



TATA COMMUNICATIONS LIMITED

Regd. Office : VSB, M.G. Road, Fort, Mumbai - 400 001 India
Tel 91 22 6659 1968 Website: www.tatacommunications.com
CIN:L64200MH1986PLC039266

Extract of Standalone and Consolidated Financial Results For the Quarter ended June 30, 2021

Standalone	(₹ in Crores)			
	For the quarter ended			For the year ended
	June 30 2021 (Unaudited)	March 31 2021 (refer note 2)	June 30 2020 (Unaudited)	March 31 2021 (Audited)
Total Income from operations (net)	1,745.20	1,620.87	1,545.85	6,499.88
Profit before exceptional items and tax	400.56	246.96	245.61	1,178.48
Profit / (Loss) before tax	400.56	266.40	235.12	1,229.30
Profit / (Loss) after tax	333.75	209.34	173.67	962.66
Total Comprehensive Income / (Loss) for the period	309.26	213.33	161.28	959.93
Equity share capital	285.00	285.00	285.00	285.00
Earnings per share (of ₹10/- each) (Not Annualised) Basic and Diluted (₹)	11.71	7.34	6.09	33.78

Consolidated	(₹ in Crores)			
	For the quarter ended			For the year ended
	June 30 2021 (Unaudited)	March 31 2021 (refer note 2)	June 30 2020 (Unaudited)	March 31 2021 (Audited)
Total Income from operations (net)	4,116.14	4,130.95	4,417.68	17,256.86
Profit from operations before exceptional items, tax and share of profit/(loss) of associate	371.43	384.79	350.28	1,683.27
Profit/(Loss) from operations before tax and share of profit/(loss) of associate	377.05	385.94	339.79	1,608.55
Profit / (Loss) from operations	296.90	299.23	258.07	1,251.52
Total Comprehensive Income / (Loss) for the period	119.02	270.55	231.43	1,508.71
Equity share capital	285.00	285.00	285.00	285.00
Earnings per Share (of ₹10/-each) (Not Annualised) Basic and Diluted (₹)	10.39	10.50	9.05	43.88

Notes :-

- The above Standalone and Consolidated results for the quarter ended June 30, 2021 were taken on record and approved by the Board of Directors at their meeting held on August 04, 2021. These results have been reviewed by the audit committee and have been subjected to a limited review by the statutory auditors.
- The figures of the quarters ended March 31, 2021 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, 2020, which were subjected to limited review by the statutory auditors.
- 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.
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.
- During the quarter ended September 30, 2019, a subsidiary domiciled abroad, has received a final VAT assessment from VAT authorities for ₹ 136.98 crores, during the quarter ended December 31, 2019 a final penalty assessment of ₹ 159.92 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.
- During the year ended March 31, 2021 an associate considered certain provisions 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) in its consolidated financial statements. 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.
- The company has investment in its subsidiary Tata Communications Payment Solutions Limited ('TCPSL') and its carrying value is ₹ 953.03 crs as on Jun 30, 2021. RBI has increased the Inter Bank Rate (IBR) with effect from August 01, 2021. TCPSL has revised its Business Plan on the basis of increase in IBR as notified by RBI and its internal assessment. Based on the revised business plan, the management is of the view that the carrying value of the investment in TCPSL as at June 30, 2021 is appropriate.
- The outbreak of Coronavirus (Covid-19) pandemic globally and in India has caused and continues to cause significant variation in the economic activity. The Group has considered internal and external information while finalizing various estimates. The Group will continue to closely monitor any changes in future economic conditions and assess its impact on the operations.
- The above is an extract of the detailed format of standalone and consolidated audited financial results for the quarter ended June 30, 2021, filed with the Stock Exchange under Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as modified by circular no CIR/CFD/FAC/62/2016 dated July 5, 2016. The full format of the standalone and consolidated financial results for the quarter ended June 30, 2021 are available on the stock exchange websites, www.nseindia.com and www.bseindia.com and on the Company's website www.tatacommunications.com

Place: Mumbai

Date: August 04, 2021

For TATA COMMUNICATIONS LIMITED

AMUR S. LAKSHMINARAYANAN
MANAGING DIRECTOR & CEO



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AMUR S. LAKSHMINARAYANAN
MANAGING DIRECTOR & CEO

Place: Mumbai

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