



# TATA COMMUNICATIONS LIMITED

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

## A. UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2009

(Rs. in Lakhs)

|    | Particulars  | For the quarter ended September 30, |               | For the half year ended September 30, |                | For the year ended March 31, |
|----|--|-------------------------------------|---------------|---------------------------------------|----------------|------------------------------|
|    |  | 2009                                | 2008          | 2009                                  | 2008           | 2009                         |
|    |  | (unaudited)                         | (unaudited)   | (unaudited)                           | (unaudited)    | (audited)                    |
| 1  | <b>Revenues from Telecommunication Services</b>  | <b>75,923</b>                       | <b>99,214</b> | <b>160,212</b>                        | <b>186,302</b> | <b>374,943</b>               |
| 2  | <b>Expenditure</b>   |                                     |               |                                       |                |                              |
|    | a. Network Costs   | 35,242                              | 50,987        | 73,153                                | 91,782         | 176,137                      |
|    | b. Operating and Other Expenses  | 13,667                              | 17,049        | 28,703                                | 35,929         | 79,409                       |
|    | c. Salaries and Related Costs  | 9,495                               | 8,367         | 19,002                                | 15,885         | 35,049                       |
|    | d. Depreciation and Amortisation   | 13,031                              | 9,768         | 25,370                                | 18,178         | 42,527                       |
|    | <b>e. Total Expenditure (2a to 2d)</b>   | <b>71,435</b>                       | <b>86,171</b> | <b>146,228</b>                        | <b>161,774</b> | <b>333,122</b>               |
| 3  | <b>Profit from Operations before Other Income, Interest and Exceptional items (1 - 2)</b>                              | <b>4,488</b>                        | <b>13,043</b> | <b>13,984</b>                         | <b>24,528</b>  | <b>41,821</b>                |
| 4  | Other Income (net)   | 3,376                               | 4,363         | 4,111                                 | 10,121         | 17,285                       |
| 5  | <b>Profit before interest and exceptional items (3+4)</b>  | <b>7,864</b>                        | <b>17,406</b> | <b>18,095</b>                         | <b>34,649</b>  | <b>59,106</b>                |
| 6  | Interest cost (net)  | 6,358                               | 2,741         | 11,609                                | 4,854          | 12,862                       |
| 7  | <b>Profit after interest but before exceptional items (5-6)</b>  | <b>1,506</b>                        | <b>14,665</b> | <b>6,486</b>                          | <b>29,795</b>  | <b>46,244</b>                |
| 8  | Exceptional Items:<br>Expense / (Income)   |                                     |               |                                       |                |                              |
|    | a. Claim Settlement  | -                                   | 9,560         | -                                     | 9,560          | 9,560                        |
|    | b. Profit on sale of long term Investment  | -                                   | -             | -                                     | -              | (34,665)                     |
| 9  | <b>Profit from Ordinary Activities before tax (7-8)</b>  | <b>1,506</b>                        | <b>5,105</b>  | <b>6,486</b>                          | <b>20,235</b>  | <b>71,349</b>                |
| 10 | Tax Expense  | 461                                 | 1,813         | 2,247                                 | 7,096          | 19,754                       |
| 11 | <b>Net Profit from Ordinary Activities after tax (9 - 10)</b>  | <b>1,045</b>                        | <b>3,292</b>  | <b>4,239</b>                          | <b>13,139</b>  | <b>51,595</b>                |
| 12 | Extraordinary items (net of tax expense)   | -                                   | -             | -                                     | -              | -                            |
| 13 | <b>Net Profit for the period (11-12)</b>   | <b>1,045</b>                        | <b>3,292</b>  | <b>4,239</b>                          | <b>13,139</b>  | <b>51,595</b>                |
| 14 | Paid up Equity Share Capital (Face value of Rs.10 per share)   | 28,500                              | 28,500        | 28,500                                | 28,500         | 28,500                       |
| 15 | Reserves excluding revaluation reserve   | -                                   | -             | -                                     | -              | 630,535                      |
| 16 | Earnings per Share<br>Basic and diluted earnings per share before and after extraordinary items (Rs.) (not annualised) | 0.37                                | 1.16          | 1.49                                  | 4.61           | 18.10                        |

|    |   |             |            |             |            |             |
|----|---|-------------|------------|-------------|------------|-------------|
| 17 | Aggregate of public shareholding  |             |            |             |            |             |
|    | a. Number of shares   | 45,762,633  | 50,203,378 | 45,762,633  | 50,203,378 | 43,003,978  |
|    | b. Percentage of shareholding   | 16.06       | 17.62      | 16.06       | 17.62      | 15.09       |
| 18 | Promoters and Promoter Group Shareholding   |             |            |             |            |             |
|    | a. Pledged / Encumbered   |             |            |             |            |             |
|    | - Number of Shares  | 30,000,000  |            | 30,000,000  |            | 30,000,000  |
|    | - Percentage of Shares (as a % of the total shareholding of promoters and promoter group) | 13.82       |            | 13.82       |            | 13.81       |
|    | - Percentage of Shares (as a % of the total share capital of the Company)                 | 10.53       |            | 10.53       |            | 10.53       |
|    | b. Non - encumbered   |             |            |             |            |             |
|    | - Number of Shares  | 187,028,873 |            | 187,028,873 |            | 187,207,342 |
|    | - Percentage of Shares (as a % of the total shareholding of promoters and promoter group) | 86.18       |            | 86.18       |            | 86.19       |
|    | - Percentage of Shares (as a % of the total share capital of the Company)                 | 65.62       |            | 65.62       |            | 65.69       |

## B. SEGMENT INFORMATION:

### Business Segments:

(Rs. in Lakhs)

| Particulars                                      | For the quarter ended September 30, |               | For the half year ended September 30, |                | For the year ended March 31, |
|--|-------------------------------------|---------------|---------------------------------------|----------------|------------------------------|
|  | 2009                                | 2008          | 2009                                  | 2008           | 2009                         |
|  | (unaudited)                         | (unaudited)   | (unaudited)                           | (unaudited)    | (audited)                    |
| <b>Revenues from Telecommunication Services</b>  |                                     |               |                                       |                |                              |
| Wholesale Voice                                  | 30,058                              | 46,132        | 64,155                                | 86,509         | 174,059                      |
| Enterprise and Carrier Data                      | 30,394                              | 36,816        | 65,291                                | 72,174         | 145,046                      |
| Others   | 15,471                              | 16,266        | 30,766                                | 27,619         | 55,838                       |
| <b>Total</b>                                     | <b>75,923</b>                       | <b>99,214</b> | <b>160,212</b>                        | <b>186,302</b> | <b>374,943</b>               |
| <b>Segment result</b>                            |                                     |               |                                       |                |                              |
| Wholesale Voice                                  | 4,421                               | 5,410         | 10,553                                | 12,666         | 33,052                       |
| Enterprise and Carrier Data                      | 26,879                              | 29,912        | 57,237                                | 55,696         | 113,129                      |
| Others   | 9,078                               | 10,469        | 17,012                                | 17,545         | 34,184                       |
| <b>Total</b>                                     | <b>40,378</b>                       | <b>45,791</b> | <b>84,802</b>                         | <b>85,907</b>  | <b>180,365</b>               |
| Less:  |                                     |               |                                       |                |                              |
| (i) Interest cost (net)                          | 6,358                               | 2,741         | 11,609                                | 4,854          | 12,862                       |
| (ii) Other Unallocable Expense (net)             | 32,514                              | 28,385        | 66,707                                | 51,258         | 121,259                      |
| <b>Profit before taxes and exceptional items</b> | <b>1,506</b>                        | <b>14,665</b> | <b>6,486</b>                          | <b>29,795</b>  | <b>46,244</b>                |
| Exceptional expenses / (income) (net)            | -                                   | 9,560         | -                                     | 9,560          | (25,105)                     |
| <b>Profit before taxes</b>                       | <b>1,506</b>                        | <b>5,105</b>  | <b>6,486</b>                          | <b>20,235</b>  | <b>71,349</b>                |
| Tax Expense                                      | 461                                 | 1,813         | 2,247                                 | 7,096          | 19,754                       |
| <b>Net Profit</b>                                | <b>1,045</b>                        | <b>3,292</b>  | <b>4,239</b>                          | <b>13,139</b>  | <b>51,595</b>                |

**Notes to Segments:**

The Company's reportable segments are Wholesale Voice, Enterprise and Carrier Data and Others.

Revenues and expenses, which are directly identifiable to the segments, are attributed to the relevant segment. Expenses on rent of satellite channels and landlines, and royalty and license fee are allocated on the basis of usage. Segment result is segment revenues less segment expenses. Certain costs, including depreciation which is not allocable to segments have been classified as "Other unallocable expense (net)".


Telecommunication services are provided utilizing the Company's assets which do not generally make a distinction between the types of services. As a result, fixed assets are used interchangeably between segments. In the absence of a meaningful basis to allocate assets and liabilities between segments, no allocation has been made.

**Notes:**

1. The above standalone results of the Company for the quarter and half year ended September 30, 2009 have been subjected to a limited review by the statutory auditors, recommended by the audit committee and were taken on record and approved by the Board of Directors at their meeting held on October 26, 2009.
2. Other Income includes exchange gain (net) of Rs.388 lakhs and Rs.1,724 lakhs for quarter ended September 30,2009 and September 30, 2008 respectively and exchange loss (net) of Rs.617 lakhs and exchange gain (net) of Rs.2,650 lakhs for half year ended September 30,2009 and September 30, 2008 respectively and exchange gain (net) of Rs.4,656 lakhs for year ended March 31, 2009.
3. The previous period's figures have been regrouped and reclassified wherever necessary to make them comparable with the current period's figures.
4. Investor Complaint status:

| Outstanding as on July 1, 2009 | Total received during the quarter ended September 30, 2009 | Total resolved during the quarter ended September 30, 2009 | Outstanding as on September 30, 2009 |
|--------------------------------|--|--|--------------------------------------|
| Nil                            | 1  | 1  | Nil                                  |

FOR TATA COMMUNICATIONS LIMITED



N. SRINATH  
MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

Place : Mumbai.  
Date : October 26, 2009