, we have started to witness gradual recovery in business, all segments grew sequentially after 3 quarters of decline.
- EBITDA for the segment was at INR 1,049crore, registering a growth of +12.6% QoQ and a decrease of 3.4% YoY, with margin at 33.4% on the back of growth in profitability in Core Connectivity and Digital Platforms & Services.
- Core Connectivity portfolio delivered growth of + 0.4% YoY in revenue; EBITDA increased by +0.9% YoY and +8.0% QoQ, with margins at 45.9%.
- Digital Platforms and Services have started to show gradual recovery on a quarterly basis, revenue improving by +2.3% QoQ.

Commenting on the second quarter performance, A.S Lakshminarayanan, MD and CEO, Tata Communications, said, “Delivering a sequential growth on a quarter-on-quarter basis after three quarters of decline is a positive indicator which we will continue to build on. The second quarter of FY22 was marked by recovery with favorable underlying trends as economic activities normalise. As the global industries recover, we continue to maintain sharp focus on the needs of our customers, in line with the rapidly changing trends and evolving digital needs.”

Commenting on the results, Kabir Ahmed Shakir, Chief Financial Officer, Tata Communications, said, “Our performance in the second quarter demonstrates a continued improvement in revenue supported by improvement in profitability and build-up of free cash flow. We continue to strengthen our balance sheet and invest for future growth as we evolve as a trusted partner for our customers, enabling their digital transformation journey.”

An investor fact sheet providing detailed analysis of the results for the quarter and half year ended 30<sup>th</sup> September 2021, 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 80% of the world's cloud giants. Its Tier-1 IP network wholly owned subsea fibre backbone and consortium cables' global network carries ~30% of the world's internet routes. For more information, please visit [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.

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