



TATA COMMUNICATIONS LIMITED

Regd. Office : VSB, M.G. Road, Fort, Mumbai - 400 001 India

Tel 91 22 6659 1966 Website: www.tatacommunications.com

CIN:L64200MH1986PLC039266

EXTRACT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

Standalone	For the quarter ended			For the half year ended		For the year ended
	September 30 2020 (Unaudited)	June 30 2020 (Unaudited)	September 30 2019 (Unaudited)	September 30 2020 (Unaudited)	September 30 2019 (Unaudited)	March 31 2020 (Audited)
Total Income from operations (net)	174941	154585	151329	329526	296307	593060
Profit before exceptional items and tax	43201	24561	17661	67762	41443	71970
Profit / (Loss) before tax	48531	23512	17069	72043	40851	37355
Profit / (Loss) after tax	39873	17367	7515	57240	24213	20878
Total Comprehensive Income / (Loss) for the period	40896	16128	6639	57024	22105	17677
Equity share capital	28500	28500	28500	28500	28500	28500
Earnings per share (of ₹10/- each) (Not Annualised) Basic and Diluted (₹)	13.99	6.09	2.64	20.08	8.50	7.33

Consolidated	For the quarter ended			For the half year ended		For the year ended
	September 30 2020 (Unaudited)	June 30 2020 (Unaudited)	September 30 2019 (Unaudited)	September 30 2020 (Unaudited)	September 30 2019 (Unaudited)	March 31 2020 (Audited)
Total Income from operations (net)	447718	441768	428230	889486	845976	1713767
Profit from operations before exceptional items, tax and share of profit/(loss) of associate	55529	35028	16916	90557	33574	53017
Profit from operations before tax and share of profit/(loss) of associate	50134	33979	16324	84113	32334	13966
Profit / (Loss) from operations	38481	25807	5431	64288	13131	(8483)
Total Comprehensive Income / (Loss) for the period	61349	23143	(13389)	84492	(7933)	(77794)
Equity share capital	28500	28500	28500	28500	28500	28500
Earnings per Share (of ₹10/-each) (Not Annualised) Basic and Diluted (₹)	13.49	9.05	1.89	22.54	4.58	(3.02)

Notes :-

1. The above Standalone and Consolidated results for the quarter and half year ended September 30, 2020 were taken on record and approved by the Board of Directors at their meeting held on October 16, 2020. These results have been reviewed by the audit committee and have been subjected to a limited review by the statutory auditors.

2. During the quarter ended September 30, 2020, the Company concluded the sale of a parcel of its land along with building on such land, for a total consideration of ₹ 6741 lakhs (net of transaction cost) resulting in a gain of ₹ 6738 lakhs. These assets were disclosed under assets held for sale.

3. 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.

4. During the quarter ended September 30, 2019, a subsidiary domiciled abroad, has received a final VAT assessment from VAT authorities for ₹ 13391 lakhs, during the quarter ended December 31, 2019 a final penalty assessment of ₹ 15633 lakhs was also received. During the quarter ended September 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 regard.

5. 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.

6. 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 and 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 Standalone and Consolidated financial results may differ from that estimated as at the date of approval of the Standalone and Consolidated financial results. The Company and the Group will continue to closely monitor any changes in future economic conditions and assess its impact on the operations.

7. The above is an extract of the detailed format of standalone and consolidated unaudited financial results for the quarter and half year ended September 30, 2020, 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 half year ended September 30, 2020 are available on the stock exchange websites, www.nseindia.com and www.bseindia.com and on the Company's website www.tatacommunications.com

For TATA COMMUNICATIONS LIMITED

AMUR S. LAKSHMINARAYANAN
MANAGING DIRECTOR & CEO

Place: Mumbai

Date: October 16, 2020



TATA COMMUNICATIONS LIMITED

Regd. Office : VSB, M.G. Road, Fort, Mumbai - 400 001 India
Tel 91 22 6659 1966 Website: www.tatacommunications.com
CIN:L64200MH1986PLC039266

EXTRACT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

Standalone	(₹ in Lakhs)					
	For the quarter ended			For the half year ended		For the year ended
	September 30 2020 (Unaudited)	June 30 2020 (Unaudited)	September 30 2019 (Unaudited)	September 30 2020 (Unaudited)	September 30 2019 (Unaudited)	March 31 2020 (Audited)
Total Income from operations (net)	174941	154585	151329	329526	296307	593060
Profit before exceptional items and tax	43201	24561	17661	67762	41443	71970
Profit / (Loss) before tax	48531	23512	17069	72043	40851	37355
Profit / (Loss) after tax	39873	17367	7515	57240	24213	20878
Total Comprehensive Income / (Loss) for the period	40896	16128	6639	57024	22105	17677
Equity share capital	28500	28500	28500	28500	28500	28500
Earnings per share (of ₹10/- each) (Not Annualised) Basic and Diluted (₹)	13.99	6.09	2.64	20.08	8.50	7.33

Consolidated	(₹ in Lakhs)					
	For the quarter ended			For the half year ended		For the year ended
	September 30 2020 (Unaudited)	June 30 2020 (Unaudited)	September 30 2019 (Unaudited)	September 30 2020 (Unaudited)	September 30 2019 (Unaudited)	March 31 2020 (Audited)
Total Income from operations (net)	447718	441768	428230	889486	845976	1713767
Profit from operations before exceptional items, tax and share of profit/(loss) of associate	55529	35028	16916	90557	33574	53017
Profit from operations before tax and share of profit/(loss) of associate	50134	33979	16324	84113	32334	13966
Profit / (Loss) from operations	38481	25807	5431	64288	13131	(8483)
Total Comprehensive Income / (Loss) for the period	61349	23143	(13389)	84492	(7933)	(77794)
Equity share capital	28500	28500	28500	28500	28500	28500
Earnings per Share (of ₹10/-each) (Not Annualised) Basic and Diluted (₹)	13.49	9.05	1.89	22.54	4.58	(3.02)

Notes :-

- The above Standalone and Consolidated results for the quarter and half year ended September 30, 2020 were taken on record and approved by the Board of Directors at their meeting held on October 16, 2020. These results have been reviewed by the audit committee and have been subjected to a limited review by the statutory auditors.
- During the quarter ended September 30, 2020, the Company concluded the sale off a parcel of its land along with building on such land, for a total consideration of ₹ 6741 lakhs (net of transaction cost) resulting in to a gain of ₹ 6738 lakhs. These assets were disclosed under assets held for sale.
 - 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.
- During the quarter ended September 30, 2019, a subsidiary domiciled abroad, has received a final VAT assessment from VAT authorities for ₹ 13391 lakhs, during the quarter ended December 31, 2019 a final penalty assessment of ₹ 15633 lakhs was also received. During the quarter ended September 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 regard.
 - 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.
- 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 and 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 Standalone and Consolidated financial results may differ from that estimated as at the date of approval of the Standalone and Consolidated financial results. The Company and 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 unaudited financial results for the quarter and half year ended September 30, 2020, 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 half year ended September 30, 2020 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: October 16, 2020

For TATA COMMUNICATIONS LIMITED
AMUR S. LAKSHMINARAYANAN
MANAGING DIRECTOR & CEO