



HQ/CS/CL.24B/16243  
24 July 2017

Sir,

**Sub: Unaudited Financial Results of Tata Communications Limited (the Company)  
for the quarter ended 30 June 2017.**

Pursuant to Regulation 33 read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) the following documents and information are submitted:

- i. Unaudited Financial Results (prepared in accordance with Regulation 33 of SEBI Listing Regulations) for the quarter ended 30 June 2017, which has been approved by the Board of Directors in their meeting, held on 24 July 2017 is attached as **Attachment A**.
- ii. Limited Review Report of the auditors on the unaudited financial results for the first quarter ended 30 June 2017 is attached as **Attachment B**.
- iii. The press release in this regard is attached as **Attachment C**.

The aforesaid documents are also placed on the website of the Company at [www.tatacommunications.com/investor-relations/results](http://www.tatacommunications.com/investor-relations/results).

Pursuant to Regulation 33 (3)(b) of the SEBI Listing Regulations, we further intimate the Stock Exchanges that, in addition to quarterly and year-to-date standalone financial results, the Company shall submit quarterly and year-to-date consolidated financial results for the financial year 2017-18.

Thanking you,  
Yours faithfully,

For Tata Communications Limited

  
Manish Sansi  
Company Secretary &  
General Counsel (India)

To:

- 1) Security Code 500483, BSE Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.
- 2) Security Code TATACOMM, National Stock Exchange of India Limited. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra 400051

**TATA COMMUNICATIONS**

Tata Communications Limited

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# TATA COMMUNICATIONS LIMITED

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

(₹ in Lakhs)

## A. STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017

	Particulars	For the quarter ended			For the year ended
		June 30 2017	March 31 2017	June 30 2016	March 31 2017
	(Refer notes below)	(unaudited)	(audited) (Refer note 2)	(unaudited)	(audited)
1	Income from operations	129160	128049	122052	506815
2	Other income, net (Refer note 3)	6699	(61408)	16274	(1691)
3	<b>Total Revenue (1+2)</b>	<b>135859</b>	<b>66641</b>	<b>138326</b>	<b>505124</b>
4	<b>Expenses</b>				
	a. Network and transmission expense	50335	48165	47102	192339
	b. Employee benefits expense	22276	18953	18468	75709
	c. Finance costs	498	725	828	3068
	d. Depreciation and amortisation expense	19100	19756	18947	76458
	e. Other expenses	31357	35647	23922	119448
	<b>f. Total expenses (4a to 4e)</b>	<b>123566</b>	<b>123246</b>	<b>109267</b>	<b>467022</b>
5	<b>Profit/ (Loss) from ordinary activities before exceptional items and tax (3 - 4)</b>	<b>12293</b>	<b>(56605)</b>	<b>29059</b>	<b>38102</b>
6	<b>Exceptional items:</b>				
	a. Net gain/ (loss) on partial sale of interest in subsidiary (Refer note 4)	-	(1045)	-	169622
	b. Provision for contractual obligation (Refer note 5)	-	(87201)	-	(87201)
	c. Staff cost optimization	-	(39)	-	(39)
7	<b>Profit/ (Loss) from ordinary activities before tax (5 + 6)</b>	<b>12293</b>	<b>(144890)</b>	<b>29059</b>	<b>120484</b>
8	<b>Tax (benefit)/ expense:</b>				
	a. Current tax	7254	(4285)	9276	60250
	b. Deferred tax	(3144)	(14119)	(650)	(8749)
9	<b>Profit/ (Loss) for the period (7 - 8)</b>	<b>8183</b>	<b>(126486)</b>	<b>20433</b>	<b>68983</b>
10	Other Comprehensive Income (net of tax)	(557)	456	(407)	(18802)
11	<b>Total Comprehensive Income/ (Loss) (9 + 10)</b>	<b>7626</b>	<b>(126030)</b>	<b>20026</b>	<b>50181</b>
12	Paid up Equity Share Capital (Face value of ₹ 10 per share)	28500	28500	28500	28500
13	Paid up Debt Capital				73725
14	Reserves excluding Revaluation Reserve				876415
15	Earnings Per Share (of ₹ 10/- each) (not annualised)				
	Basic and diluted earnings per share ₹	2.87	(44.38)	7.17	24.20



**B. Standalone Business Segment Information:**

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

(₹ in Lakhs)

Particulars	For the quarter ended			For the year ended
	June 30 2017	March 31 2017	June 30 2016	March 31 2017
	(unaudited)	(Refer note 2)	(unaudited)	(audited)
<b>Income from Operations</b>				
Voice Solutions	17277	16161	17307	76784
Data and Managed Services	111883	111888	104745	430031
<b>Total</b>	<b>129160</b>	<b>128049</b>	<b>122052</b>	<b>506815</b>
<b>Segment result</b>				
Voice Solutions	(14192)	(9497)	(15030)	(49386)
Data and Managed Services	20284	15025	28643	92247
<b>Total</b>	<b>6092</b>	<b>5528</b>	<b>13613</b>	<b>42861</b>
Less :				
(i) Finance Costs	498	725	828	3068
(ii) Other un-allocable (income) net of un-allocable expenses	(6699)	149693	(16274)	(80691)
<b>Profit/ (Loss) before taxes</b>	<b>12293</b>	<b>(144890)</b>	<b>29059</b>	<b>120484</b>

**ii. Segment Assets and Liabilities:**

(₹ in Lakhs)

Particulars	As on		
	June 30 2017	March 31 2017	June 30 2016
<b>Segment Assets</b>			
Voice Solutions	27340	27637	30683
Data and Managed Services	544541	530214	529358
Unallocable Assets	757549	756677	708491
<b>Total Assets</b>	<b>1329430</b>	<b>1314528</b>	<b>1268532</b>
<b>Segment Liabilities</b>			
Voice Solutions	26866	27703	27134
Data and Managed Services	240384	240443	210896
Unallocable Liabilities	149614	120861	129094
<b>Total Liabilities</b>	<b>416864</b>	<b>389007</b>	<b>367124</b>



### iii. Notes to Segments:

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

Voice Solutions include International and National Long Distance Voice services.

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

### Notes to standalone financial results:

1. The standalone unaudited financial results of the Company for the quarter ended June 30, 2017 have been subjected to a limited review by the statutory auditors. The above statement has been reviewed by the audit committee and taken on record and approved by the Board of Directors at their meeting held on July 24, 2017.
2. The figures of the quarter ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2017 and the published figures for the nine months ended December 31, 2016.
3. During the quarter ended March 31, 2017, other income includes a loss of ₹ 72936 lakhs on account of reduction in the fair value of preference shares of TCIPL on conversion into equity shares of TCIPL consequent to modification of terms of conversion.
4. During the quarter ended December 31, 2016, the Company has concluded the sale of 74% stake in Tata Communications Data Center Private Limited (TCDC) with Singapore Technologies Telemedia (ST Telemedia). Accordingly, the Company has recorded a gain of ₹ 169622 lakhs for the year ended March 31, 2017 (including the related adjustment for the quarter ended March 31, 2017).
5. During the quarter ended March 31, 2017, based on the Delhi High court order dated April 28, 2017, on the petition filed by NTT Docomo Inc, the Company has made a provision of ₹ 87201 lakhs, representing difference between the fair value of equity shares of TTSL to be repurchased (which is based on the valuation undertaken as at November 18, 2016) and the consideration payable to the buyer for discharge of the Company's obligation under the put option, as per the contractual obligation under the interse agreement. As at June 30, 2017, the Company is carrying a net asset of ₹ 18559 lakhs as advance for litigation (reflecting its obligation to buy 1,583.50 lakh shares of TTSL valued at ₹ 11.72 per share). As on date, TTSL has not been able to measure its fair value given the extent of volatility in the industry and market conditions. The statutory auditors report contains a qualification in this respect.
6. The Company has investment in equity shares of TTSL totaling ₹ 51553 lakhs, as at June 30, 2017, which is recognised at fair value through OCI. During the quarter ended December 31, 2016, the Company reassessed the fair value of TTSL and accordingly recognized a loss of ₹ 16671 lakhs in OCI. As of the date of issue of these financial results and subsequent to the November 18, 2016 valuation, TTSL has not been able to measure its fair value given the extent of volatility in the industry and market conditions. The statutory auditors report contains a qualification in this respect.



(₹ in Lakhs)

**C. STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017**

	Particulars	For the quarter ended			For the year ended
		June 30 2017	March 31 2017	June 30 2016	March 31 2017
	(Refer notes below)	(unaudited)	(audited) (Refer note 2)	(unaudited)	(audited)
<b>CONTINUING OPERATION</b>					
1	Income from operations (Refer note 3)	431002	429373	445686	1761973
2	Other income, net	4437	10115	9544	36029
3	<b>Total income from operations (1 + 2)</b>	<b>435439</b>	<b>439488</b>	<b>455230</b>	<b>1798002</b>
4	<b>Expenses</b>				
	a. Network and transmission expense	213411	210003	226841	881189
	b. Employee benefits expense	72294	74625	70091	283941
	c. Finance costs	7613	7802	9328	36719
	d. Depreciation and amortisation expense	44465	46769	46600	186577
	e. Other expenses	89433	94508	81558	356253
	<b>Total expenses (4a to 4e)</b>	<b>427216</b>	<b>433707</b>	<b>434418</b>	<b>1744679</b>
5	Profit before exceptional items, tax & share of profit/(loss) of associate (3 -4)	8223	5781	20812	53323
6	<b>Exceptional items:</b>				
	a. Provision for contractual obligation (Refer note 4)	-	(87201)	-	(87201)
	b. Impairment of Goodwill	-	(16959)	-	(16959)
	c. Staff cost optimization	-	(2173)	-	(2173)
7	<b>Profit/(Loss) from operations before tax and share of profit/(loss) of associate (5 - 6)</b>	<b>8223</b>	<b>(100552)</b>	<b>20812</b>	<b>(53010)</b>
8	<b>Tax (benefit)/ expense:</b>				
	a. Current tax	9294	1088	10571	27030
	b. Deferred tax	(4687)	(3004)	(3232)	(3392)
9	<b>Profit/(Loss) before share of profit/(loss) of associate (7 - 8)</b>	<b>3616</b>	<b>(98636)</b>	<b>13473</b>	<b>(76648)</b>
10	Share in Profit/(Loss) of Associates	(322)	395	-	508
11	<b>Profit/ (Loss) for the period from continuing operations (9+10)</b>	<b>3294</b>	<b>(98241)</b>	<b>13473</b>	<b>(76140)</b>

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(₹ in Lakhs)

**C. STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017**

	Particulars	For the quarter ended			For the year ended
		June 30 2017	March 31 2017	June 30 2016	March 31 2017
	(Refer notes below)	(unaudited)	(audited) (Refer note 2)	(unaudited)	(audited)
	<b>DISCONTINUED OPERATION</b>				
12	Profit/(Loss) before tax from discontinued operations	-	(3907)	551	12331
13	Gain on sale of business and subsidiaries (including impairment of goodwill)	-	74974	(9200)	242051
14	<b>Profit/(Loss) from Discontinued operations (before tax) (12+13)</b>	-	71067	(8649)	254382
15	Tax expense on Discontinued operations	-	(1093)	586	54696
16	<b>Profit/(Loss) from discontinued operations after tax (14-15)</b>	-	72160	(9235)	199686
17	<b>Net Profit/(Loss) from total operations (11+16)</b>	3294	(26081)	4238	123546
	<b>Attributable to:</b>				
	Shareholder of the Company	3225	(26175)	4178	123287
	Non controlling interest	69	94	60	259
18	Other Comprehensive Income/(Loss) (net of tax)	1010	127733	(18313)	86475
19	<b>Total Comprehensive Income/(Loss) (17+18)</b>	4304	101652	(14075)	210021
	<b>Attributable to:</b>				
	Shareholder of the Company	4235	101558	(14135)	209762
	Non controlling interest	69	94	60	259
20	Paid up Equity Share Capital (Face value of ₹10 per share)	28500	28500	28500	28500
21	Reserve excluding Revaluation Reserve	-	-	-	110084
22	Earnings Per Share (of ₹ 10/- each) (not annualised) Basic and diluted earnings per share ₹				
	(i) Continuing Operations	1.13	(34.50)	4.71	(26.81)
	(ii) Total Operations	1.13	(9.18)	1.47	43.26

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**D. Consolidated Business Segment Information:**

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

(₹ in Lakhs)

Particulars	For the quarter ended			For the year ended
	June 30 2017	March 31 2017	June 30 2016	March 31 2017
	(unaudited)	(audited) (Refer note 2)	(unaudited)	(audited)
<b><u>Income from Operations</u></b>				
Voice Solutions	153335	151087	180182	675832
Data and Managed Services	268054	268244	250503	1033971
Payment Solutions	9795	10191	15234	52810
Less:- Inter Segment Revenue	(182)	(149)	(233)	(640)
	431002	429373	445686	1761973
<b><u>Discontinued Operations</u></b>				
SAO	-	17485	36003	131874
Data Centre Services	-	2653	21482	55137
	-	20138	57485	187011
<b>Total</b>	431002	449511	503171	1948984
<b><u>Segment result</u></b>				
Voice Solutions	7650	3358	8952	27884
Data and Managed Services	8848	(12068)	13980	23516
Payment Solutions	(5099)	(4781)	(2336)	(14346)
	11399	(13491)	20596	37054
<b><u>Discontinued Operations</u></b>				
SAO	-	5118	(7019)	(19763)
Data Centre Services	-	794	9722	25923
	-	5912	2703	6160
<b>Total</b>	11399	(7579)	23299	43214
Less :				
(i) Finance Costs	7613	16096	17214	69132
(ii) Other un-allocable (income) net of un-allocable expenditure	(4437)	5810	(6078)	(227290)
<b>Profit/(Loss) before taxes**</b>	8223	(29485)	12163	201372

\*\* Aggregate of profit/(loss) before taxes of Continuing and Discontinued operations

*WMO*



ii. Consolidated Segment Assets and Liabilities:

(₹ in Lakhs)

Particulars	As on		
	June 30 2017	March 31 2017	June 30 2016
	(unaudited)	(audited)	(unaudited)
<b>Segment Assets</b>			
Voice Solutions	85114	92078	133140
Data and Managed Services	1352245	1331367	1388336
Payment Solutions	67366	67769	75313
	<b>1504725</b>	<b>1491214</b>	<b>1596789</b>
<b><u>Discontinued Operations</u></b>			
SAO	-	-	208951
Data Centre Services	-	-	124794
	-	-	<b>333745</b>
Unallocated Assets	611848	619015	624200
<b>Total Segment Assets</b>	<b>2116573</b>	<b>2110229</b>	<b>2554734</b>
<b>Segment Liabilities</b>			
Voice Solutions	134757	140932	149611
Data and Managed Services	794013	808699	799418
Payment Solutions	21142	18990	21913
	<b>949912</b>	<b>968621</b>	<b>970942</b>
<b><u>Discontinued Operations</u></b>			
SAO	-	-	78178
Data Centre Services	-	-	22507
	-	-	<b>100685</b>
Unallocated Liabilities	1022178	980581	1528936
<b>Total Segment Liabilities</b>	<b>1972090</b>	<b>1949202</b>	<b>2600563</b>

iii. Notes to Segments:

The Group's operating segments comprises of Voice Solutions, Data and Managed Services, Payment Solutions and South Africa Operations. The composition of the operating segments is as follows:

Voice Solutions (VS) include International and National Long Distance Voice services.

Data and Managed Services (DMS) include Corporate Data Transmission services, virtual private network, signaling and roaming services, television and other network and managed services, data center services.

Payment Solutions includes end-to-end ATM deployment end-to-end POS enablement hosted core banking end to end financial inclusion and card issuance and related managed services and switching services to banking sector carried out by Company's wholly owned subsidiary Tata Communications Payment Solutions Limited.





South Africa Operations (SAO) was carried out by the Company's subsidiary Neotel Pty Ltd. and comprise wholesale international voice and data transit enterprise business solution services for the wholesale and corporate market telephony and data services for retail customers in South Africa. This has now been discontinued and has been separately disclosed under discontinued operations.

Data Center services which was part of DMS has been discontinued and has been separately disclosed under discontinued operations.

#### Notes:

1. The above consolidated unaudited financial results of the Company and its subsidiaries (together referred to as "the Group") for the quarter ended June 30, 2017 have been subjected to a limited review by the statutory auditors. The above statement has been reviewed by the audit committee and taken on record and approved by the Board of Directors at their meeting held on July 24, 2017.
2. The figures of the quarter ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2017 and the published figures for the nine months ended December 31, 2016.
3. Income from continuing operations for the quarter ended June 30, 2017 includes an amount of ₹ 2569 lakhs towards termination of a long term leased circuit which was concluded during the quarter on receipt of formal intimation from the customer. Intent to terminate was expressed by the customer on March 31, 2017.
4. During the quarter ended March 31, 2017, based on the Delhi High court order dated April 28, 2017, on the petition filed by NTT Docomo Inc, the Company has made a provision of ₹ 87201 lakhs, representing difference between the fair value of equity shares of TTSL to be repurchased (which is based on the valuation undertaken as at November 18, 2016) and the consideration payable to the buyer for discharge of the Company's obligation under the put option, as per the contractual obligation under the interse agreement. As at June 30, 2017, the Company is carrying a net asset of ₹ 18559 lakhs as advance for litigation (reflecting its obligation to buy 1,583.50 lakh shares of TTSL valued at ₹ 11.72 per share). As on date, TTSL has not been able to measure its fair value given the extent of volatility in the industry and market conditions. The statutory auditors report contains a qualification in this respect.
5. The Company has investment in equity shares of TTSL totaling ₹ 51553 lakhs, as at June 30, 2017, which is recognised at fair value through OCI. During the quarter ended December 31, 2016, the Company reassessed the fair value of TTSL and accordingly recognized a loss of ₹ 16671 lakhs in OCI. As of the date of issue of these financial results and subsequent to the November 18, 2016 valuation, TTSL has not been able to measure its fair value given the extent of volatility in the industry and market conditions. The statutory auditors report contains a qualification in this respect.
6. Previous periods figures have been rearranged wherever necessary to conform to the current period classifications/disclosures.

For TATA COMMUNICATIONS LIMITED

VINOD KUMAR  
MANAGING DIRECTOR &  
GROUP CEO

Place : Mumbai  
Date : July 24, 2017

**Limited Review Report - Standalone Financial Results**

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 June 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 [read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016] is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. As described in note 6 to the standalone financial results for the quarter ended June 30, 2017, the fair value of the Company's investment in the unquoted equity shares of Tata Teleservices Limited ('TTSL') has not been determined as at June 30, 2017. Accordingly, we are unable to comment whether the carrying value of the investment in TTSL of Rs 51,553 lakhs and advance for litigation of Rs 18,559 lakhs (reflecting obligation to buy 1,583.50 lakh shares of TTSL valued at Rs 11.72 per share), as discussed in note 5, represents the fair value as at June 30, 2017 and whether any consequent adjustment is required to be recognized in other comprehensive income and profit and loss account, respectively.
5. Based on our review conducted as above, except for the possible effects of the our observations as stated in para 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



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

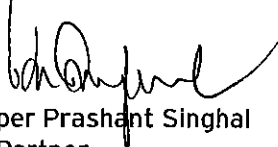
Chartered Accountants

6. The comparative Ind AS financial information of the Company for the corresponding quarter June 30, 2016 were reviewed by the predecessor auditor and the Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by predecessor auditor who expressed an unmodified opinion on financial information for the corresponding quarter June 30, 2016 on August 1, 2016 and modified opinion on financial information for the year ended March 31, 2017 on May 4, 2017.

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004

Chartered Accountants



per Prashant Singhal  
Partner

Membership No.: 93283



Place: Mumbai

Date: July 24, 2017

**Limited Review Report - Consolidated financial results**

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 'Company') and its subsidiaries (together, 'the Group') for the quarter ended June 30, 2017 (the 'Statement'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 [read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016] is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. As described in note 5 to the consolidated financial results for the quarter ended June 30, 2017, the fair value of the Company's investment in the unquoted equity shares of Tata Teleservices Limited ('TTSL') has not been determined as at June 30, 2017. Accordingly, we are unable to comment whether the carrying value of the investment in TTSL of Rs 51,553 lakhs and advance for litigation of Rs 18,559 lakhs (reflecting obligation to buy 1,583.50 lakh shares of TTSL valued at Rs 11.72 per share), as discussed in note 4, represents the fair value as at June 30, 2017 and whether any consequent adjustment is required to be recognized in other comprehensive income and profit and loss account, respectively.
5. The consolidated unaudited financial results includes Group's share of loss after tax of Rs 322 Lakhs for the quarter ended June 30, 2017, as considered in the consolidated unaudited financial results, in respect of five associates, based on their interim financial information which have not been reviewed by their auditors and is as certified by the management. Our report to the Statement is not modified in respect of our reliance on the interim information provided by the management.
6. Based on our review conducted as above, except for the possible effects of the our observations as stated in para 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



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

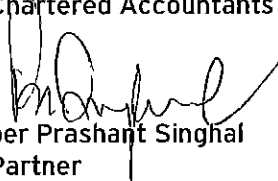
Chartered Accountants

7. The comparative Ind AS consolidated financial information of the Company for the corresponding quarter June 30, 2016 were reviewed by the predecessor auditor and the Ind AS consolidated financial statements of the Company for the year ended March 31, 2017, were audited by predecessor auditor who expressed an unmodified opinion on financial information for the corresponding quarter June 30, 2016 on August 1, 2016 and modified opinion on financial information for the year ended March 31, 2017 on May 4, 2017.

For S.R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W/E300004

Chartered Accountants



per Prashant Singh  
Partner

Membership No.: 93283



Place: Mumbai

Date: July 24, 2017

**TATA COMMUNICATIONS****For immediate release****PRESS RELEASE**

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## Tata Communications rings in a solid Q1 performance; posts net profit of INR 323 Million

*Growth services witness robust 25% growth Y-O-Y led by Cloud enablement services*

Mumbai - July 24<sup>th</sup> 2017 Tata Communications announces its financial results for the quarter ended June 30<sup>th</sup> 2017.

### Highlights | Q1 FY2018

- Data services revenues improved by 4.6% YoY. In USD terms Data revenue growth improved by 8.5% YoY. Growth services continue with their upward trajectory growing at 25% YoY. Traditional services grew by 7% YoY.
- Core revenues grew 0.4% QoQ reflecting impact due to currency translation; in USD terms core revenues improved by 4.4% QoQ. EBITDA was higher by 12.6% QoQ with margins at 13%, up 140 bps.
- On a YoY basis core revenues declined, as expected, primarily due to de-growth in the Voice business; in-line with the industry trends.
- Free Cash flow after capex, interest and tax was at INR 107 Crore (USD 17 Mn); a 45% increase YoY.

Core Nos.*	INR Crore	QoQ Growth	YoY Growth	USD Mn	QoQ Growth	YoY Growth
Gross Revenue	4310	0.4%	(3.3%)	668	4.4%	0.3%
EBITDA	559	12.6%	(15.6%)	87	17.2%	(12.5%)
EBITDA margin	13.0%	140 Bps	(190 Bps)	13.0%	140 Bps	(190 Bps)
PAT	32			5		

\* All the prior period numbers have been re-cast without data centre to enable like to like comparison.

Commenting on the results, Vinod Kumar, MD and CEO, Tata Communications, said, "Digitalisation continues to create new avenues for growth across our entire business portfolio, and our investments in digital competencies hold us in good stead for the future. Having established a broad and deep portfolio that enables digital and global transformations, we are now pivoting our customer engagement around business themes rather than just technology. We are also proactively investing into futuristic workflows and systems that will boost our productivity and enhance the customer experience. These investments will positively impact the medium to long term margins."

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Commenting on the results, **Pratibha K. Advani, CFO, Tata Communications**, said, “Our free cash flow generation remains robust notwithstanding investments into new growth services and for our in-house business transformation projects. We are at the forefront of digital transformation and fully geared to capitalise on this opportunity.”

<sup>1</sup> Traditional services include Virtual Private Network, International Private Line, Internet Leased Line, Ethernet, Internet Protocol – Transit, Inmarsat, Content Delivery Network, National Private Line, Mobility.

<sup>2</sup> Growth services include IZO™, Managed Hosting, Managed Security Services, Broadcast, Video Connect, Unified Collaboration and Conferencing, SIP Trunking, Global Hosted Contact Center, Video Streaming, Mobile New Services, Healthcare, Media Management and Mobile Innovation.

## Business highlights | Q1 FY2018

- **Tata Communications ushers in a new era for VICE Media with global cloud-based media platform:** Tata Communications is building for VICE Media, a high-performance, completely cloud-based platform for global media asset management, storage, content contribution and distribution. It will enable VICE Media to capture content anywhere in the world, and quickly make it available to hundreds of editors in production centres in New York City, Los Angeles, Washington DC, Toronto and London, for publishing and broadcasting across VICE Media channels.
- **Tata Communications and Mercedes-AMG Petronas Motorsport explore the potential of the Internet of Things to boost team performance:** Tata Communications launched the 2017 F1® Connectivity Innovation Prize and unveiling the first challenge of this year’s competition - with a focus on the Internet of Things (IoT). The first challenge, set by Mercedes-AMG Petronas Motorsport, asks F1® fans and technology enthusiasts to come up with ideas for IoT solutions that could be used by the team to deliver peak performance at each Grand Prix.
- **Tata Communications and Alibaba Cloud partner to empower and transform global businesses:** Tata Communications announced a partnership with Alibaba Cloud, the cloud computing arm of Alibaba Group, to enable customers from over 150 countries, including India, to connect to Alibaba Cloud’s ExpressConnect via Tata Communications’ IZO™ Private Connect service.
- **Tata Communications expands IZO™ Private Cloud footprint in Europe, Middle East and Asia Pacific to address enterprises’ data sovereignty concerns:** Tata Communications launched three new nodes for its IZO™ Private Cloud service to support enterprises’ hybrid cloud adoption while ensuring regulatory compliance. The new private cloud nodes in Germany, United Arab Emirates (UAE)<sup>1</sup> and Malaysia enable CIOs to gain unprecedented control over all their applications by creating a truly hybrid, high-performance IT infrastructure where different cloud, colocation and managed hosting environments work together as one.

An Investor fact sheet providing a detailed analysis of the results for the quarter ended June 30th 2017 has been uploaded on the Tata Communications website and can be accessed at:  
<http://www.tatacommunications.com/sites/default/files/FIN-investorfactsheet-PDF-20170724.pdf>

Ends...

## About Tata Communications

Tata Communications Limited (CIN no: L64200MH1986PLC039266) along with its subsidiaries (Tata Communications) is a leading global provider of network, cloud, mobility, security and collaboration services. With a leadership position in emerging markets, Tata Communications leverages its advanced solutions capabilities and domain expertise across its global and pan-India network to deliver managed solutions to multi-national enterprises, service providers and Indian consumers.

## For immediate release

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The Tata Communications global network includes one of the most advanced and largest submarine cable networks and a Tier -1 IP network with connectivity to more than 240 countries and territories across 400 PoPs, as well as nearly 1 million square feet of data centre and collocation space worldwide.

Tata Communications' depth and breadth of reach in emerging markets includes leadership in Indian enterprise data services and leadership in global international voice.

Tata Communications Limited is listed on the Bombay Stock Exchange and the National Stock Exchange of India. <http://www.tatacommunications.com>  
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### 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' various filings with the United States Securities and Exchange Commission. These filings are available at [www.sec.gov](http://www.sec.gov). Tata Communications is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements.