

TATA COMMUNICATIONS LIMITED - SUBSIDIARY FINANCIAL STATEMENTS 2019-20		
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S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Communications Transformation Services Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Tata Communications Transformation Services Limited (the "Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's and the Management report, but does not include the Standalone Ind AS financial statements and our auditor's report thereon. The Director's and Management report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



Responsibilities of Management for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

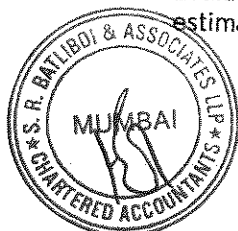
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



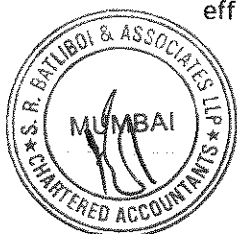
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



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- (g) According to the information and explanation given by the management, we report that remuneration of the Managing Director for the year ended March 31, 2020 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 358 lakhs. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements - Refer Note 34 to the Standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Hormuz Master

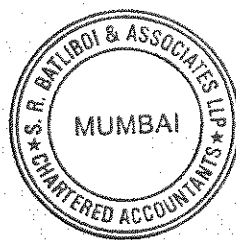
Partner

Membership Number: 110797

UDIN: 20110797AAAAW9685

Place of Signature: Mumbai

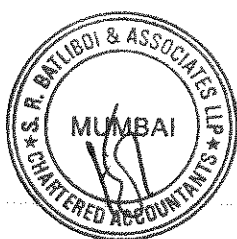
Date: June 9, 2020



Annexure 1 referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our Report of even date

Re: Tata Communications Transformation Services Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets were physically verified by the management during the previous year in accordance with a planned programme of verifying them once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



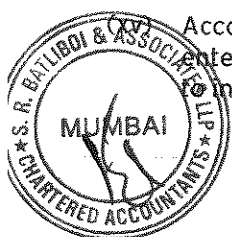
(c) According to the records of the Company, the dues outstanding of income tax, and other statutory dues on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs Lakhs)	Period to which amount relates AY	Forum where disputes pending
The Income tax Act, 1961	Income Tax	2.67	2009-10	The Commissioner of Income Tax (Appeals), Mumbai
The Income tax Act, 1961	Income Tax	182.34	2016-17	The Commissioner of Income Tax (Appeals), Mumbai
The Income tax Act, 1961	TDS	258.39	2018-19	The Commissioner of Income Tax (Appeals), Mumbai

There are no dues outstanding with respect to sales tax, service tax, value added tax

- (viii) According to information and explanations, given to us and based on the documents and records produced to us, the Company had not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debentures.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanation given by the management, we report that remuneration of the Managing Director for the year ended March 31, 2020 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 358 lakhs. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred in section 192 of Act.



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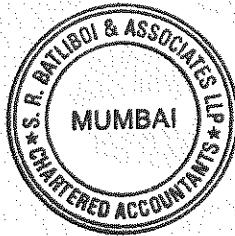
(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004



per Hormuz Master
Partner
Membership Number: 110797
UDIN: 20110797AAAAW9685

Place of Signature: Mumbai
Date: June 9, 2020



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TATA COMMUNICATIONS TRANSFORMATION SERVICES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls over financial reporting of Tata Communications Transformation Services Limited (the 'Company') as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

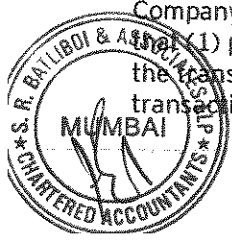
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. These Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance



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with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

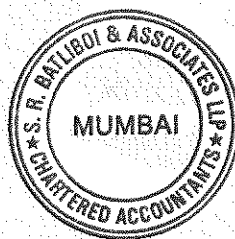
ICAI Firm Registration Number: 101049W/E3000004



per Hormuz Master
Partner

Membership Number: 110797

UDIN: 20110797AAAAAW9685



Place of Signature: Mumbai

Date: June 9, 2020

Tata Communications Transformation Services Limited
Standalone Balance Sheet as at 31 March 2020

	Particulars	Notes	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
A	ASSETS			
(1)	Non-current assets			
(a)	Property, plant and equipment	3	5,434.81	4,049.83
(b)	Capital work-in-progress		51.17	76.80
(c)	Right of use Asset	4	5,247.59	-
(d)	Intangible assets	5	234.03	1,471.92
(e)	Intangible assets under development		21.63	66.40
(f)	Financial assets			
	(i) Investments	6A	110.66	110.66
	(ii) Other financial assets	7A	848.53	73.48
(g)	Deferred tax assets (net)	8	3,623.45	1,923.81
(h)	Income tax assets (net)	9	13,680.08	9,104.01
(i)	Other assets	10A	148.09	285.97
	Total non-current assets		29,400.04	17,162.88
(2)	Current assets			
(a)	Financial assets			
	(i) Investments	6B	-	6,049.15
	(ii) Trade receivables	11	68,034.51	53,426.08
	(iii) Cash and cash equivalents	12	799.48	1,882.46
	(iv) Bank balances other than (iii) above	13	2.25	-
	(v) Other financial assets	7B	244.45	215.84
(b)	Other assets	10B	4,040.19	4,657.90
	Total current assets		73,120.88	66,231.43
	Total assets		1,02,520.92	83,394.31
B	EQUITY AND LIABILITIES			
I	Equity			
(a)	Equity share capital	14	50.00	50.00
(b)	Other equity	15	33,077.62	38,859.67
	Total equity		33,127.62	38,909.67
II	Liabilities			
(1)	Non-current liabilities			
(a)	Financial liabilities			
	(i) Right of Use liabilities	21A	4,247.25	-
(b)	Provisions	16A	2,325.59	1,297.51
(c)	Other liabilities	17A	564.58	345.26
	Total non-current liabilities		7,137.42	1,642.77
(2)	Current liabilities			
(a)	Financial liabilities			
	(i) Short Term Borrowings	18	4,319.22	-
	(i) Trade and other payables			
	1. Total outstanding dues of micro enterprises and small enterprises	19A	510.81	368.82
	2. Total outstanding dues of creditors other than micro enterprises and small enterprises	19B	47,615.42	35,864.86
	(ii) Right of Use liabilities	21B	1,166.20	-
	(iii) Other financial liabilities	20	398.59	428.26
(b)	Provisions	16B	317.77	238.75
(c)	Other liabilities	17B	7,927.87	5,941.18
	Total current liabilities		62,255.88	42,841.87
	Total equity and liabilities		1,02,520.92	83,394.31

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Homage Master
Partner
Membership Number: 110797

Place : Mumbai
Dated: 09 June 2020

For and on behalf of the Board of Directors

Madhusudan M R
Managing Director

Aadesh Goyal
Director

Umasree Kotamraju
Chief Financial Officer

Place : Mumbai
Dated: 09 June 2020

Tata Communications Transformation Services Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2020

Particulars	Notes	Year ended	
		31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
I Revenue from operations		1,33,072.07	1,16,762.14
II Other Income	22	1,33,072.07	1,16,762.14
III Total Income (I + II)		1,211.73	1,664.17
IV Expenses:		1,34,283.80	1,18,426.31
Operating and other expense	23	92,202.89	72,043.21
Employee benefits expense	24	43,221.25	35,948.67
Finance costs	25	504.49	108.50
Depreciation and amortisation expense	26	4,422.21	1,675.62
Total Expenses		1,40,350.84	1,09,776.00
V (Loss)/Profit before exceptional items and tax (III - IV)		(6,067.04)	8,650.31
VI Exceptional gain/(loss)	27	(264.99)	199.67
VII (Loss)/Profit before tax (V + VI)		(6,332.03)	8,849.98
VIII Tax expense :			
(a) Current tax	28	493.34	2,876.22
(b) Deferred tax		(1,527.81)	280.05
IX (Loss)/Profit for the year (VII - VIII)		(5,297.56)	5,693.71
X Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		(588.23)	114.29
(ii) Tax on above		(148.05)	39.94
Other comprehensive income/(loss) for the year, net of tax		(440.18)	74.35
XI Total comprehensive income/(loss) for the year, net of tax (IX + X)		(5,737.74)	5,768.06
Basic/Diluted Earnings per share (of ₹ 10 each)	30	(1,059.51)	1,138.74

See accompanying notes forming part of the standalone financial statements

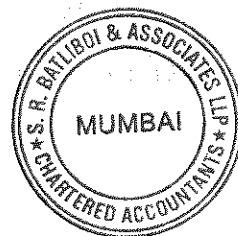
In terms of our report attached
For S.R. Batliboi & Associates LLP

Chartered Accountants

ICA Firm Registration Number: 101049W/E300004

Hormuz Master
Partner

Membership Number: 110797



For and on behalf of the Board of Directors

Madhusudhan M R
Managing Director

Aadesh Goyal
Director

Umasree Kotamraju
Chief Financial Officer

Place : Mumbai
Dated: 09 June 2020

Place : Mumbai
Dated: 09 June 2020

Tata Communications Transformation Services Limited
Standalone Cash Flow Statement for the year ended 31 March 2020

Particulars	Year Ended	
	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Cash flows from operating activities		
(Loss)/Profit before tax	(6,332.03)	8,849.98
Adjustments for:		
Depreciation and amortisation expense	4,422.22	1,675.62
Finance costs	504.49	108.50
Loss on sale of/write off assets	(45.10)	(2.01)
Exchange fluctuation on foreign exchange	87.39	188.29
Interest income on financial asset carried at amortised cost	(0.02)	-
Gain on investments carried at fair value through profit and loss (net)	16.18	(247.81)
Allowance for doubtful advances	9.88	-
Allowance of doubtful trade receivables	327.67	(5.11)
Operating profit before working capital changes	(1,009.32)	10,567.46
Changes in working capital		
Adjustment for (increase) / decrease in operating assets:		
Trade receivables	(14,936.10)	(8,725.49)
Other assets	(33.79)	(3,323.11)
Adjustment for increase / (decrease) in operating liabilities:		
Trade and other payables	11,944.49	16,212.39
Provisions	412.62	4.07
Other liabilities	2,158.65	(1,788.21)
Cash generated from operations	(1,463.45)	12,947.11
Income tax paid (net)	(5,069.41)	(6,609.76)
Net cash flow generated from operating activities	(6,532.86)	6,337.35
Cash flow from investing activities		
Payments for purchase of property, plant & equipment and intangibles	(3,595.34)	(2,272.93)
Proceeds from disposal of property, plant and equipment and intangibles	-	2.53
Interest received	0.02	-
Purchase of current investment	(30,200.00)	(61,150.00)
Sale of current investment	36,232.95	57,478.77
Net cash used in investing activities	2,437.63	(5,941.63)
Cash flow from financing activities		
Repayment of current borrowings	(8,188.40)	-
Repayment from current borrowings	12,493.32	(156.04)
Interest paid	(94.61)	(12.12)
Payment for acquiring right of use assets	(1,122.73)	-
Tax on Dividend	-	-
Net cash flow generated used in financing activities	3,087.58	(168.16)
Net increase in cash and cash equivalents	(1,007.65)	227.56
Cash and cash equivalents as at beginning of the year	1,882.46	1,687.15
Effect of exchange difference on cash and cash equivalents	(73.08)	(32.25)
Cash and cash equivalents as at end of the year	801.73	1,882.46

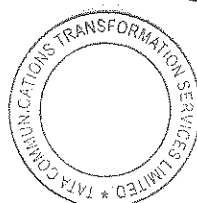
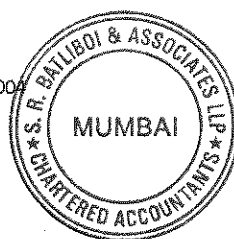
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Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Hormuz Master
Partner

Membership Number: 110797



For and on Behalf of the Board of Directors

Madhusudhan M R
Managing Director

Aadesh Goyal
Director

Umasree Kotamraju
Chief Financial Officer

Place : Mumbai
Dated: 09 June 2020

Place : Mumbai
Dated: 09 June 2020

Tata Communications Transformation Services Limited
Standalone Statement of changes in equity

Equity share capital

	(₹ in Lakhs)	
	No. of Shares	Amount
Balance as at 1 April 2018	5,00,000	50.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	5,00,000	50.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2020	5,00,000	50.00

Other equity

	(₹ in Lakhs)			
Particulars	General reserve	Retained earnings	Other comprehensive income	Total
Balance as at 1 April 2018	1,381.97	31,493.62	216.02	33,091.61
Net profit for the year		5,693.71		5,693.71
Other comprehensive income/(loss) for the year			114.29	114.29
Tax impact in other comprehensive income/(loss) for the year			(39.94)	(39.94)
Total comprehensive income/(loss) for the year	-	5,693.71	74.35	5,768.06
Balance as at 31 March 2019	1,381.97	37,187.33	290.37	38,859.67
Net loss for the year		(5,297.56)		(5,297.56)
Other comprehensive income/(loss) for the period			(588.23)	(588.23)
Tax impact in other comprehensive income/(loss) for the period			148.05	148.05
IND AS 116 Impact		(44.31)		(44.31)
Total comprehensive income/(loss) for the period	-	(5,341.87)	(440.18)	(5,782.05)
Balance as at 31 March 2020	1,381.97	31,845.46	(149.81)	33,077.62

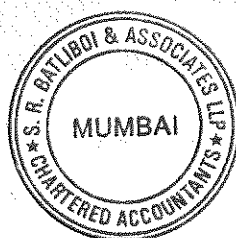
See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

For and on behalf of the Board of Directors

Hormuz Master
Partner
Membership Number: 110797



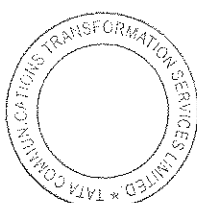
Madhusudhan M R
Managing Director

Aadesh Goyal
Director

Umasree Kotamraju
Chief Financial Officer

Place : Mumbai
Dated: 09 June 2020

Place : Mumbai
Dated: 09 June 2020



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

1. Corporate Information

TATA Communications Transformation Services Limited (the 'Company'), was incorporated on 6 October 2006 to engage in the business of providing telecommunication network management and support services and is a wholly owned subsidiary of **Tata Communications Limited** (Holding Company).

The Company is domiciled in India and its registered office is at C-21/ C 36, G Block, Bandra Kurla Complex Mumbai – 400098, Maharashtra. The Company also has branches in United Kingdom and Saudi Arabia.

2. Significant Accounting Policies

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

b. Basis of preparation of financial statements

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

i. Derivative financial instruments

ii. Certain financial assets and liabilities measured at fair value (refer note 2(q))

The accounting policies adopted for preparation and presentation of financial statements have been consistently applied except for the changes in accounting policy on introduction of Ind AS 116 that was effective for annual period beginning on or after 1 April 2019 (refer note 2(r)).

The financial statements are presented in Indian Rupees (INR), and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

c. Significant accounting, estimates and assumptions

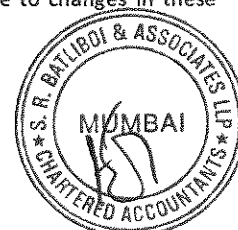
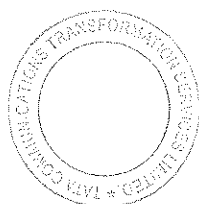
The preparation of the Company's financial statements requires management to make, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

Useful life of assets

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet date.

d. *Current versus non-current classification*

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

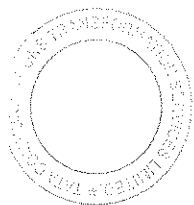
e. *Cash and cash equivalents (for purposes of Cash flow statement)*

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

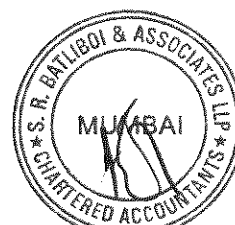
f. *Property, plant and equipment*

Property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation / amortisation and impairment loss, if any. Cost includes inward freight, duties, taxes and all incidental expenses incurred for making the asset ready for its intended use.

Capital work-in-progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date and are carried at cost, comprising of direct cost, directly attributable cost and attributable interest.



Jan



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements

for the year ended 31 March 2020

Depreciable amount for Property, plant and equipment is the cost of Property, plant and equipment, or other amount substituted for cost, less its estimated residual value (wherever applicable). Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful lives. The asset's residual values estimated useful lives and methods of depreciation are reviewed at each financial year end and any change in estimate is accounted for on a prospective basis.

Estimated useful lives of the assets are as follows

Property, plant & equipment	Estimated useful life of Assets
a. Plant and Machinery	
- Network Equipment & Components (Refer note 1 below)	4 to 8 years
- Electrical Equipment & Installations*	10 years
- Network Switches*	13 years
- General Plant & Machinery*	15 years
b. Office Equipment	
- Integrated Building Management Systems (Refer note 1 below)	8 years
- Others*	5 years
c. Leasehold Improvements	Asset life or lease period, whichever is less
d. Buildings (Temporary Structures) *	3 years
e. Furniture & Fixtures*	10 years
f. Computers (servers and network) *	3 to 6 years

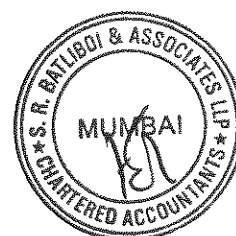
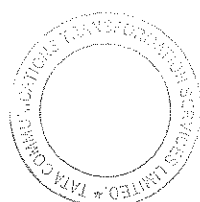
* On the above categories of assets, the depreciation has been provided as per useful life prescribed in Schedule II to the Companies Act, 2013.

1. In these cases, the lives of the assets are other than the prescribed lives in Schedule II to the Companies Act, 2013. The lives of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.
2. Property, plant and equipment are eliminated from financial statement, on disposal. Losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss in the year of occurrence.

g. Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets under development includes expenditure on software development eligible for capitalisation which are carried as Intangible assets under development where such assets are not yet ready for their intended use.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of financial year. Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortised as follows:

Computer (Software and Application)	3 to 6 years
-------------------------------------	--------------

An intangible asset is derecognised on disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

h. Impairment of non-financial asset

The carrying values of assets / cash generating units ("CGU") at each balance sheet date are reviewed for impairment, if any indication of impairment exists. The following intangible assets are tested for impairment at the end of each financial year even if there is no indication that the asset is impaired:

- i. an intangible asset that is not yet available for use; and
- ii. an intangible asset with indefinite useful lives.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

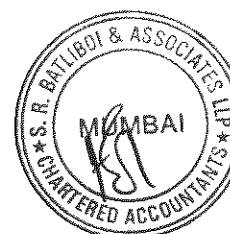
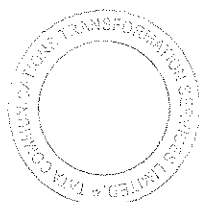
When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company as a CGU. These budgets and forecast calculations generally cover a significant period. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the significant period.

i. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a Right of Use the asset or assets, even if that right is not explicitly specified in an arrangement.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

Lessee

The Company's lease asset classes primarily consist of leases for Land, buildings and colocations spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer to the accounting policies in note 2(h) Impairment of non-financial assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. The Company uses return on treasury bills with similar maturity as base rate and makes adjustments for spread based on the company's credit rating as the implicit interest rate cannot be readily determinable. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

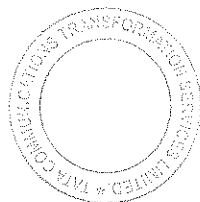
For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

j. Employee benefits

Employee benefits include contributions to provident fund, gratuity fund, compensated absences and performance incentives.

i. Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements

for the year ended 31 March 2020

service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

ii. Post-employment benefits

Contributions to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered services entitling them to the contributions.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if applicable), excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises changes in service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under employee benefit expenses in the Statement of Profit and Loss.

The net interest expense or income is recognised as part of finance cost in the Statement of Profit and Loss.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

iii. Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

k. Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to the customers. As per the terms of the contract with the customers and accordingly the performance obligations are determined, and transactions prices are allocated. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

The Company derives its revenues from telecommunication network management consulting, supply of equipment's and other support services. Revenues from the said services are derived from unit-priced contracts. The consideration due to the Company is based on the performance of these services. Revenue is recognised as the related services are performed, in accordance with the specific terms of the contract with the customers.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Accounting treatment of assets and liabilities arising in course of sale of goods and services is set out below:

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

I. Contract assets

Contract asset is recorded when revenue is recognized in advance of companies right to bill and receive the consideration (i.e. we must perform additional services or complete a milestone of performance obligation in order to bill and receive the consideration as per the contract terms).

II. Contract liabilities

Contract liabilities represent consideration, received from customers in advance for providing the goods and services promised in the contract. The revenue recognition of the same is deferred until the related performance obligation as per the contract with the customer is satisfied.

Cost Deferment

The Company incurs certain costs for transitioning customer processes before commencement of services to the customers. Such costs are aligned with the revenue recognition for related customer contracts.

i. Other Income

- i. Dividends from investments are recognised when the right to receive payment is established and no significant uncertainty as to measurability or collectability exists.
- ii. Interest income for all financial instruments measured at amortised cost is recorded on accrual basis. Interest income is included in other income in the Statement of Profit and Loss.

m. Taxation

1. Current income tax

- i. Current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961
- ii. Provision for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the balance sheet after offsetting them on an assessment year basis.

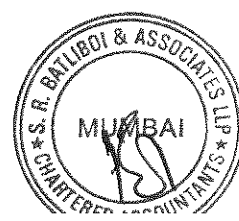
2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside the Statement of Profit and Loss (either in Other comprehensive income or in equity) is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other comprehensive income or directly in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements

for the year ended 31 March 2020

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability or
 - ii. In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

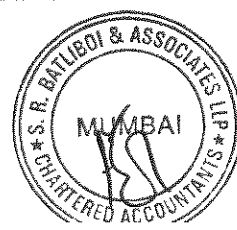
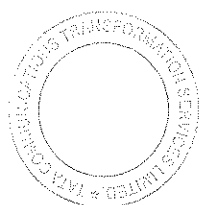
For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

o. Foreign currencies

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Foreign currency transactions are converted into Indian Rupees at rates of exchange approximating those prevailing at the transaction dates or at the average exchange rate for the month in which the transaction



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

occurs. Foreign currency monetary assets and liabilities are outstanding as at the balance sheet date are translated to Indian Rupees at the closing rates prevailing on the balance sheet date. Exchange differences on foreign currency transactions are recognised in the Statement of Profit and Loss.

p. **Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

q. **Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets

i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through Other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

iii. Financial assets at Fair Value Through Profit or Loss (FVTPL)

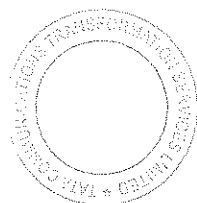
Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

iii. Derecognition

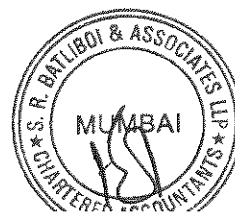
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



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TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- a. Financial assets measured at amortised cost
 - b. Financial assets measured at Fair Value through Other Comprehensive Income
- Expected credit losses are measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For assessing ECL on a collective basis, financial assets have been grouped on the basis of shared risk characteristics and basis of estimation may change during the course of time due to change in risk characteristics.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

i. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below

I. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis.

II. Derecognition

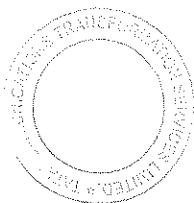
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

ii. Offsetting of financial instruments

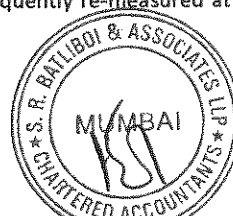
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

iii. Derivative financial instruments - initial and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.



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TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

r. New and amended standards

Effective 1 April 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount equal to the lease liability on initial application date, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

Upon adoption of IND AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets

On transition, the adoption of the new standard resulted in recognition as below:

(₹ in lakhs)	
Balance sheet	As at 1 April 2019
Right of Use assets	2,310.92
Other equity	120.01
Right-of-use liabilities	2,430.93

The following is the summary of practical expedients elected on initial application:

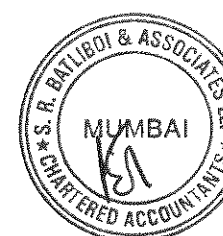
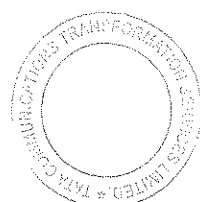
- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application and for low-value leases.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, IND AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- The Company applies the short-term lease recognition exemption to its short-term leases of property (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application

The incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 8.67%.

s. Recent accounting pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 notifies new Ind AS or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2020.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

3. Property, plant and equipment

(₹ in lakhs)

	Leasehold Improvement	Building	Plant and Machinery	Furniture and Fixtures	Office Equipment	Computers	Total
Cost							
Balance as at 1 April 2018	3,299.27	21.78	2,005.59	658.67	831.63	3,668.68	10,485.62
Additions	731.97	-	580.59	301.85	117.17	390.48	2,122.06
Disposals	-	-	(10.47)	-	-	-	(10.47)
Balance as at 31 March 2019	4,031.24	21.78	2,575.71	960.52	948.80	4,059.16	12,597.21
Additions	1.23	-	2,542.01	6.41	86.04	841.84	3,477.53
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2020	4,032.47	21.78	5,117.72	966.93	1,034.84	4,901.00	16,074.74
Depreciation							
Balance as at 1 April 2018	2,653.42	7.49	747.64	350.38	541.49	2,921.41	7,221.83
Depreciation	343.08	7.26	294.96	61.43	87.80	540.97	1,335.50
Disposals	-	-	(9.95)	-	-	-	(9.95)
Balance as at 31 March 2019	2,996.50	14.75	1,032.65	411.81	629.29	3,462.38	8,547.38
Depreciation	395.86	6.84	936.66	137.16	128.79	487.24	2,092.55
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2020	3,392.36	21.59	1,969.31	548.97	758.08	3,949.62	10,639.93
Net Book Value							
Balance as at 31 March 2019	1,034.74	7.03	1,543.06	548.71	319.51	596.78	4,049.83
Balance as at 31 March 2020	640.11	0.19	3,148.41	417.96	276.76	951.38	5,434.81

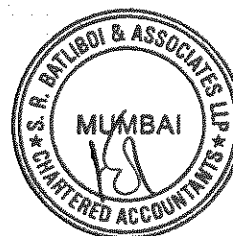
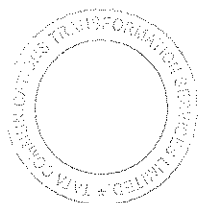
4. Right of use Assets

(₹ in lakhs)

Particulars	Amount
Balance as at 1 April 2019	2,310.92
Additions	4,461.27
Termination	(603.98)
Depreciation	(920.62)
Balance as at 31 March 2020	5,247.59

a. Refer note 2 (r) for effect on adoption of INDAS 116 as at 1 April 2019.

b. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expenses in the statement of Profit and Loss.



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TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

7. Other financial assets

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
A. Non-current		
Security deposits – unsecured, considered good	848.53	73.48
Total (A)	848.53	73.48
B. Current		
a. Deposits to contractors and vendors - unsecured, considered good	92.96	152.04
b. Fair value of foreign currency forward contracts	149.34	62.24
c. Others	2.15	1.56
Total (B)	244.45	215.84
(A+B)	1,092.98	289.32

8. Deferred tax assets (net)

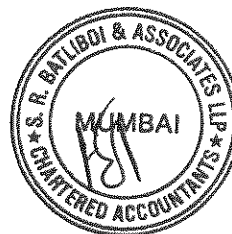
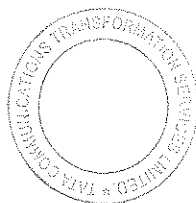
Major components of deferred tax asset and liability consist of the following

(₹ in lakhs)

	As at 1 April 2019	Recognised in statement of profit and loss	Recognised in other comprehensiv e income	Retained earnings Impact	As at 31 March 2020
Deferred tax assets in relation to:					
Difference between accounting and tax depreciation / amortization	548.62	276.01	-	-	824.63
Provision for doubtful trade receivables	57.35	65.60	-	-	122.95
Provision for Employee benefit obligations	356.11	105.83	148.05	-	609.99
Expenditure disallowed u/s. 40 (a) (ia)	973.01	225.42	-	-	1,198.43
Current year Net operating losses	-	800.36	-	-	800.36
Ind AS 116 Impact	-	-	-	23.78	23.78
Others	(11.28)	54.59	-	-	43.31
Deferred tax assets (net)	1923.81	1,527.81	148.05	23.78	3,623.45

(₹ in lakhs)

	As at 1 April 2018	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2019
Deferred tax assets in relation to:				
Difference between accounting and tax depreciation / amortization	505.37	43.25	-	548.62
Provision for doubtful trade receivables	43.30	14.05	-	57.35
Provision for Employee benefit obligations	592.98	(196.93)	(39.94)	356.11
Expenditure disallowed u/s. 40 (a) (ia)	1,062.51	(89.50)	-	973.01
Others	39.63	(50.91)	-	(11.28)
Deferred tax assets (net)	2243.79	(280.04)	(39.94)	1,923.81



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

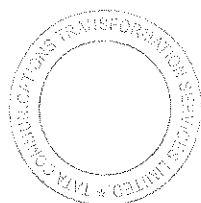
5. Intangible assets

	(₹ in lakhs)
Computer (Software and Application)	
Cost	
Balance as at 1 April 2018	2,926.76
Additions	498.56
Disposals	-
Balance as at 31 March 2019	3,425.32
Additions	171.15
Disposals	-
Balance as at 31 March 2020	3,596.47
Accumulated amortization	
Balance as at 1 April 2018	1,613.28
Additions	340.12
Disposals	-
Balance as at 31 March 2019	1,953.40
Amortisation Expense	1,409.04
Disposals	-
Balance as at 31 March 2020	3,362.44
Carrying amount	
Balance as at 31 March 2019	1,471.92
Balance as at 31 March 2020	234.03

6. Investments

	(₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
	Quantity (Shares/units)	Quantity (Shares/units)
	Amount	Amount
A. <u>Non-current</u>		
Investment at cost		
In subsidiary fully paid equity shares – Unquoted		
Tata Communications Transformation Services Pte. Limited	170,000 110.66	170,000 110.66
Total (A)	170,000 110.66	170,000 110.66
B. <u>Current</u>		
Investments at fair value through profit or loss		
Mutual Funds (unquoted)	- - 1,60,855.83 6,049.15	
Total (B)	- - 1,60,855.83 6,049.15	
(A+B)	170,000 110.66 3,30,855.83 6,159.81	

The market value of the current investments is equal to the carrying value.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

9. Income tax assets (Net)

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
Advance tax (net of provision for taxes) (refer (i) below)	13,680.08	9,104.01
Total	13,680.08	9,104.01

i. Advance tax includes amount paid under dispute of ₹ 335 lakhs (2019: ₹ 335 lakhs).

10. Other assets

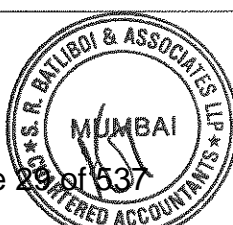
(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
A. Non-current		
a. Capital advances – unsecured, considered good	-	3.30
b. Prepaid expenses - unsecured, considered good	148.09	282.67
Total (A)	148.09	285.97
B. Current		
a. Advances to employees		
Unsecured, considered good	135.10	444.26
Unsecured, considered doubtful	3.25	3.25
	138.35	447.51
Less: allowance for doubtful advances	(3.25)	(3.25)
	135.10	444.26
b. Indirect tax recoverable – considered good	2,255.09	1,359.65
c. Advances to vendors		
Unsecured, considered good	407.36	8.71
Unsecured, considered doubtful	9.88	-
	417.24	8.71
Less: allowance for doubtful advances	(9.88)	-
	407.36	8.71
d. Prepaid expenses - unsecured, considered good	1,242.64	2,845.28
Total (B)	4,040.19	4,657.90
(A+B)	4,188.28	4,943.87

11. Trade receivables

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
Unsecured (including unbilled receivables)		
a. Considered good	68,034.51	53,426.08
b. Considered doubtful	488.53	160.86
	68,523.04	53,586.94
Less: Allowance for doubtful debt (expected credit loss allowance) (Refer note 38 (c))	(488.53)	(160.86)
Total	68,034.51	53,426.08



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

12. Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
Current accounts with banks	799.48	1,882.46
Total	799.48	1,882.46

13. Bank balances (other than note 12 above)

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
Other bank balances:		
Restricted bank deposits (Refer Note i below)	2.25	-
Total	2.25	-

- i. ₹ 2.25 lacs (2019: ₹ Nil) represents the time deposit booked against Bid Bond issued towards a Request for Proposal.

14. Equity share capital

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
a. Authorised:		
1,000,000 (2019: 1,000,000) Equity shares of ₹ 10 each	100.00	100.00
	100.00	100.00
b. Issued, subscribed and paid up:		
500,000 (2019: 500,000) Equity shares of ₹ 10 each, fully paid up	50.00	50.00
Total	50.00	50.00

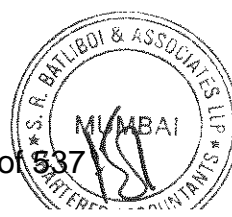
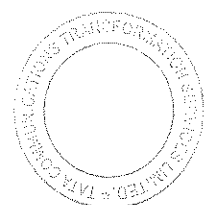
- a. **Issued, subscribed and paid up:**
There was no movement in the issued, subscribed and paid up share capital of the Company during the year.
- b. **Number of shares held by each shareholder holding more than 5% of the issued share capital:**

	As at 31 March 2020		As at 31 March 2019	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Parent Company)	500,000	100%	500,000	100%

c. Terms / rights attached to equity shares:

The Company has only one class of equity shares having a face value of ₹ 10 per share. Equity shareholders are entitled to one vote per share at any General Meeting of Shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

15. Other equity

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
a. General reserve (Refer Note i below)	1,381.97	1,381.97
b. Retained earnings	31,845.46	37,187.33
c. Other comprehensive income (Refer Note ii below)	(149.81)	290.37
Total	33,077.62	38,859.67

i. General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

ii. Other comprehensive income

This represents the cumulative gains and losses arising on remeasurement of defined employee benefit plans (net of tax).

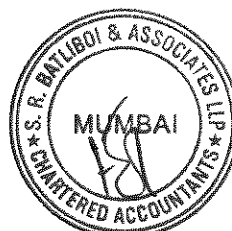
16. Provisions

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
A. Non-current		
Provision for employee benefits		
a. Provision for gratuity (refer note 31)	939.24	255.95
b. Provision for compensated absences (refer note 31)	1,333.01	1,011.69
c. Provision for ARO Liability	11.17	-
d. Provision for others (refer i below)	42.17	29.87
Total (A)	2,325.59	1,297.51
B. Current		
Provision for compensated absences (refer ii below)	317.77	238.75
Total (B)	317.77	238.75
(A+B)	2,643.36	1,536.26

i. Provision for others is towards end of service gratuity for the Company's Saudi Arabia branch.

ii. Provision for compensated absences includes the leave provision for branches.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

17. Other liabilities

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
A. <u>Non-current</u>		
Accrued employee benefits	174.27	345.26
Deferred Revenue (Refer note i below)	390.31	-
Total (A)	564.58	345.26
B. <u>Current</u>		
a. Deferred revenue (Refer note i below)	351.93	480.08
b. Accrued payroll	5,470.18	4,747.43
c. Statutory liabilities	2,105.76	713.57
d. Other liabilities	-	0.10
Total (B)	7,927.87	5,941.18
(A+B)	8,492.45	6,286.44

- i. Deferred revenue represents contract liabilities

18. Borrowings

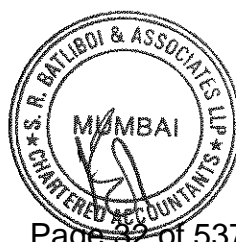
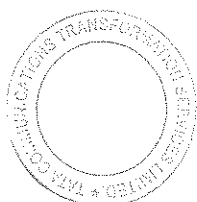
(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
<u>Unsecured</u>		
Loans repayable on demand (from banks)		
a. Cash credit facility (Rate of Interest per annum: 2.24%; 2019: NA)	14.67	-
b. Bank overdraft (Rate of Interest per annum: 8.15% to 8.75%; 2019: NA)	4,304.55	-
Total	4,319.22	-

19. Trade and other payables

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
A Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	510.81	368.82
(I)	510.81	368.82
B Total outstanding dues of creditors other than micro enterprises and small enterprises		
i. Other creditors	29,357.69	23,150.07
ii. Payable to related parties	18,257.73	12,714.79
(II)	47,615.42	35,864.86
Total (I+II)	48,126.23	36,233.68



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

20. Other financial liabilities

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
Current		
a. Capital goods		
- Payable to related parties	15.26	37.76
- Others	354.66	326.96
b. Other payables	28.67	63.54
Total	398.59	428.26

21. Right of Use liabilities

(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
A. Non-current		
Right of use Liability	4,247.25	-
Total (A)	4,247.25	-
B. Current		
Right of use Liability	1,166.20	-
Total (B)	1,166.20	-
(A+B)	5,413.45	-

22. Other income

(₹ in lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
a. Interest on income tax refund	384.93	-
b. Gain on investments carried at fair value through profit and loss	83.10	247.81
c. Foreign exchange gain/(loss) (net)	195.27	36.75
d. Recovery of Bad debts	-	1,113.12
e. Gain on RoU asset termination	45.10	-
f. Others	503.33	266.49
Total	1,211.73	1,664.17

TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

23. Operating and other expense

(₹ in lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
a. Light and power	704.66	714.09
b. Repairs and maintenance:		
i. Building	259.90	206.61
ii. Plant and machinery	3,163.74	2,713.22
iii. Others	152.15	187.31
c. Allowance for doubtful trade receivables	327.67	(5.11)
d. Allowance for doubtful advances	9.88	-
e. Rent	2,338.79	2,028.24
f. Network management and sub-contracting charges (Refer note i)	55,096.21	36,836.94
g. Travelling expenses	2,335.13	2,482.21
h. Local conveyance	730.96	813.83
i. Telephone expenses	1,318.85	1,415.51
j. Printing, postage and stationery	95.87	46.42
k. Outsourced manpower cost	21,932.02	19,851.63
l. Legal and professional charges	2,255.74	2,443.61
m. Brand equity and Business promotion expenses	-	256.73
n. Advertising and publicity	280.53	831.55
o. Recruitment expenses	138.77	168.02
p. Security charges	302.29	217.36
q. Corporate social responsibility (Refer Note ii)	203.77	223.30
r. Other expenses	555.96	611.74
Total	92,202.89	72,043.21

i. Network management and subcontracting charges includes cost of materials supplied for ₹ 2,606.80 lakhs (2019 – ₹ 3,509.37)

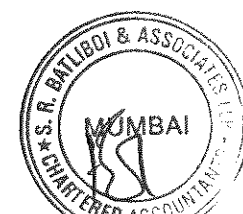
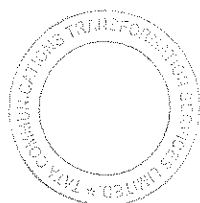
ii As per Section 135 of the Companies Act, 2013 and rules thereon, gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) amounting to ₹ 203.26 lakhs (2019: ₹ 223.30 lakhs). The Company spent ₹ 203.77 lakhs (2019: ₹ 223.30 lakhs) during the year for the purpose of CSR activities mainly under promotion of education and employability including ₹ 62.97 lakhs (2019: ₹ 63.88 lakhs) on construction / acquisition of assets.

iii Other expenses include auditor's remuneration as follows: (excluding goods and service tax):

(₹ in lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Auditors' remuneration and expenses		
a. Audit fees	20.90	19.00
b. Tax audit fees	3.30	3.00
c. Other professional services	1.50	2.15

iii. Operating and other expenses includes an adjustment on account of liabilities no longer required written back, pertaining to prior years.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

24. Employee benefits expenses

	(₹ in lakhs)	
	Year ended 31 March 2020	Year ended 31 March 2019
a. Salaries and related costs	38,361.03	31,931.86
b. Contributions to provident, gratuity and other funds (Refer note 31)	2,106.75	1,632.56
c. Staff welfare expenses	2,753.47	2,384.25
Total	43,221.25	35,948.67

25. Finance costs

	(₹ in lakhs)	
	Year ended 31 March 2020	Year ended 31 March 2019
a. Interest on bank overdraft and loans	94.26	12.12
b. Interest on right of use liability	315.14	-
c. Other interest	95.09	96.38
Total	504.49	108.50

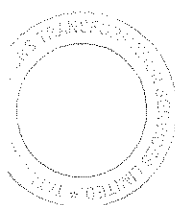
26. Depreciation and amortisation expense

	(₹ in lakhs)	
	Year ended 31 March 2020	Year ended 31 March 2019
a. Depreciation for the year on property, plant and equipment (Refer note 3)	2,092.55	1,335.50
b. Depreciation for the year on right of use assets (Refer note 4)	920.62	-
c. Amortisation for the year on intangible assets (Refer note 5)	1,409.04	340.12
Total	4,422.21	1,675.62

During the current year, the Company has provided additional depreciation of ₹ 1,429.09 lakhs (2019: Nil) on certain assets that are not in use.

27. Staff cost optimisation

As part of its initiative to enhance the long-term efficiency of the business, during the previous year the Company undertook certain organizational changes to align to the Company's current and prospective business requirements. These changes involved certain positions in the Company becoming redundant and the Company incurred one-time charge of ₹ 264.99 lakhs during the year (2019: written back ₹ (199.67) lakhs) net of recoveries.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

28. Income tax

a. Income tax recognised in statement of profit and loss

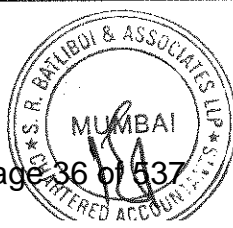
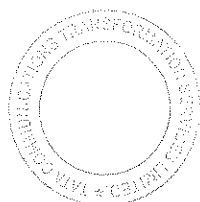
Particulars	(₹ in lakhs)	
	Year ended 31 March 2020	Year ended 31 March 2019
Current tax		
In respect of current year	-	3,173.82
In respect of prior years	493.34	(297.60)
Total current tax (a)	493.34	2,876.22
Deferred tax		
In respect of the current year	(989.91)	(22.10)
In respect of prior years	(537.90)	302.15
Total deferred tax (b)	(1,527.81)	280.05
Total income tax (a+b)	(1,034.47)	3,156.27

b. The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	(₹ in lakhs)	
	Year ended 31 March 2020	Year ended 31 March 2019
Profit before tax	(6,332.03)	8,849.98
Income tax expense calculated at 25.168% tax rate (2019: 34.944% Tax rate)	(1,593.65)	3,092.54
Tax expense as per statement of profit and loss	(1,034.47)	3,156.27
Difference	(559.18)	(63.72)
Reasoning		
Effect of expenses / adjustments that are not deductible in determining taxable profit	(58.88)	(63.72)
Effect of prior period adjustments	44.56	
One-time rate change impact	(544.86)	
Total	(559.18)	(63.72)
Income tax expense recognised in statement of profit and loss	(1,034.47)	3,156.27

c. Income tax recognised in Other comprehensive income

Particulars	(₹ in lakhs)	
	Year ended 31 March 2020	Year ended 31 March 2019
Deferred tax		
Remeasurement of the defined benefit obligations	(148.05)	39.94
Total deferred tax	(148.05)	39.94
Bifurcation of income taxes recognized in other comprehensive income into		
Items that will not be reclassified to statement of profit and loss	(148.05)	39.94



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

The Company has exercised the option of lower tax rate of 25.17% (inclusive of Surcharge and Cess) permitted under Section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Deferred Tax Assets (net) as at March 31, 2019 have been re-measured during the quarter ended September 30, 2019.

29. Segment information

a. Operating segments

The Board of Directors of the Company constitute the Chief Operating Decision Makers ("CODM") which allocate resources to and assess the performance of the Company. The Company is engaged primarily in the business of providing telecommunication network management, consulting and other support services. Considering the nature of the Company's business and operations, there are no other reportable segments in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments' prescribed under section 133 of the Companies Act, 2013.

b. Geographical information

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

(₹ in lakhs)

Geography	Year ended 31 March 2020	Year ended 31 March 2019
India	95,257.09	73,757.62
United Kingdom	20,066.78	20,481.74
Canada	6,559.90	8,971.94
USA	359.77	896.77
Luxemburg	4,056.94	3,811.46
Others	6,771.59	8,842.61
	1,33,072.07	1,16,762.14

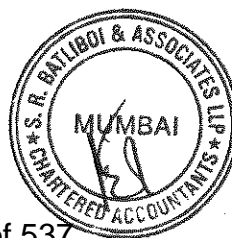
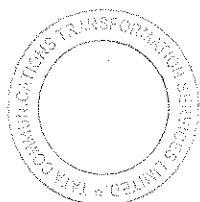
For segment, non-current assets comprises of property, plant and equipment, capital work in progress, intangible assets, intangible assets under development and other assets which are mainly located in India.

c. Information about major customers

(₹ in lakhs)

Customer name	As at 31 March 2020	% of total revenue	As at 31 March 2019	% of total revenue
Customer A	25,633.24	19%	15,308.67	13%
Customer B	24,063.60	18%	24,198.03	21%
Customer C	20,744.79	16%	36,181.99	31%
Customer D	13,452.40	10%	13,493.06	12%

The Company's exposure to customers other than the four largest customers is diversified and no other single customer has more than 10% of outstanding accounts receivable as on 31 March 2020 and 31 March 2019.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

30. Earnings per share

	(₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
Net Profit after tax attributable to the equity shareholders (A)	(5,297.56)	5,693.71
Number of equity shares outstanding at the end of the year	500,000	500,000
Weighted average number of shares outstanding during the year (B)	500,000	500,000
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	(1,059.51)	1,138.74

31. Employee Benefit plans

i. Defined Contribution Plan - Provident Fund

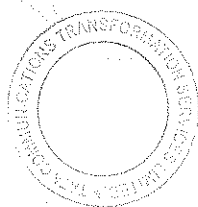
The Company makes contribution towards provident fund under a defined contribution retirement benefit plan for employees. The provident fund is administered by the Regional Provident Fund Commissioner. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Provident fund contributions amounting to ₹ 1,666.93 lakhs (2019: ₹ 1,156.77 lakhs) lakhs have been charged to the Statement of Profit and Loss, under contributions to provident, gratuity and other funds in note 24 "Employee benefits".

"There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order.

ii. Defined Benefit Plan - Gratuity

The Company makes annual contributions under the Employees Gratuity scheme to a fund administered by Trustees covering all eligible employees. The plan provides for lump sum payments to employees whose right to receive gratuity had vested at the time of resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service except in case of death.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

These plans typically expose the Company to actuarial risk such as investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, the plan has a relatively balanced mix of investments in government securities, high quality corporate bonds, equity and other debt instruments.
Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Salary risk	Higher than expected increases in salary will increase the defined benefit obligation
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2020 by an accredited actuary.

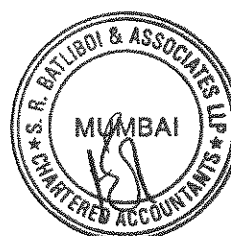
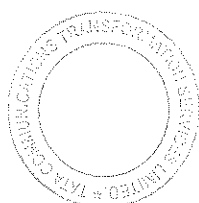
The principal assumptions used for the purposes of the actuarial valuations were as follows

	As at 31 March 2020	As at 31 March 2019
<u>Principal actuarial assumptions</u>		
Discount rate	6.60%	7.30%
Salary escalation rate	7.00%	7.00%
<u>Withdrawal rate</u>		
Less than 5 years	15.00%	15.00%
5 years and more	8.00%	8.00%

The discount rate is based on the prevailing market yields of the Government of India Securities as at Balance sheet date for the estimated term of the obligation.

The estimation of the future salary increase is considered by taking into account the inflation, seniority, promotion, increments and other relevant factors.

Amounts recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

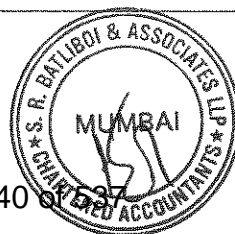
(₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
Expenses recognised in the statement of profit and loss		
a. Current service cost	325.49	346.42
b. Interest cost	9.91	7.66
Components of defined benefit costs recognized in the statement of profit and loss	335.40	354.08
Remeasurement on the net defined benefit liability		
a. Return on plan assets (excluding amounts included in net interest expense)	11.01	(29.56)
b. Actuarial (gains) / losses arising from DBO assumption changes	204.43	44.55
c. Actuarial (gains) / losses arising from experience adjustments	372.79	(129.28)
Components of defined benefit costs recognized in other comprehensive income	588.23	(114.29)

The details in respect of the status of funding and the amounts recognised in the Company's financial statements are as under

(₹ in lakhs)

	As at 31 March 2020 (Funded)	As at 31 March 2019 (Funded)
I. Amount recognized in the balance sheet		
Liability at the end of the year	(4,025.29)	3,041.31
Fair value of plan assets at the end of the period	3,086.05	2,785.36
Net liability in the balance sheet	939.24	255.95
Non-current provision (Refer note 16A)	939.24	255.95
II. Change in the Defined Benefit Obligation (DBO)		
Liability at the beginning of the period	3,041.31	3364.06
Current service cost	325.49	346.42
Past service cost	-	-
Interest cost	217.06	222.06
Transfer in/(out)	187.60	(171.60)
Actuarial (gain) / loss on financial assumption	204.43	44.55
Actuarial (gain) / loss on experience assumption	372.79	(129.28)
Benefits paid	(323.39)	(634.90)
Liability at the end of the period	4,025.29	3,041.31
III. Change in fair value of assets		
Opening fair value of plan assets	2,785.36	3,175.80
Transfer in/ (out)	187.60	(171.60)
Expected return on plan assets	207.15	214.40
Employer's contribution	240.34	172.10
Actuarial gain / (loss)	(11.01)	29.56
Benefits paid	(323.39)	(634.90)
Closing fair value of plan assets	3,086.05	2,785.36



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

Major categories of plan assets are as follows

	As at 31 March 2020	As at 31 March 2019
a. Government of India securities (central and state)	27.59%	41.92%
b. High quality corporate bonds (including public sector bonds)	46.20%	23.02%
c. Equity shares of listed companies	14.03%	19.15%
d. Cash (including special deposits)	9.64%	9.90%
f. Other (including assets under schemes of insurance)	2.54%	6.01%
Total	100%	100%

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets. This policy has been implemented during the current and prior years.

A quantitative sensitivity analysis for significant assumptions as at 31 March 2020 and 31 March 2019 is as shown below

Significant actuarial assumptions for the determination of the defined obligation are discount rate, salary escalation rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

a. Discount rate

(₹ in lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Effect on DBO due to 1% increase	(286.31)	(211.36)
Effect on DBO due to 1% decrease	328.71	241.94

b. Salary escalation rate

(₹ in lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Effect on DBO due to 1% increase	281.57	213.02
Effect on DBO due to 1% decrease	(259.83)	(194.73)

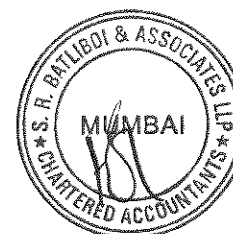
c. Withdrawal rate

(₹ in lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Effect on DBO due to 5% increase	(21.70)	23.23
Effect on DBO due to 5% decrease	21.38	(56.16)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Maturity profile of defined benefit plan

	(₹ in lakhs)
	As at 31 March 2020
a. March 31, 2021	465.54
b. March 31, 2022	386.70
c. March 31, 2023	474.91
d. March 31, 2024	447.14
e. March 31, 2025	485.55
f. March 31, 2026 to March 31, 2030	3,099.57

There has been no change in the process used by the company to manage its risks from prior years.

iii. Leave Plan and compensated absences

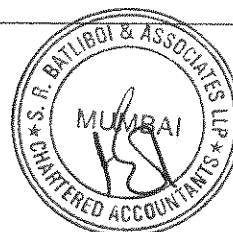
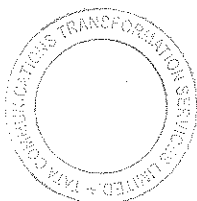
Eligible employees can carry forward and encash leave on death, permanent disablement and resignation subject to maximum accumulation of 60 days and 45 days in case of employee joining after 1 January 2020.

The liability for compensated absences as at the year-end is ₹ 1,603.05 lakhs (2019: ₹ 1,250.44 lakhs) as shown under non-current provisions ₹ 1,333.01 lakhs (2019: ₹ 1,011.69 lakhs) and current provision ₹ 270.04 lakhs (2019: ₹ 238.75 lakhs). The amount charged to the Statement of Profit and Loss under Salaries and related costs in note 24 "Employee benefits expense" is ₹ 489.68 lakhs (2019: ₹ 282.11 lakhs).

32. Related party transactions

i. Names of related parties and nature of relationship

Sr. No	Category of related parties	Names
A	Holding company	Tata Communications Limited
B	Controlling party and its affiliates *@	Tata Sons Limited Tata Consultancy Services Limited Tata Teleservices Limited Tata Teleservices Maharashtra Limited Tata Sky Limited Tata Sky Broadband Private Limited Tata Asset Management Limited Tata projects Ltd (w.e.f. 28 May 2018) Lokmanya Hospitals Private Limited (w.e.f. 28 May 2018) Tata AIG General Insurance Company Limited Sir Dorabji Tata trust (w.e.f. 28 May 2018) Tata Capital Financial Services Limited TVS Supply Chain Solutions Limited TVS Logistics Services Limited (w.e.f. 28 May 2018) Tata Elxsi Limited (w.e.f. 28 May 2018) The Indian Hotels Company Ltd (w.e.f. 28 May 2018) Piem Hotels Limited United Hotels & Properties Pvt Ltd Roots Corporation Limited Titan Company Limited



TATA Communications Transformation Services Limited

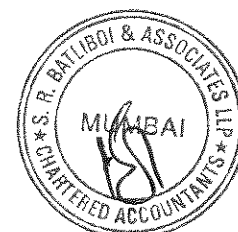
Notes forming part of the standalone financial statements
for the year ended 31 March 2020

		Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited) Infiniti Retail Limited
C	Subsidiary (Direct)	Tata Communications Transformation Services Pte Limited (Singapore)
D	Subsidiary (Indirect)	Tata Communications Transformation Services (Hungary) Kft Tata Communications Transformation Services (US) Inc Tata Communications Transformation Services South Africa (Pty) Ltd
E	Fellow subsidiaries*	Tata Communications International Pte Limited Tata Communications (Australia) Pty Limited Tata Communications (America) Inc. Tata Communications (Bermuda) Limited Tata Communications (Canada) Limited Tata Communications (Netherlands) B.V. Tata Communications (UK) Limited Tata Communications (Middle East) FZ-LLC Tata Communications (Ireland) Limited Tata Communications (Poland) SPZoo Tata Communications (Spain) SL Tata Communication (NZ) Ltd. Tata Communications Deutschland GmbH. Tata Communications (France) SAS Tata Communications Hongkong Limited Tata Communications (Malaysia) SDN.BHD Tata Communications Payments Solutions Limited Tata Communication Services International Pte Ltd Tata Communications Collaboration Services Private Limited
F	Associate of holding company	STT Global Data Centers India Private Limited
G	Key managerial Personnel	Madhusudhan MR (Managing Director)
H	Others	Tata Communications Transformation Services Limited Employees Gratuity Trust

*Where transactions have taken place / there are balances

Reimbursement made of expenses incurred by related party for business purpose of the Company, or reimbursement received for expenses incurred by the Company on behalf of a related party shall not be deemed related party transactions.

@ On May 28, 2018, Tata Sons Limited ('TSL') and its wholly owned subsidiary, Panatone Finvest Limited ('Panatone'), increased their combined stake in the Holding Company to 48.90% there by gaining de-facto control as per Ind-AS. Accordingly, the Holding Company has classified TSL and Panatone as "Controlling Entities" and hence, the Company has disclosed TSL, its subsidiaries, joint ventures and associates as the 'Controlling party and its affiliates', effective this date. The Company had disclosed TSL, its subsidiaries and its joint ventures as 'Controlling party and its affiliates' in the previous year.

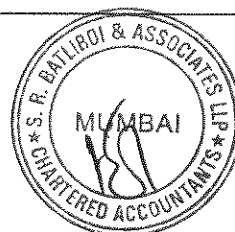
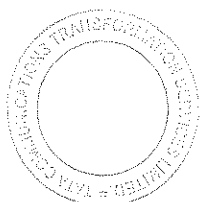


TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

ii. Summary of transactions with related parties

Particulars	(₹ in lakhs)					
	Holding company & its associates	Controlling party and its affiliates	Subsidiaries (Direct and Indirect)	Fellow subsidiaries	Key management Personnel	Others
Revenue from operations	13,814.05 14,015.12	30,993.86 41,423.43	70.91 -	660.93 683.85	- -	- -
Other Income	454.74 39.07	- -	7.57 9.54	(8.30) 32.24	- -	- -
Rent	1,052.73 1,716.68	1.10 10.07	- -	- -	- -	- -
Interest on lease liabilities (forms a part of lease payout of ₹ 607.78 lacs)	157.78 -	- -	- -	- -	- -	- -
Telephone expenses	862.22 904.55	90.65 120.01	- -	4.86 29.77	- -	- -
Brand Equity and Business Promotion expenses	- -	- 256.73	- -	- -	- -	- -
Outsourced manpower cost	1,229.25 1,768.02	(0.80) 18.84	- -	3,610.39 3,713.86	- -	- -
Insurance	- -	4.71 2.02	- -	- -	- -	- -
Car Lease Rentals	- -	19.01 38.37	- -	- -	- -	- -
Repairs & maintenance	15.81 -	193.39 104.07	- -	- -	- -	- -
Others	- -	40.71 38.32	- -	- -	- -	- -
Assets – Transfer in / (Out)	- 0.23	110.23 24.30	- -	- -	- -	- -
Additions to right of use assets*	2,105.08 -	- -	- -	- -	- -	- -
Termination of right of use assets	711.35 -	- -	- -	- -	- -	- -
Purchase of current investment	- -	2,150.00 3,400.00	- -	- -	- -	- -



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

Particulars	Holding company & its associates	Controlling party and its affiliates	Subsidiaries (Direct and Indirect)	Fellow subsidiaries	Key management Personnel	Others	Total
Redemption of current investments	-	2,156.25	-	-	-	-	2,156.25
	-	3,406.16	-	-	-	-	3,406.16
Key Managerial remuneration	-	-	-	-	478.35	-	478.35
	-	-	-	-	449.39	-	449.39
Contribution to Gratuity trust	-	-	-	-	-	240.34	240.34
	-	-	-	-	-	172.10	172.10

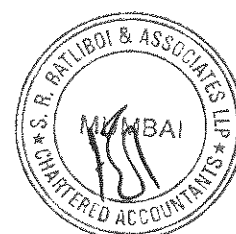
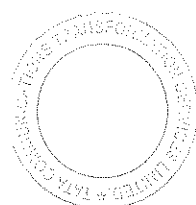
iii. Summary of balances with related parties

(₹ in lakhs)							
Particulars	Holding company & its associates	Controlling party and its affiliates	Subsidiaries (Direct and Indirect)	Fellow subsidiaries	Key management Personnel	Others	Total
Trade Receivables	6,244.19	18,496.06	133.37	569.56	-	-	25,443.18
	9,162.80	20,884.09	15.88	9.97	-	-	30,072.74
Other assets	-	0.43	-	-	-	-	0.43
	-	3.44	-	-	-	-	3.44
Other financial assets – non-current	-	0.50	-	-	-	-	0.50
	-	0.50	-	-	-	-	0.50
Trade Payables	6,398.73	514.75	1.13	11,343.12	-	-	18,257.73
	8,879.36	343.02	-	3,492.41	-	-	12,714.79
Other current Liabilities	104.02	124.25	-	(1.86)	-	-	226.41
	69.94	-	-	2.29	-	-	72.23
Other financial Liabilities	-	15.26	-	-	-	-	15.26
	-	37.76	-	-	-	-	37.76
Other non-current Liabilities	388.72	1.49	-	-	-	-	390.21
	-	-	-	-	-	-	-
Right-of-use liabilities – Current	374.69	-	-	-	-	-	374.69
	-	-	-	-	-	-	-
Right-of-use liabilities – Non-Current	742.29	-	-	-	-	-	742.29
	-	-	-	-	-	-	-

Amount in italics denote previous year figures.

Remuneration paid to Chief Executive Officer does not include provision for gratuity as it is provided in the books on the basis actuarial valuation for the Company as a whole.

*Addition to Right of use assets includes the impact of Ind AS 116 adoption w.e.f. 1 April 2019.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

33. Operating lease arrangements

As lessee

The Company has lease contracts for immovable properties across various locations used in its operations. Such leases generally have lease terms between 3 to 10 years. Generally, The Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

The Company also has certain leases with lease terms of 12 months or less.

The following is the movement in Right-of-use liabilities during the year ended 31 March 2020:

(₹ in lacs)	
Particulars	Amount
Balance as at 1 April 2019	2,430.93
Additions	4,412.98
Finance cost accrued during the year	315.14
Payment/Reversal of right-of-use liabilities	(1,196.53)
Liabilities settled against leased assets terminated	(649.07)
Balance as at 31 March 2020	5,413.45

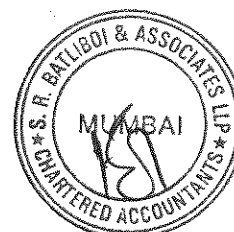
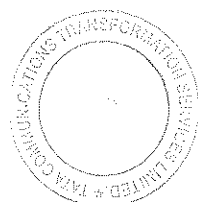
The following is the break-up of current and non-current right-of-use liabilities as at 31 March 2020

(₹ in lacs)	
Particulars	Amount
Current liability	1,166.20
Non-current liability	4,247.25
Balance as at 31 March 2020	5,413.45

The table below provides details regarding the contractual maturities of right-of-use liabilities as at 31 March 2020 on an undiscounted basis:

(₹ in lacs)	
	As at 31 March 2020
Due not later than one year	1,558.65
Due later than one year but not later than five years	4,839.53
Later than five years	-
	6,398.18

The Company does not face a significant liquidity risk with regard to its right-of-use liabilities as the current assets are sufficient to meet the obligations related to right-of-use liabilities as and when they fall due.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

34. Contingent liabilities and commitments

I. Contingent liabilities

	(₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
Claims against the Company not acknowledged as debt		
- Claims for taxes on income (Refer i)	578.39	548.36
- Others (Refer ii)	6,614.55	4,106.00

- i. These pertain to demand notices in respect of certain transfer pricing and other adjustments carried out by Revenue authorities and non-compliance of TDS for which the Company has preferred appeals and/ or filed rectifications which are pending.
- ii. Other claims pertain to claims raised by a service provider for alleged breach of the contract. The contract provided for arbitration as the means of dispute resolution. An Arbitrator has been appointed by Court to resolve the dispute between the parties. In the arbitration, the service provider has filed its Statement of Claim. Soon thereafter, and before the Company could file its Defense to Service Provider's Statement of Claim and/or raise potential Counterclaims, parties were referred to mediation/ settlement by the Arbitrator. If the dispute is not amicably settled, parties would have to continue arbitration proceedings. It is however difficult to predict the outcome of these proceedings as the dispute is currently at a very nascent stage (i.e. even pleadings have not been completed). While the company believes that it has reasonable defenses against Service provider's claims, the amount has been disclosed as contingent liability.

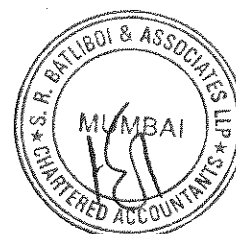
II. Commitments

i. Capital commitments

Estimated amount of contracts remaining (net of advances) to be executed on capital account, not provided for ₹ 156.92 lakhs (2019: ₹ 151.27 lakhs).

ii. Other commitments

The Company has issued corporate guarantee for credit facility arrangements in respect of one its subsidiary of ₹ 7,923.30 lakhs (USD 10.50 mn) (2019: ₹ 3,258.75 lakhs (USD 5.25 mn)).



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TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

35. Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (₹ in lakhs)

	As at 31 March 2020	As at 31 March 2019
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	509.12	360.09
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1.69	8.73
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day Includes amount of interest ₹ Nil paid during the year	4,531.41	3,689.55
d. The amount of interest due and payable for the year	1.69	8.73
e. The amount of interest accrued and remaining unpaid at the end of the accounting year	1.69	8.73
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest's dues as above are actually paid	-	-
g. Total outstanding dues of micro and small enterprises	510.81	368.82

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

36. Derivatives

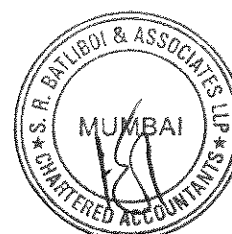
Derivatives not designated as hedge instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally for a period of 1 to 3 months.

Outstanding derivatives instruments are as follows:

(₹ in lakhs)

	As at 31 March 2020		As at 31 March 2019	
	(Amount in Foreign Currency)	(Amount in INR)	(Amount in Foreign Currency)	(Amount in INR)
i. Forward exchange contracts (Sell)				
CAD	22.48	1,222.68	11.33	597.13
EUR	-	-	3.50	281.52
GBP	32.50	3,063.51	32.05	3,003.10
ZAR	-	-	71.33	339.42
ii. Forward exchange contracts (Buy)				
USD	57.50	4,212.44	15.00	1,089.31



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

37. Financial instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(q) to the financial statements.

Financial assets and liabilities

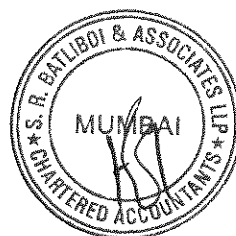
The carrying value of financial instruments by categories as at 31 March 2020 is as follows

	(₹ in lakhs)			
	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
Financial Assets:				
Other financial assets	-	149.34	943.64	1,092.98
Trade receivables	-	-	68,034.51	68,034.51
Cash and Cash equivalents	-	-	799.48	799.48
Other bank balances	-	-	2.25	2.25
Total	-	149.34	69,779.88	69,929.22
Financials Liabilities:				
Borrowings	-	-	4,319.22	4,319.22
Right-of-use liabilities	-	-	5,413.45	5,413.45
Other financial liabilities	-	-	398.59	398.59
Trade payables	-	-	48,126.23	48,126.23
Total	-	-	58,257.49	58,257.49

The carrying value of financial instruments by categories as at 31 March 2019 is as follows

	(₹ in lakhs)			
	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
Financial Assets:				
Investments (other than at cost)	6,049.15	-	-	6,049.15
Other financial assets	-	62.24	227.08	289.32
Trade receivables	-	-	53,426.08	53,426.08
Cash and Cash equivalents	-	-	1,882.46	1,882.46
Total	6,049.15	62.24	55,535.62	61,647.01
Financials Liabilities:				
Other financial liabilities	-	-	428.26	428.26
Trade payables	-	-	36,233.68	36,233.68
Total	-	-	36,661.94	36,661.94

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at 31 March 2020 and 31 March 2019 approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

- (i) The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required)

Financial assets	Fair value as at		Fair value hierarchy
	31 March 2020	31 March 2019	
Financial Assets			
Investment in mutual funds	-	6,049.15	Level 1
Foreign exchange forward contracts	149.34	62.24	Level 2

38. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include loans, trade and other receivables, current investments and cash and cash equivalents and current investments that derive directly from its operations. The Company has investments in mutual funds on which gain or loss on fair value is recognised through profit or loss and also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Senior Management reviews and agrees policies for managing each of these risks, which are summarised below:

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, Fair Value Through Profit or Loss investments and derivative financial instruments.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

b. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12- month period for hedges of forecasted sales and purchases.

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 5% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which would affect the statement of Profit and Loss and equity.

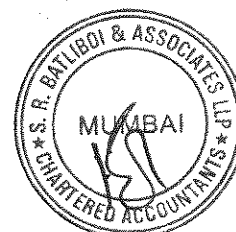
The following tables sets forth information relating to foreign currency exposure (net) as at 31 March 2020 and 31 March 2019.

Currency	As at 31 March 2020		As at 31 March 2019	
	Financial liabilities	Financial Assets	Financial liabilities	Financial Assets
Omani Riyal	-	59.53	-	28.35
CAD	-	940.07	-	1,622.09
GBP	2,244.63	-	1,727.37	-
EUR	-	619.03	-	855.38
USD	2,698.87	-	1,370.82	-
AUD	23.47	-	80.44	-
Others	685.22	-	532.34	11.94

5% appreciation/ depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit before tax by approximately ₹ 201.68 lakhs and ₹ 59.66 lakhs for the year ended 31 March 2020 and 31 March 2019 respectively.

c. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.



TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

The Company has applied simplified approach for computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes in to consideration the historical credit loss experience and the adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due.

(₹ in lakhs)

Ageing of receivables	As at 31 March 2020	As at 31 March 2019
Within credit period	26,215.82	28,130.73
01-90 days	26,322.05	20,504.08
91-180 days	9,839.23	3,853.83
181-360 days	5,397.96	295.45
More than 360 days	259.45	641.99
Total	68,034.51	53,426.08

Movement in the expected credit loss allowance

(₹ in lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Balance at beginning of the year	160.86	165.97
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	327.67	(5.11)
Balance at the end of the year	488.53	160.86

d. Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

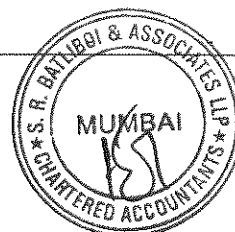
The table below summarizes the maturity profile of the Company's financial liabilities based on contractual payments.

(₹ in lakhs)

As at 31 March 2020	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Trade and other payables	15,911.79	32,243.11	-	-	48,154.90
Right-of-use liabilities	-	1,166.20	4,247.25	-	5,413.45
Borrowings	-	4,319.22	-	-	4,319.22
Capital creditors	52.21	317.71	-	-	369.92

(₹ in lakhs)

As at 31 March 2019	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Trade and other payables	15,714.70	20,582.51	-	-	36,297.21
Capital creditors	301.98	62.75	-	-	364.73




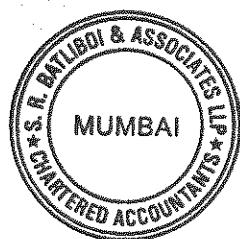
TATA Communications Transformation Services Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2020

39. The Covid-19 pandemic has caused a fundamental shift in the operations and short-to-medium term strategies of telecom operators and CSPs (our customers) across the world. With increased restrictions on movement and with a majority of people working and studying from home, the demand for data has increased dramatically. This, combined with the heightened macro and micro-economic uncertainty, has resulted in CSPs focusing their efforts on increased network resilience and a re-look at planned capex spends (particularly on new technologies). The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. Keeping in mind that this is a rapidly evolving situation, the company shall continue to assess existing customer requirements as well as challenges faced by them to take appropriate actions accordingly.
40. The remuneration payable to the Managing Director for the year ended March 31, 2020 is in excess of the limits applicable under section 197 of the Companies Act 2013 (the 'Act'), read with Schedule V thereto, by ₹ 357.57 lakhs. The Company proposes to obtain approval of the shareholders in a general meeting by way of a special resolution to ensure compliance with the Act.
41. **Events after the reporting period**
- There are no subsequent events between the year ended 31 March 2020 and signing of financial statements as on 09 June 2020 which have material impact on the financials of the Company.
42. **Approval of financial statements**
- The financial statements were approved for issue by the Board of Directors on 09 June 2020.
43. Previous year's figures have been regrouped/ re-arranged where necessary to confirm to current year's classification / disclosure.

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

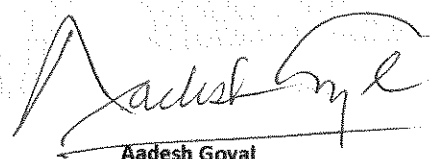

Hormuz Master
Partner
Membership Number: 110797




Place: Mumbai
Date: 09 June 2020

For and on behalf of Board of Directors


Madhusudhan MR
Managing Director


Aadesh Goyal
Director


Umasree Kotamraju
Chief Financial Officer

Place: Mumbai
Date: 09 June 2020



INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Communications Payment Solutions Limited

Report on the Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying Ind AS financial statements of Tata Communications Payment Solutions Limited (the "Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

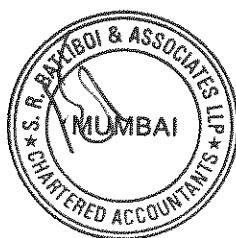
We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's and the Management report but does not include the Ind AS financial statements and our auditor's report thereon. The Director's and Management report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

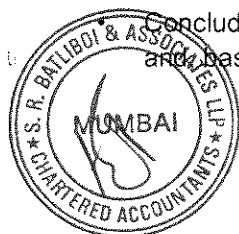
Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to



events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the provision of section 197 read with Schedule V to the Act in relation to managerial remuneration is not applicable to the Company;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 33 to the Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



Per Hormuz Master

Partner

Membership Number: 110797

UDIN: 20110797AAAAAV6733

Place of Signature: Mumbai

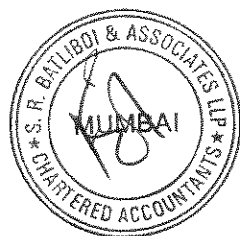
Date: June 9, 2020



Annexure 1 referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

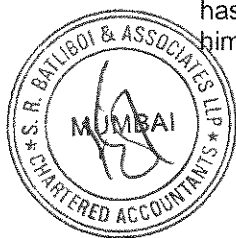
Re: Tata Communications Payment Solutions Limited (the "Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/ fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to employees' state insurance are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:



Name of the Statute	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Kerala Value Added Tax, 2003	Sales Tax	0.87	2013-14	Sales Tax Officer -Walayar
Bihar Value Added Tax, 2005	VAT demand	121.23	2014-15	Deputy. Commissioner of Commercial Taxes, Central Circle, Patna
UP Value Added Tax, 2008	VAT demand	45.18	2015-16	Sales Tax officer - Lucknow
Income Tax Act, 1961	TDS demand	486.81	2017-18	Income Tax department - Mumbai

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud / material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Hormuz Master**

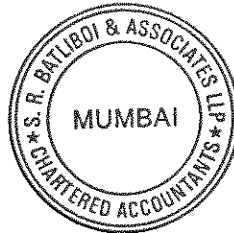
Partner

Membership Number: 110797

UDIN: 20110797AAAAAV6733

Place of Signature: Mumbai

Date: June 9, 2020



**Annexure 2 referred to in Paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date
Re: Tata Communications Payment Solutions Limited (the "Company")**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **Tata Communications Payment Solutions Limited** (the "Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

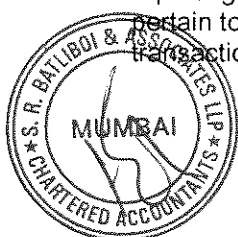
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A Company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that



transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



Per Hormuz Master

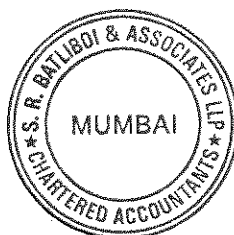
Partner

Membership Number: 110797

UDIN: 20110797AAAAAV6733

Place of Signature: Mumbai

Date: June 9, 2020



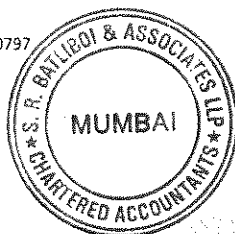
Tata Communications Payment Solutions Limited
Balance Sheet as at 31 March 2020

	Particulars	Notes	As at 31 March 2020 ₹ in Lacs	As at 31 March 2019 ₹ in Lacs
A	ASSETS			
(1)	Non-current assets			
(a)	Property, plant and equipment	3	18,119.48	26,812.10
(b)	Right of Use Asset	4	11,313.66	-
(c)	Capital work-in-progress		44.49	87.68
(d)	Intangible assets	5	43.65	76.94
(e)	Financial Assets			
	(i) Other financial assets	6A	1,368.76	1,628.07
(f)	Income tax assets (net)	7	1,274.32	1,672.84
(g)	Other assets	8A	10.28	43.08
	Total non-current assets		32,174.64	30,320.71
(2)	Current assets			
(a)	Financial Assets			
	(i) Trade receivables	9	2,573.41	4,035.01
	(ii) Cash and cash equivalents	10	35,465.54	52,092.74
	(iii) Bank balances other than (ii) above	11	17.00	17.00
	(iv) Other financial assets	6B	1,949.99	241.08
(b)	Other assets	8B	1,960.29	1,966.77
	Total current assets		41,966.23	58,352.60
	Total assets		74,140.87	88,673.31
B	EQUITY AND LIABILITIES			
I	Equity			
(a)	Equity share capital	12	98,709.18	98,709.18
(b)	Other equity	13	(82,737.59)	(70,891.20)
	Total equity		15,971.59	27,817.98
II	Liabilities			
(1)	Non-current liabilities			
(a)	Financial Liabilities			
	(i) Right of Use liabilities	18A	8,219.33	-
(b)	Provisions	14A	341.75	314.33
(c)	Other liabilities	15A	30.71	81.59
	Total non-current liabilities		8,591.79	395.92
(2)	Current liabilities			
(a)	Financial Liabilities			
	(i) Borrowings	16	32,006.25	45,478.14
	(ii) Trade and other payables	17		
	1. Total outstanding dues of micro enterprises and small enterprises	17A	30.65	429.43
	2. Total outstanding dues of creditors other than micro enterprises and small	17B	10,662.70	12,293.97
	(iii) Right of Use liabilities	18B	4,190.82	-
	(iv) Other financial liabilities	19	852.80	1,328.55
(b)	Provisions	14B	13.51	12.81
(c)	Other liabilities	15B	1,820.76	916.51
	Total current liabilities		49,577.49	60,459.41
	Total equity and liabilities		74,140.87	88,673.31

See accompanying notes forming part of the financial statements

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Hormas Master
Partner
Membership Number: 110797



For and on behalf of the board of Directors

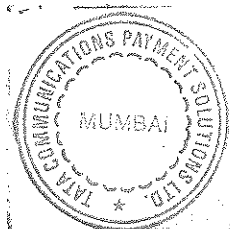
Aadesh Goyal
Director

Sumeet Walia
Director

Ridhi Sood
Company Secretary

Sanjeev Patel
Chief Executive Officer

Sanjay Agarwal
Chief Financial Officer



Place : Mumbai
Dated: 09 June 2020

Place : Mumbai
Dated: 09 June 2020

Tata Communications Payment Solutions Limited
Statement of Profit and Loss for the year ended 31 March 2020

Particulars	Notes	Year ended	
		31 March 2020	31 March 2019
		₹ in Lacs	₹ in Lacs
I Revenue from operations		34,340.98	35,707.76
II Other Income	20	34,340.98	35,707.76
III Total Income (I + II)		271.07	1,235.08
IV Expenses:		34,612.05	36,942.84
Operating and other expenses	21		
Employee benefit expense	22	24,591.27	32,324.88
Finance costs	23	2,762.64	2,852.06
Depreciation and amortisation expense	24	4,012.15	2,849.92
Total Expenses		13,839.34	11,419.56
V Loss before exceptional items and tax (III - IV)		45,205.41	49,446.42
VI Exceptional Items	25	(10,593.36)	(12,503.58)
VII Loss before tax (V - VI)		(8.99)	18.11
VIII Tax expense		(10,584.37)	(12,521.69)
IX Loss for the year (VII - VIII)			
X Other comprehensive income/(loss)		(10,584.37)	(12,521.69)
Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		(20.06)	5.17
Other comprehensive income/(loss) for the year, net of tax		(20.06)	5.17
XI Total comprehensive loss for the year, net of tax (IX + X)		(10,604.43)	(12,516.52)
Basic/ Diluted Earnings per share (of ₹ 10 each)	29	(1.07)	(1.27)

See accompanying notes forming part of the financial statements

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Hormuz Master
Partner
Membership Number: 110797

For and on behalf of the board of Directors

(Signature)
Aadesh Goyal
Director

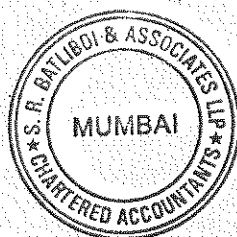
(Signature)
Ridhi Sood
Company Secretary

(Signature)
Sanjeev Patel
Chief Executive Officer

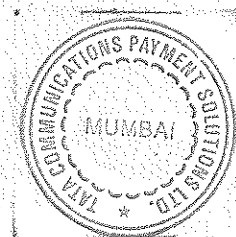
(Signature)
Sumeet Walla
Director

(Signature)
Sanjay Agarwal
Chief Financial Officer

Place : Mumbai
Dated: 09 June 2020



Place : Mumbai
Dated: 09 June 2020



Tata Communications Payment Solutions Limited		
Cash Flow Statement for the year ended 31 March 2020		
Particulars	Year Ended 31 March 2020 ₹ in Lacs	Year Ended 31 March 2019 ₹ in Lacs
Cash Flows from operating activities		
Loss before tax	(10,584.37)	(12,521.69)
Adjustments for :		
Depreciation and amortisation expense	13,839.34	11,419.56
Finance cost	4,012.16	2,849.92
Loss/(Gain) on write off or sale of property, plant and equipment and intangible assets (net)	(115.41)	(346.25)
Fixed assets written off	41.78	40.41
Allowance for doubtful advances	232.70	368.25
Allowance for trade receivables	142.29	492.15
Bad debts	-	50.19
Operating profit before working capital changes	7,568.49	2,352.54
Adjustment for (increase) / decrease in operating assets:		
Trade receivable	1,319.32	2,967.07
Other assets	(1,647.73)	172.02
Adjustment for increase / (decrease) in operating liabilities:		
Trade and other payables	(1,780.90)	(2,049.83)
Provisions	(14.98)	(18.49)
Other Liabilities	853.46	(18.33)
Cash (used in) or generated from operations	6,297.66	3,404.98
Income tax (paid)/refund received (net)	398.53	(941.27)
Net cash flow (Used in) or generated from operating activities	6,696.19	2,463.71
Cash flow from investing activities		
Payments for purchase of property, plant and equipment and intangible assets	(1,803.46)	(2,278.17)
Proceeds from disposal of property, plant and equipment	159.73	448.74
Fixed deposit placed	-	(2.00)
Net cash used in investing activities	(1,643.73)	(1,831.43)
Cash flow from financing activities		
(Repayment) / Proceeds from current borrowings	(13,471.89)	(221.99)
Interest paid	(3,163.84)	(2,758.14)
Payment for acquiring right of use assets	(5,043.93)	-
Net cash flow (used in) / generated from financing activities	(21,679.66)	(2,980.13)
Net increase an cash and cash equivalents	(16,627.20)	(2,347.85)
Cash and cash equivalents as at beginning of the year	52,092.74	54,440.59
Cash and cash equivalents as at end of the year	35,465.54	52,092.74
Note: Figures in bracket represent outflows.		

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
CA Firm Registration Number: 101049W/E300004

Hormoz Master
Partner
Membership Number: 110797

For and on Behalf of the Board of Directors

(Signature)
Aadesh Goyal
Director

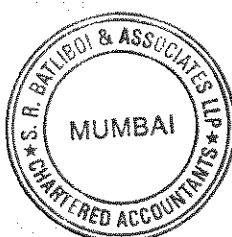
(Signature)
Sunil Walia
Director

(Signature)
Ridhi Sood
Company Secretary

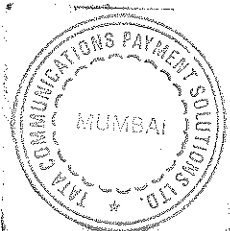
(Signature)
Sanjeev Patel
Chief Executive Officer

(Signature)
Sanjay Agarwal
Chief Financial Officer

Place: Mumbai
Dated: 09 June 2020



Place: Mumbai
Dated: 09 June 2020



Tata Communications Payment Solutions Limited
Statement of changes in equity for the year ended 31 March 2020

A. Equity Share Capital

	(₹ in Lacs)	
	No. of Shares	Amount
Balance as at 1 April 2018	75,44,57,415	75,445.74
Converted from CPS to equity	23,26,34,369	23,263.44
Balance as at 31 March 2019	98,70,91,784	98,709.18
Changes during the Year	-	-
Balance as at 31 March 2020	98,70,91,784	98,709.18

B. Other Equity

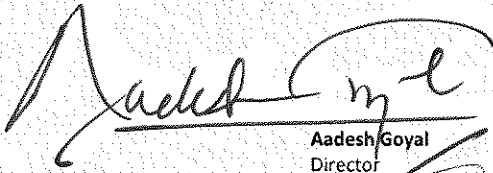
	(₹ in Lacs)				
Particulars	Securities premium	Contribution from parent company	Retained earnings	Other Comprehensive Income	Total Other equity
Balance as at 1 April 2018	45,490.81	5,496.42	(1,09,401.49)	39.58	(58,374.68)
Loss for the year	-	-	(12,521.69)	-	(12,521.69)
Other comprehensive income for the year	-	-	-	5.17	5.17
Total comprehensive income/(loss) for the year	45,490.81	5,496.42	(1,21,923.18)	44.75	(70,891.20)
Balance as at 31 March 2019	45,490.81	5,496.42	(1,21,923.18)	44.75	(70,891.20)
Loss for the year	-	-	(10,584.37)	-	(10,584.37)
Other comprehensive income for the period	-	-	-	(20.06)	(20.06)
Total comprehensive income/(loss) for the period	45,490.81	5,496.42	(1,32,507.55)	24.69	(81,495.63)
IND AS 116 Impact	-	-	(1,241.96)	-	(1,241.96)
Balance as at 31 March 2020	45,490.81	5,496.42	(1,33,749.51)	24.69	(82,737.59)

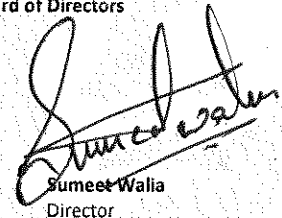
See accompanying notes forming part of the financial statements

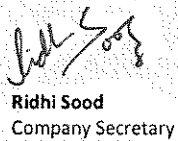
In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
CAI Firm Registration Number: 101049W/E300004

Horndz Master
Partner
Membership Number: 110797

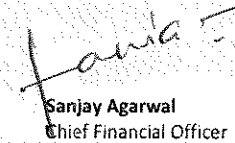
For and on behalf of the Board of Directors


Aadesh Goyal
Director


Sumeet Walia
Director

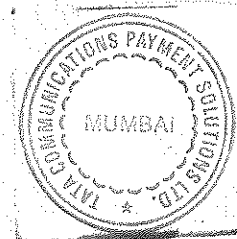
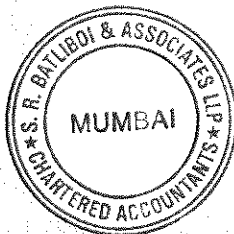

Ridhi Sood
Company Secretary


Sanjeev Patel
Chief Executive Officer


Sanjay Agarwal
Chief Financial Officer

Place: Mumbai
Dated: 09 June 2020

Place: Mumbai
Dated: 09 June 2020



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

1. Corporate information

TATA Communications Payment Solutions Limited (the 'Company') was incorporated in India on 28 February 2008 to engage in the business of providing infrastructure managed services and incidental activities to banking sector and has obtained authorization from Reserve Bank of India to set up, own and operate White Label Automated Teller Machine ('ATM') under the Payment and Settlement Systems Act, 2007. The Company operates under the brand name 'Indicash' for its White Label ATM Business. The Company also carries out the business of end-to-end ATM deployment (i.e. Brown Label ATM), end-to-end POS enablement, dealing in and handling a portfolio of products that integrate white label ATM management, POS and merchant system, credit and debit card system and internet banking, mobile banking and other related services. The Company is a wholly owned subsidiary of Tata Communications Limited (Holding Company).

The Company is domiciled in India and its registered office is at Plot No. C21 & C36 'G' Block Bandra Kurla Complex Mumbai - 400 098.

2. Significant accounting policies

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

b. Basis of preparation of financial statements

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have been measured at fair value or revalued amount.

i. Derivative financial instruments

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The accounting policies adopted for preparation and presentation of financial statements have been consistently applied except for the changes in accounting policy on introduction of Ind AS 116 that was effective for annual period beginning on or after 1 April 2019.

The financial statements are presented in Indian Rupees (INR), and all values are rounded to the nearest lac (INR 00,000), except when otherwise indicated.

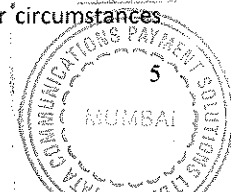
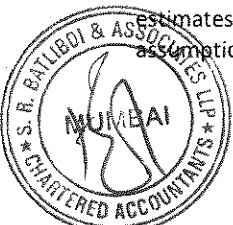
c. Significant accounting estimates and assumptions

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liability as at the date of the financial statement and the reported amounts of income and expense for the year presented.

Estimate and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Useful life of assets

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet date.

d. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

e. Cash and cash equivalents (for purposes of Cash flow statement)

Cash comprises cash on hand (including cash in ATM, cash in vault held with Cash Replenishment Agencies ('CRA') and remittances in transit) and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

f. Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and all incidental expenses incurred on making the asset ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly only when it is probable that future economic benefits associated with item will flow to the entity and cost can be measured reliably.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date and are carried at cost, comprising direct cost and related incidental expenses.

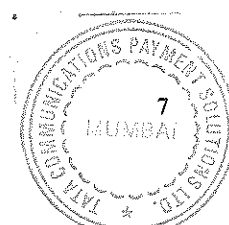
The depreciable amount for property, plant and equipment is the cost of the property, plant and equipment or other amount substituted for cost, less its estimated residual value (wherever applicable). Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful lives. The asset's residual values, estimated useful lives and methods of depreciation are reviewed at each financial year end and any change in estimate is accounted for on a prospective basis.

Estimated useful lives of the assets are as follows

Property, plant and equipment	Estimated Useful life of Assets
a. Plant and Machinery (Refer 1 below)	
- ATM & Cash Dispensers	10 years
- Other Equipment & accessories at ATM Site (UPS, AC, Battery, VSAT)	3 to 8 years
- Other General Plant & Machinery	3 to 8 years
b. Leasehold Improvements	Over the customer contract or term of the lease of the site whichever is lower
c. Furniture*	10 years
d. Office equipment*	5 years
e. Computers & Servers*	3 to 6 years

* On the above categories of assets, the depreciation has been provided as per useful life prescribed in Schedule II to the Companies Act, 2013.

1. In these cases, the life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

2. Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss in the year of occurrence.

g. Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets under development includes expenditure on software development eligible for capitalisation which are carried as Intangible assets under development where such assets are not yet ready for their intended use.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Estimated useful lives of intangible assets are as follows:

Software and Application	3 to 6 years
--------------------------	--------------

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

h. Impairment of non-financial asset

The carrying values of assets / cash generating units ("CGU") at each balance sheet date are reviewed for impairment, if any indication of impairment exists. The following intangible assets are tested for impairment at the end of each financial year even if there is no indication that the asset is impaired:

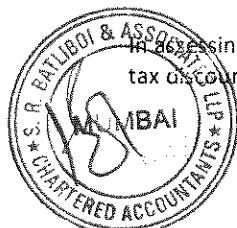
- i. an intangible asset that is not yet available for use; and
- ii. an intangible asset with indefinite useful lives.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

When assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company as a CGU. These budgets and forecast calculations generally cover a significant period. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the significant period.

i. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a Right of Use the asset or assets, even if that right is not explicitly specified in an arrangement.

Lessee

The Company's lease asset classes primarily consist of leases for Land, buildings and colocations spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

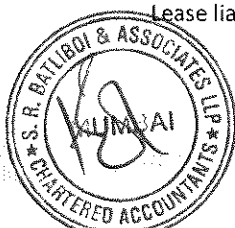
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer to the accounting policies in note 2(h) Impairment of non-financial assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. The Company uses return on treasury bills with similar maturity as base rate and makes adjustments for spread based on the company's credit rating as the implicit interest rate cannot be readily determinable. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

j. Employee benefits

Employee benefits include provident fund, gratuity, compensated absences and performance incentives.

i. Short term employment benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives payable within twelve months.

ii. Post-employment benefits

Contributions to defined contribution retirement benefit schemes are recognised as expenses when employees have rendered services entitling them to the contributions.

For defined benefit schemes in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if applicable), excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises changes in service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under employee benefit expenses in the Statement of Profit and Loss. The net interest expense or income is recognised as part of finance cost in the Statement of Profit and Loss.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

iii. Other long-term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

k. Revenue recognition

Revenue is recognised upon transfer of control of promised products or rendering of services to the customers. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

The consideration due to the Company is based on number of transaction in the ATMs and interchange rate fixed by RBI for White Label ATM Business and number of transactions / rate per transaction as per contract or a fixed monthly price for services to certain brown label ATMs. POS enablement, hosted core banking and co-branding activities at white label ATMs are as per the contracts.

Accounting treatment of assets arising in course of sale of goods and services is set out below:

Trade Receivables

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

l. Other income

- a. Dividends from investments are recognized when the right to receive payment is established and no significant uncertainty as to measurability or collectability exists.
- b. Interest income for all financial instruments measured at amortised cost is recorded on accrual basis. Interest income is included in other income in the Statement of Profit and Loss.

m. Taxation

1. Current income tax

Current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961.

Provisions for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the balance sheet after offsetting these balances on an assessment year basis. Current tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

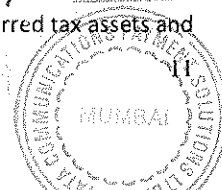
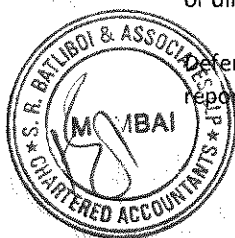
2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside the Statement of Profit and Loss (either in Other comprehensive income or in equity) is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other comprehensive income or directly in equity.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets and



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

n. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- i. In the principal market for the asset or liability or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of a financial asset or a liability is measured using the assumption that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

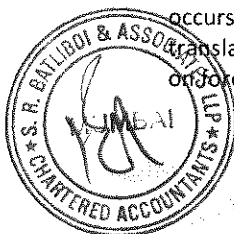
For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

o. Foreign currencies

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Foreign currency transactions are converted into Indian Rupees at rates of exchange approximating those prevailing at the transaction dates or at the average exchange rate for the month in which the transaction occurs. Foreign currency monetary assets and liabilities are outstanding as at the balance sheet date are translated to Indian Rupees at the closing rates prevailing on the balance sheet date. Exchange differences on foreign currency transactions are recognised in the Statement of Profit and Loss.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

p. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

q. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets

i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through Other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

iii. Financial assets at Fair Value Through Profit or Loss (FVTPL)

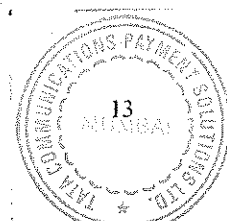
Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

iv. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when

- a. The rights to receive cash flows from the asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

v. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following

- a. Financial assets measured at amortised cost
- b. Financial assets measured at Fair Value through Other Comprehensive Income

Expected credit losses are measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at reporting date.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For assessing expected credit loss on a collective basis, financial assets have been grouped on the basis of shared risk characteristics and basis of estimation may change during the course of time due to change in risk characteristics.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

i. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

I. Loans and borrowings

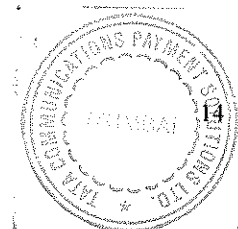
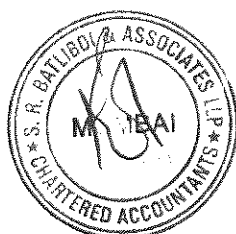
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis.

II. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Statement of Profit and Loss.

ii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

iii. Derivative financial instruments - Initial and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

r. New and amended standards

Effective 1 April 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount equal to the lease liability on initial application date, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

Upon adoption of IND AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets

On transition, the adoption of the new standard resulted in recognition as below:

(₹ lacs)	
Balance sheet	As at 1 April 2019
Right of Use assets	6,368.01
Other equity	1,491.06
Right-of-use liabilities	7,859.07

The following is the summary of practical expedients elected on initial application:

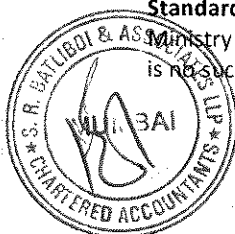
- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application and for low-value leases.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, IND AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- The Company applies the short-term lease recognition exemption to its short-term leases of property (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application

The incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 8.67%.

s. Recent accounting pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

3. Property, plant and equipment

(₹ in lacs)

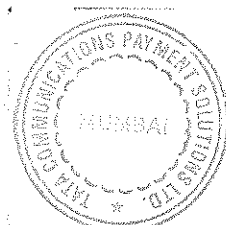
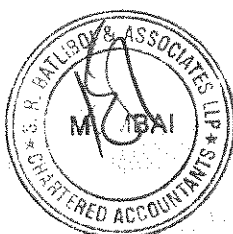
	Plant and Machinery	Office Equipment	Computers	Furniture and Fixtures	Leasehold Improvements	Total
Cost						
Balance as at 1 April 2018	58,608.94	79.73	1,086.24	185.69	16,624.79	76,585.39
Additions	1,222.70	-	10.63	-	1,001.29	2,234.62
Disposals	(8,268.93)	-	-	-	-	(8,268.93)
Assets written off	(1,174.98)	(31.26)	(0.37)	(170.03)	(3,146.91)	(4,523.55)
Balance as at 31 March 2019	50,387.73	48.47	1,096.50	15.66	14,479.17	66,027.53
Additions	912.36	0.16	1.01	-	519.63	1,433.16
Disposals	(3,624.99)	-	-	-	-	(3,624.99)
Assets written off	(752.16)	-	-	-	(1,604.49)	(2,356.65)
Balance as at 31 March 2020	46,922.94	48.63	1,097.51	15.66	13,394.31	61,479.05
Accumulated amortization						
Balance as at 1 April 2018	28,436.68	75.51	736.34	185.69	11,055.04	40,489.26
Depreciation	8,240.82	2.03	96.82	(1.14)	3,037.22	11,375.75
Disposals	(8,166.44)	-	-	-	-	(8,166.44)
Assets written off	(1,137.63)	(31.26)	(0.37)	(170.03)	(3,143.85)	(4,483.14)
Balance as at 31 March 2019	27,373.43	46.28	832.79	14.52	10,948.41	39,215.43
Depreciation	7,940.94	0.95	91.90	0.20	1,982.95	10,016.94
Disposals	(719.53)	-	-	-	-	(719.53)
Assets written off	(3,557.94)	-	-	-	(1,595.33)	(5,153.27)
Balance as at 31 March 2020	31,036.90	47.23	924.69	14.72	11,336.03	43,359.57
Carrying amount						
Balance as at 31 March 2019	23,014.30	2.19	263.71	1.14	3,530.76	26,812.10
Balance as at 31 March 2020	15,886.04	1.40	172.82	0.94	2,058.28	18,119.48

4. Right of use Assets

(₹ in lacs)

Particulars	Amount
Balance as at 1 April 2019	6,368.01
Additions	8,942.16
Termination	(207.40)
Depreciation	(3,789.11)
Balance as at 31 March 2020	11,313.66

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expenses in the statement of Profit and Loss.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

5. Intangible assets

(₹ in lacs)

	Computer Software
Cost	
Balance as at 1 April 2018	501.35
Additions	-
Balance as at 31 March 2019	501.35
Additions	-
Balance as at 31 March 2020	501.35
Accumulated amortization	
Balance as at 1 April 2018	380.60
Amortisation Expense	43.81
Balance as at 31 March 2019	424.41
Amortisation Expense	33.29
Balance as at 31 March 2020	457.70
Carrying amount	
Balance as at 31 March 2019	76.94
Balance as at 31 March 2020	43.65

6. Other financial assets

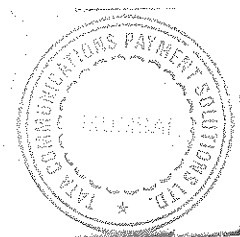
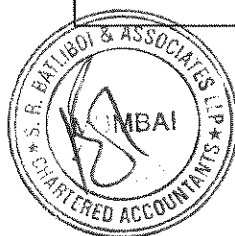
(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
A. <u>Non-Current</u>		
Security deposits		
Unsecured, considered good	1,368.76	1,628.07
Unsecured, considered doubtful	102.98	461.68
	1,471.74	2,089.75
Less: Allowance for doubtful security deposits	(102.98)	(461.68)
Total (A)	1,368.76	1,628.07
B. <u>Current</u>		
Advance to vendors and contractors		
Unsecured, considered good	1,949.99	241.08
Unsecured, considered doubtful	599.01	7.63
	2,549.00	248.71
Less: Allowance for doubtful advances	(599.01)	(7.63)
Total (B)	1,949.99	241.08
(A+B)	3,318.75	1,869.15

7. Income tax assets (net)

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
Advance tax (net of provision for taxes)	1,274.32	1,672.84
Total	1,274.32	1,672.84



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

8. Other assets

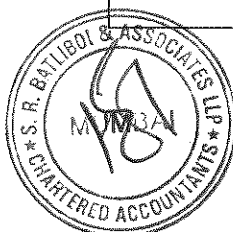
	As at 31 March 2020	As at 31 March 2019
(₹ in lacs)		
A. <u>Non-current</u>		
a. Prepaid expenses – Unsecured, Considered good	10.28	38.37
b. Capital Advances – Unsecured, Considered good	-	4.71
Total (A)	10.28	43.08
B. <u>Current</u>		
a. Taxes recoverable (net) – Considered good	1,378.61	945.05
b. Advance to Vendors		
Unsecured, considered good	319.16	471.15
Unsecured, considered doubtful	118.19	118.17
	437.35	589.32
Less: Allowance for doubtful advances	(118.19)	(118.17)
	319.16	471.15
c. Prepaid expenses – Unsecured, Considered good	250.60	542.66
d. Other receivables – Unsecured, Considered good	6.57	-
e. Interest Receivable – Unsecured, Considered good	3.59	2.39
f. Advances to Employees – Unsecured, Considered good	1.76	5.52
Total (B)	1,960.29	1,966.77
(A+B)	1,970.57	2,009.85

9. Trade receivables

	As at 31 March 2020	As at 31 March 2019
(₹ in lacs)		
<u>Unsecured (including unbilled receivables)</u>		
a. Considered good	2,573.41	4,035.01
b. Considered doubtful	2,597.03	2,454.73
	5,170.44	6,489.74
Less: Allowance for doubtful debts (expected credit loss allowance) (Refer note 36 (b))	(2,597.03)	(2,454.73)
Total	2,573.41	4,035.01

10. Cash and cash equivalents

	As at 31 March 2020	As at 31 March 2019
(₹ in lacs)		
a. Balances at ATM	24,897.00	36,782.27
b. Remittance in transit	1,707.55	11,728.61
c. Cash in vault	3,234.77	2,867.14
d. Balances with banks	5,626.22	714.72
Total	35,465.54	52,092.74



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

11. Bank balances (other than note 10 above)

	As at 31 March 2020	As at 31 March 2019
Other bank balances:		
Restricted bank deposits (Refer Note i below)	17.00	17.00
Total	17.00	17.00

- i. ₹ 17.00 lacs (2019: ₹ 17.00 lacs) represents the amount withheld towards legal matters.

12. Equity share capital

	As at 31 March 2020	As at 31 March 2019
a. Authorised:		
1,000,000,000 (2019: 1,000,000,000) Equity Shares of ₹ 10 each (Note a and b)	100,000.00	100,000.00
110,00,00,000 (2019: 11,00,000,000) 12% Convertible Preference Shares of face value ₹ 10/- each	110,000.00	110,000.00
	210,000.00	210,000.00
b. Issued, Subscribed and Paid up:		
987,091,784 (2019: 987,091,784) Equity Shares of ₹ 10 each, fully paid up	98,709.18	98,709.18
Total	98,709.18	98,709.18

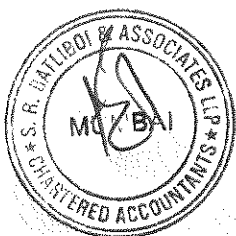
- a. Number of shares held by each shareholder holding more than 5% of the issued share capital:

Tata Communications Limited (Holding Company)	As at 31 March 2020		As at 31 March 2019	
	No of shares	Percentage	No of shares	Percentage
Equity shares	987,091,784	100%	987,091,784	100%

- b. **Terms/Rights attached to shares:**

The Company has only one class of equity shares having a face value of ₹ 10 per share. Equity shareholders are entitled to one vote per share at any General Meeting of Shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

13. Other equity

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
a. Retained earnings	(1,33,749.51)	(1,21,923.18)
b. Other comprehensive income (Refer note i)	24.69	44.75
c. Securities premium (Refer note ii)	45,490.81	45,490.81
d. Contribution from parent company (Refer note iii)	5,496.42	5,496.42
Total	(82,737.59)	(70,891.20)

i. Other Comprehensive Income

This represents the cumulative gains and losses arising on remeasurement of defined employee benefit plans.

ii. Securities premium

It is the additional amount which shareholder are paid for issued shares that was in excess of the face value of those shares. This premium can be used to write off equity related expenses and issue of bonus shares.

iii. Contribution from parent company

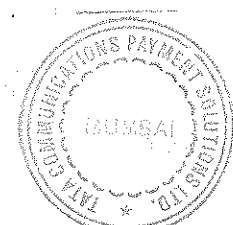
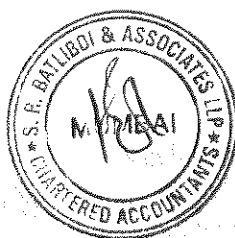
The interest on the debt component of the preference shares is disclosed as contribution from parent company on conversion to equity shares.

14. Provisions

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
A. <u>Non-current</u>		
Provision for employee benefits (Refer note i below)		
a. Provision for gratuity	234.18	207.96
b. Provision for compensated absences	107.57	106.37
Total (A)	341.75	314.33
B. <u>Current</u>		
Provision for employee benefit (Refer note i below)		
a. Provision for compensated absences	13.51	12.81
Total (B)	13.51	12.81
(A+B)	355.26	327.14

- i. The provision for employee benefits includes gratuity, annual leave and leave entitlements accrued and compensation claimed by employees. For other disclosures, refer note 30 (ii & iii).



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

15. Other liabilities

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
A. Non-current		
Accrued employee benefits	30.71	81.59
Total (A)	30.71	81.59
B. Current		
a. Accrued payroll	451.89	600.07
b. Statutory liabilities	351.47	297.40
c. Advance against assets held for sale*	1,000.00	-
d. Other liabilities	17.40	19.04
Total (B)	1820.76	916.51
(A+B)	1851.47	998.10

* Pursuant to termination of memorandum of understanding (MOU) (and non execution of asset transferred agreement) entered for sale of certain assets, the Company has refunded the advance money subsequent to the year end.

16. Borrowings

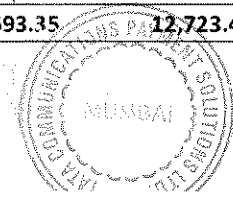
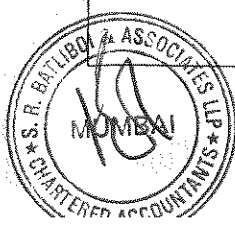
(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
Current		
Loans repayable on demand (from banks)		
a. Bank overdraft (Rate of interest per annum: 8.30% to 9.20%; 2019: 8.25% to 9.20%)	206.25	22,478.14
b. Working capital demand loan (Rate of interest: 7.7% to 9.15%; 2019: 8.45%)	31,800.00	23,000.00
Total	32,006.25	45,478.14

17. Trade and other payables

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
A Total outstanding dues of micro enterprises and small enterprises (Refer note 34)	30.65	429.43
(I)	30.65	429.43
B Total outstanding dues of creditors other than micro enterprises and small enterprises		
i. Trade payables	9,606.04	10,417.72
ii. Payable to related parties	1,056.66	1,876.25
(II)	10,662.70	12,293.97
Total (I+II)	10,693.35	12,723.40



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

18. Right-of-use liabilities

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
A. <u>Non-current</u>		
Right of use liability	8,219.33	-
Total (A)	8,219.33	-
B. <u>Current</u>		
Right of use liability	4,190.81	-
Total (B)	4,190.81	-
(A+B)	12,410.14	-

19. Other financial liabilities

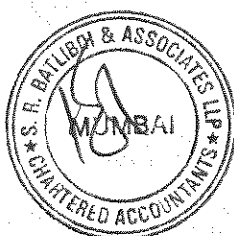
(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
<u>Current</u>		
a. Capital goods		
i. Other	819.68	1,220.24
ii. Payable to related parties	18.45	36.11
b. Customer deposit	1.80	1.80
c. Accrued interest	12.50	69.45
d. Fair value of Foreign currency forward contracts	0.03	0.01
e. Other payables	0.34	0.94
Total	852.80	1,328.55

20. Other income

(₹ in lacs)

	Year ended 31 March 2020	Year ended 31 March 2019
a. Interest on income tax refund	98.88	65.94
b. Foreign exchange loss (net)	(4.86)	(5.66)
c. Provision/Liabilities no longer required written back	21.84	732.71
d. Profit/ (loss) on sale of Assets	142.92	407.79
e. Others	12.29	34.30
Total	271.07	1,235.08



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

21. Operating and other expense

(₹ in lacs)

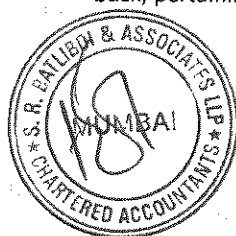
	Year ended 31 March 2020	Year ended 31 March 2019
a. Network cost	1,131.29	1,073.96
b. Cash management fees	7,640.81	9,273.61
c. Caretaker charges	569.52	340.88
d. Lease rental		
i. Site rent charges	952.86	5,718.40
ii. Rent for hired building	539.33	474.53
e. Electricity expenses	2,048.67	2,048.73
f. Consumables	180.39	198.02
g. Cash handling loss	1,730.46	385.04
h. Repairs and maintenance	5,139.58	6,931.08
i. Legal and professional fees	708.22	735.74
j. Services rendered by agencies	1,736.11	2,537.46
k. Rates and taxes	48.89	39.09
l. Travelling expenses	367.32	469.08
m. Advertising and publicity	124.61	81.39
n. Insurance	229.95	159.36
o. Loss/(Gain) on write off or sale of property, plant and equipment and intangible assets (net)	41.78	40.41
p. Bad debts	-	50.19
q. Allowance for doubtful trade receivables	142.29	492.15
r. Allowance for doubtful advances	232.70	368.25
s. Telephone expenses	27.81	50.13
t. Printing, postage and stationery	30.71	22.37
u. Management fees WLA	183.81	207.76
v. Other expenses (refer note i below)	784.16	627.25
Total	24,591.27	32,324.88

i. Other expenses include auditor's remuneration as follows:

(₹ in lacs)

	Year ended 31 March 2020	Year ended 31 March 2019
Auditor's remuneration and expenses (excluding goods and service tax)		
a. Audit fees	16.50	15.00
b. Tax Audit fees	3.30	3.00
c. Other professional services	3.03	2.92

ii. Operating and other expenses includes an adjustment on account of liabilities no longer required written back, pertaining to prior years.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

22. Employee benefit expense

	(₹ in lacs)	
	Year ended 31 March 2020	Year ended 31 March 2019
a. Salaries and related costs	2,492.49	2,617.79
b. Contributions to provident and other funds (Refer note 30)	143.78	139.79
c. Staff welfare expenses	126.37	94.48
Total	2,762.64	2,852.06

23. Finance costs

	(₹ in lacs)	
	Year ended 31 March 2020	Year ended 31 March 2019
a. Interest on bank overdraft	526.57	1,839.87
b. Interest on Working capital demand loan	2,579.18	95.60
c. Interest on commercial papers*	-	892.12
d. Others	23.46	22.33
e. Interest on ROU liability	882.95	-
Total	4,012.16	2,849.92

* Interest on commercial paper for the year ended March 31, 2019 pertains to commercial papers issued and redeemed during the year.

24. Depreciation and amortisation expense

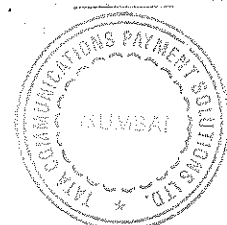
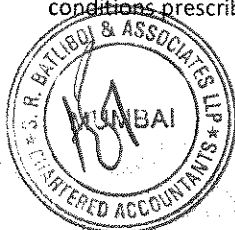
	(₹ in lacs)	
	Year ended 31 March 2020	Year ended 31 March 2019
a. Depreciation for the year on property, plant and equipment (Refer note 3)	10,016.94	11,375.75
b. Depreciation for the year on right-to-use assets (Refer note 4)	3,789.11	-
c. Amortisation for the year on intangible assets (Refer note 5)	33.29	43.81
Total	13,839.34	11,419.56

25. Staff cost optimisation

As part of its initiative to enhance the long-term efficiency of the business, during the current year 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 and the Company has written back ₹ 8.99 lacs (2019: incurred a one-time charge ₹ 18.11 lacs)

26. Deferred taxes

The Company has restricted recognition of deferred tax assets resulting from the carry forward tax losses and other timing differences to the extent of deferred tax liabilities, as the company has accumulated tax losses and the conditions prescribed by Ind AS are not met.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

27. Unrecognised deductible temporary differences, unused tax losses and unused tax credits

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following		
a. Business loss	36,870.05	36,023.80
b. Unabsorbed depreciation	52,776.56	47,431.80
Total	89,646.61	83,455.60

The carried forward losses will expire as below

Particulars	Expiration of losses
a. Business losses	Between FY 2021 to 2028
b. Unabsorbed depreciation	Unlimited

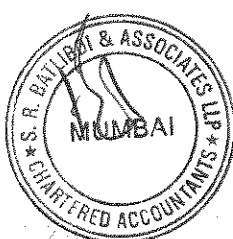
28. Segment reporting

The Board of Directors of the Company constitute the Chief Operating Decision Makers ("CODM") which allocate resources to and assess the performance of the Company. The Company is engaged in 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, switching services to banking sector. Considering the nature of the Company's business and operations, there are no other reportable segments in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments' prescribed under section 133 of the Companies Act, 2013. Further, the Company provides services only in India and accordingly, no disclosures are required under geographical segment reporting.

29. Earnings per share

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
Net Loss after tax used attributable to the equity shareholders (A)	(10,584.37)	(12,521.69)
Number of equity shares outstanding at the end of the year	98,70,91,784	98,70,91,784
Weighted average number of shares outstanding during the year (B)	98,70,91,784	98,70,91,784
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	(1.07)	(1.27)



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

30. Employee Benefits

i. Defined Contribution Plan

Provident Fund

The Company makes contribution towards Provident fund under a defined contribution retirement benefit plan for employees. The Provident Fund is administered by the Regional Provident Fund Commissioner. Under this Scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. Having regard to the contribution made and return on the same, the Company does not expect any deficiency in the foreseeable future. There has also been no such deficiency since the inception of the Fund.

Provident fund contributions amounting to ₹ 109.74 lacs (2019: ₹ 104.25 lacs) have been charged to the Statement of Profit and Loss under contributions to provident and other funds (Refer note 22)

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order.

ii. Defined Benefit Plan

Gratuity

The plan provides for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The cost of providing benefits for defined benefit schemes is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

These plans typically expose the Company to actuarial risk such as interest rate risk and salary risk.

Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Salary risk	Higher than expected increases in salary will increase the defined benefit obligation

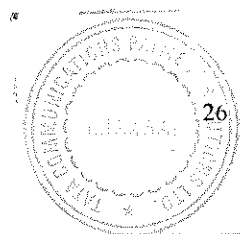
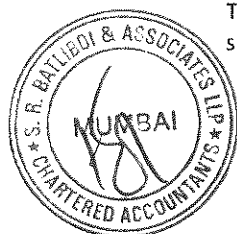
The most recent actuarial valuation of the defined benefit obligation were carried out as at 31 March 2020 by an accredited actuary.

The principal assumptions used for the purposes of the actuarial valuations were as follows

	As at 31 March 2020	As at 31 March 2019
<u>Principal Actuarial assumptions</u>		
Discount rate	6.60%	7.30%
Salary Escalation Rate	7.00%	7.00%
<u>Withdrawal rate</u>		
Less than 5 years	15%	15%
5 years and more	8%	8%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future compensation cost considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows

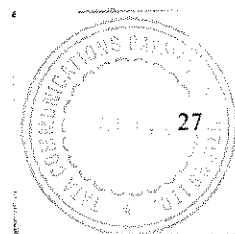
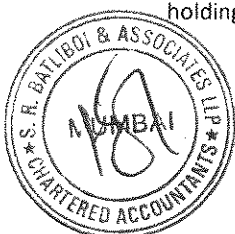
	(₹ in lacs)	
	As at 31 March 2020	As at 31 March 2019
Expenses recognised in the statement of profit and loss		
a. Current service cost	32.76	34.26
b. Past service cost	-	-
c. Interest cost	13.71	13.59
Components of defined benefit costs recognized in the Statement of Profit and Loss	46.47	47.85
Remeasurement on the net defined benefit liability		
a. Actuarial (gains) / losses arising from Defined benefit obligation assumption changes	12.81	3.26
b. Actuarial (gains) / losses arising from the changes in experience adjustments	7.25	(8.43)
Components of defined benefit costs recognized in other comprehensive income	20.06	(5.17)

The details in respect of the unfunded amounts recognised in the balance sheet for these defined benefit schemes are as under

	(₹ in lacs)	
	As at 31 March 2020 (Unfunded)	As at 31 March 2019 (Unfunded)
I. Amount recognized in the balance sheet		
Liability at the end of the year	234.18	207.96
Net liability in the balance sheet	234.18	207.96
Non-current provision (Refer note 15A)		
II. Change in the Defined Benefit Obligation (DBO)		
Present value of DBO at the beginning of the year	207.96	197.00
Current service cost	32.76	34.26
Interest cost	13.71	13.59
Liability transfer in/(out) from/to other Company	(6.31)	(2.50)
Amount recognized in Other Comprehensive income	20.06	(5.17)
Benefits paid	(34.00)	(29.22)
Present value of DBO at the end of the year	234.18	207.96

A quantitative sensitivity analysis for significant assumptions as at 31 March 2020 and 31 March 2019 is as shown below

Significant actuarial assumptions for the determination of the defined obligation are discount rate, salary escalation rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

1. Discount rate

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
Effect on DBO due to 1% increase	(17.95)	(15.50)
Effect on DBO due to 1% decrease	20.59	17.72

2. Salary escalation rate

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
Effect on DBO due to 1% increase	18.05	16.24
Effect on DBO due to 1% decrease	(16.60)	(14.72)

3. Withdrawal rate

(₹ in lacs)

	As at 31 March 2020	As at 31 March 2019
Effect on DBO due to 5% increase	(0.50)	1.81
Effect on DBO due to 5% decrease	0.21	(4.22)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Maturity profile of defined benefit plan

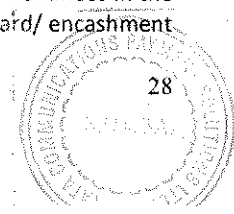
(₹ in lacs)

	As at 31 March 2020
a. March 31, 2021	23.30
b. March 31, 2022	22.24
c. March 31, 2023	24.29
d. March 31, 2024	26.50
e. March 31, 2025	29.31
f. March 31, 2026 to March 31, 2030	192.32

There has been no change in the process used by the Company to manage its risks from prior years.

iii. Leave plan and compensated absences

Leave unavailed of by eligible employees may be carried forward/ encashed by them/their nominees in the event of death or permanent disablement or resignation, subject to a maximum carry forward/ encashment of leave for 60 days and 45 days in case of employee joining after 1 January 2020.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

The liability for compensated absences as at the year-end is ₹ 121.07 lacs (2019: ₹ 119.18 lacs) as shown under non-current provisions ₹ 107.56 lacs (2019: ₹ 106.37 lacs) and current provisions ₹ 13.51 lacs (2019: ₹ 12.81 lacs). Compensated absences expenses amounting to ₹ 24.65 lacs (2019: ₹ 9.79 lacs) have been charged to the Statement of Profit and Loss under salaries and related costs in note 22 "Employee Benefit Expenses".

31. Related party transactions

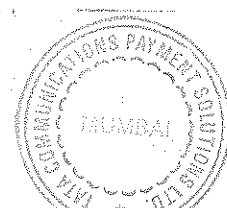
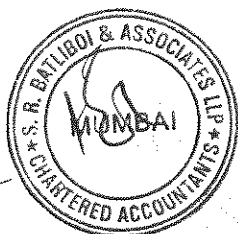
i. Names of related parties and nature of relationship

Category of related parties	Names
1 Holding Company	Tata Communications Limited
2 Fellow Subsidiaries*	Tata Communications Transformation Services Limited Tata Communication (Ireland) Limited Tata Communication (UK) Limited Tata Communications (Canada) Limited Tata Communications (America) Inc. Tata Communications (Netherlands) B.V. Tata Communications (Middle East) FZ-LLC Tata Communications International Pte Limited
3 Associate of Holding Company*	STT Global Data Centers India Private Limited
4 Controlling parties & its affiliates * @	TRIL Infopark Limited Tata Consultancy Services Limited Tata Teleservices Limited Titan Company Limited Tata Teleservices (Maharashtra) Limited Nelco Limited (w.e.f 28.05.2018) Vortex Engineering Private Limited (w.e.f 28.05.2018) Tatanet Services Limited (w.e.f 28.05.2018) The Indian Hotels Company Limited (w.e.f 28.05.2018) Voltas Limited (w.e.f 28.05.2018) The Tata Power Company Limited (w.e.f 28.05.2018) Tata Capital Housing Finance Limited Tata Capital Financial Services Limited Tata Motors Limited

*Where transactions have taken place / there are balances

@ On May 28, 2018, Tata Sons Private Limited ('TSPL') and its wholly owned subsidiary, Panatone Finvest Limited ('Panatone'), increased their combined stake in TCL to 48.90% there by gaining de-facto control as per Ind-AS. Accordingly, the Holding Company has classified TSPL and Panatone as "Controlling Entities" and disclosed TSPL, its subsidiaries, joint ventures and associates as the 'Controlling parties and its affiliates', effective this date. The Company had disclosed TSPL, its subsidiaries and its joint ventures as 'Affiliates of Holding Company' in the previous year.

Reimbursement made of expenses incurred by related party for business purpose of the Company, or reimbursement received for expenses incurred by the Company on behalf of a related party shall not be deemed related party transactions.



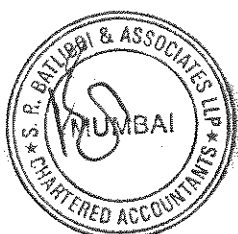
TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

ii. Summary of transactions with related parties

(₹ in lacs)

Particulars	Holding company & its associates	Fellow subsidiaries	Controlling parties & its affiliates	Total
Revenue from operations			13.10	13.10
			1.45	1.45
Shared service recovery				
	15.63	24.11		39.74
Operating and other expenses				
Network cost	645.39		216.43	861.62
	692.05		164.28	856.33
Rent on hired building	534.12		-	534.12
	450.99		1.40	452.39
Services rendered by agencies	369.70	15.25		384.95
	376.06	16.92		392.98
Site rent charges			1.43	1.43
			(1.08)	(1.08)
Telephone expenses			1.12	1.12
			15.33	15.33
Other expenses			-	-
			16.68	16.68
AMCs and Repairs & Maintenance			151.44	151.44
			155.26	155.26



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

iii. Balances with related parties as at 31 March 2020

(₹ in lacs)

Particulars	Holding company & its associates	Fellow subsidiaries	Controlling parties & its affiliates	Total
Trade and other payables	883.23	31.93	141.50	1,056.66
	1,668.30	17.92	190.03	1,876.25
Other financial liabilities			18.45	18.45
			36.11	36.11
Trade Receivables	1.67	0.09	13.55	15.31
	-	10.82	0.08	10.90
Right-of-use liabilities – current	11.44			11.44
	-			-
Right-of-use liabilities – Non-current	12.40			12.40
	-			-
Other current assets	-		1.86	1.86
	2.00		79.40	81.40

#Amounts in italics denote previous year figures

32. Operating lease arrangements

As lessee

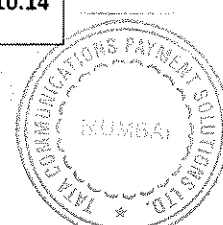
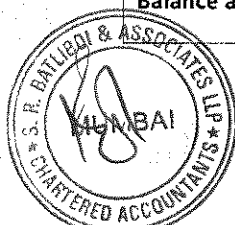
The Company has lease contracts for immovable properties across various locations used in its operations. Such leases generally have lease terms between 3 to 10 years. Generally, The Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

The Company also has certain leases with lease terms of 12 months or less.

The following is the movement in Right-of-use liabilities during the year ended 31 March 2020:

(₹ in lacs)

Particulars	Amount
Balance as at 1 April 2019	7,859.07
Additions	8,942.14
Finance cost accrued during the year	882.94
Payment/Reversal of Right-of-use liabilities	(5,043.93)
Liabilities settled against leased assets terminated	(230.08)
Balance as at 31 March 2020	12,410.14



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

The following is the break-up of current and non-current right-of-use liabilities as at 31 March 2020

(₹ in lacs)	
Particulars	Amount
Current liability	4,190.81
Non-current liability	8,219.33
Balance as at 31 March 2020	12,410.14

The table below provides details regarding the contractual maturities of right-of-use liabilities as at 31 March 2020 on an undiscounted basis:

(₹ in lacs)	
	As at 31 March 2020
Due not later than one year	4,992.10
Due later than one year but not later than five years	8,177.85
Later than five years	1,505.45
	14,675.40

The Company is confident that it shall meet the right-of-use liabilities obligation as and when they fall due.

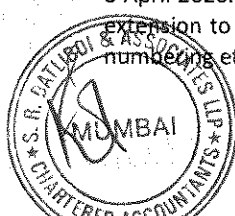
33. Contingent liabilities and commitments

i. Contingent liabilities

(₹ in lacs)		
	As at 31 March 2020	As at 31 March 2019
a. Claims for taxes on income (Refer Note i)	486.81	-
b. Claims for other taxes (Refer Note ii)	190.04	198.58

The Company has contested the claims with the relevant authorities and preferred appeals which are pending. The Company believes these claims are not probable and would not result in outflow:

- The Company has received Order u/s 201/201(A) of the Income Tax Act, 1961 dated 20 February 2020 for FY 2017-18 (AY 2018-19) raising demand of ₹ 486.81 lacs on account of alleged non-deduction of taxes on year-end provisions.
- The Company has various claims from authorities for entry tax, value added tax and sales taxes related to various states on account of movement of ATM machines and related equipment's from one state to another.
- The Company has filed a Statement of Claim against one of its customer claiming ₹ 1,095 lacs - excluding interest on account of wrongful withholding/deduction of payment due towards penalties, delay in delivery, cash shortage etc. The Customer in turn filed a Statement of Defense and also a counter claim of approximately ₹ 3,704 lacs against the company. The Company raised objections on the manner in which the customer filed its Statement of Defense and Counterclaim. On 11 March 2020, after hearing the submissions Ld. Arbitrator accepted the company's objections and directed the customer to re-file the compilation in chronological order. The Customer's counsel agreed to do filing the compilation by way of amended defense statement and amended counter claim along with an index by giving serial number by 6 April 2020. On account of the COVID-19 outbreak and the lockdown in India, the customer had sought extension to file its documents and will again file the documentation in proper manner i.e. by indexing/numbering etc.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

II. Commitments

Capital commitments

Estimated amount of contracts remaining (net of advances) to be executed on capital account not provided for ₹ 592.95 lacs (2019: ₹ 927.70 lacs).

34. Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	(₹ in lacs)	
	As at 31 March 2020	As at 31 March 2019
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	28.49	424.76
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.16	4.67
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day (includes interest 2020: ₹ Nil, 2019: ₹ Nil)	2,070.33	5,254.85
d. The amount of interest due and payable for the year	2.16	4.67
e. The amount of interest accrued and remaining unpaid at the end of the accounting year	2.16	4.67
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest's dues as above are actually paid	-	-
g. Total outstanding dues of micro and small enterprises	30.65	429.43

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

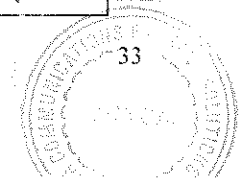
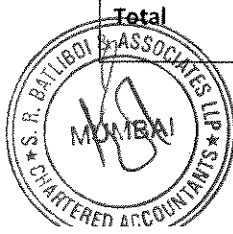
35. Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(q) to the financial statements.

Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2020 is as follows

	(₹ in lacs)		
	Derivatives instrument	Amortised cost	Total carrying value
Financial Assets:			
Other financial assets	-	3,318.75	3,318.75
Trade receivables	-	2,573.41	2,573.41
Cash and Cash equivalents	-	35,465.54	35,465.54
Other bank balances	-	17.00	17.00
Total	-	41,374.70	41,374.70
Financials Liabilities:			
Right of Use Liability	-	12,410.15	12,410.15
Borrowings	-	32,006.25	32,006.25
Other financial liabilities	0.03	852.77	852.80
Trade payables	-	10,693.35	10,693.35
Total	0.03	55,962.52	55,962.55



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

The carrying value of financial instruments by categories as at 31 March 2019 is as follows

			(₹ in lacs)
	Derivatives instrument	Amortised cost	Total carrying value
Financial Assets:			
Other financial assets	-	1,869.15	1,869.15
Trade receivables	-	4,035.01	4,035.01
Cash and Cash equivalents	-	52,092.74	52,092.74
Other bank balances	-	17.00	17.00
Total	-	58,013.90	58,013.90
Financials Liabilities:			
Borrowings	-	45,478.14	45,478.14
Other financial liabilities	0.01	1,328.54	1,328.55
Trade payables	-	12,723.40	12,723.40
Total	0.01	59,530.08	59,530.99

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at 31 March 2020 and 31 March 2019 approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

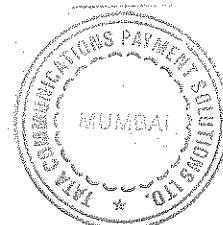
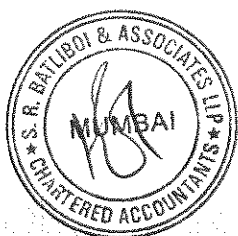
Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

- (i) The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required)

Financial assets/liabilities	Fair value as at		(₹ in lacs)
	31 March 2020	31 March 2019	Fair value hierarchy
Financial Liabilities			
Foreign exchange forward contracts	0.03	0.01	Level 2



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

36. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include loans, trade and other receivables, current investments and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Senior Management reviews and agrees policies for managing each of these risks, which are summarised below

a. Market risk

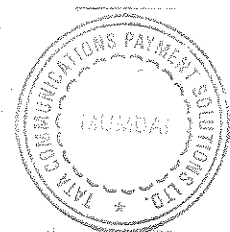
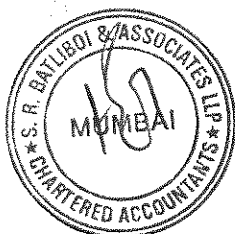
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2020 and 31 March 2019.

The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2020 and 31 March 2019.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

b. Credit risk

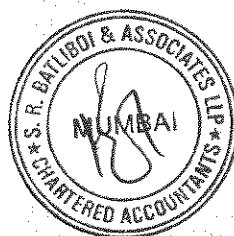
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

In determining the allowances for doubtful trade receivables, the Company has used a simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables as mentioned below:

Ageing of receivables net of provisions	(₹ in lacs)	
	As at 31 March 2020	As at 31 March 2019
Within credit period	747.40	1,733.26
1-90 days	968.97	718.17
91-180 days	242.33	697.67
181-360 days	159.85	591.30
More than 360 days	454.86	294.61
Total	2,573.41	4,035.01

Movement in the expected credit loss allowance

	(₹ in lacs)	
	Year ended 31 March 2020	Year ended 31 March 2019
Balance at beginning of the year	2,454.73	1,962.58
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	142.30	542.34
Less: Bad debts	-	(50.19)
Balance at the end of the year	2,597.03	2,454.73



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements for the year ended 31 March 2020

c. Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual payments.

(₹ in lacs)

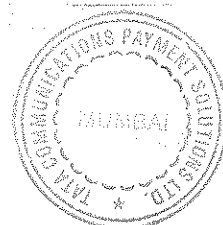
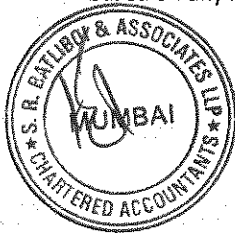
As at 31 March 2020	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Trade and other payables	1,444.53	9,248.82	-	-	10,693.35
Right-of-use liabilities	-	4,190.82	6,771.24	1,448.08	12,410.14
Other Financials Liabilities	624.86	227.94	-	-	852.80
Current borrowings	206.25	31,800.00	-	-	32,006.25

(₹ in lacs)

As at 31 March 2019	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Trade and other payables	2,201.17	10,522.23	-	-	12,723.40
Other Financials Liabilities	893.53	435.02	-	-	1,328.55
Current borrowings	22,478.14	23,000.00	-	-	45,478.14

37. The Company has incurred a loss of ₹ 10,604.43 lakhs during the year (2019: ₹ 12,516.52 lakhs), has accumulated losses of ₹ 133,749.51 lakhs (2019: ₹ 121,923.81) and has a negative working capital of ₹ 7,611.25 lakhs (including right-of-use liabilities of ₹ 4,190.82 lakhs) (2019: negative working capital of ₹ 2,106.81 lakhs) as at the year end. The Company has generated positive EBITDA during the year and has balance with banks of ₹ 5,626.22 lakhs available for use. Further, the Company has unutilised sanctioned loan facilities and is confident of continuing to generate positive cash flows in the future, which would enable it to meet its operational and capital requirement, as and when it falls due. Accordingly, these financial statements are prepared on going concern basis.

38. The outbreak of Coronavirus (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company is monitoring the situation closely and shall take actions as appropriate based on any material changes to future economic conditions.



TATA Communications Payment Solutions Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

39. Events after reporting period

There are no subsequent events between the year ended 31 March 2020 and signing of financial statements as on 09 June 2020 which have material impact on the financials of the Company.

40. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 09 June 2020.

41. Previous year's figures have been regrouped/ re-arranged where necessary to confirm to current year's classification / disclosure.

In terms of our report attached

For S.R. Batliboi & Associates LLP

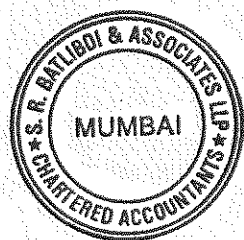
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Hormuz Master

Partner

Membership Number: 110797



For and on behalf of Board of Directors

Aadesh Goyal

Director

Sumeet Walia

Director

Sanjeev Patel

Chief Executive Officer

Sanjay Agarwal

Chief Financial Officer

Ridhi Sood

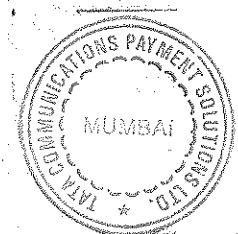
Company Secretary

Place: Mumbai

Date: 09 June 2020

Place: Mumbai

Date: 09 June 2020



INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Communications Collaboration Services Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Tata Communications Collaboration Services Private Limited (the "Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's and the Management report, but does not include the Ind AS financial statements and our auditor's report thereon. The Director's and Management report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



Responsibilities of Management for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 26 to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Hormuz Master
Partner

Membership Number: 110797

UDIN: 20110797AAAAAZ2234

Place of Signature: Mumbai

Date: June 13, 2020



Annexure 1 referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our Report of even date

Re: Tata Communications Collaboration Services Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified by the management during the previous year in accordance with a planned programme of verifying them once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales tax, value added tax, duty of custom and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, sales-tax, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, employees' state insurance, sales tax, value added tax, duty of custom and duty of excise are not applicable to the Company.



- (c) According to the records of the Company, the outstanding dues of income-tax on account of any dispute are as below:

Name of the Statute	Nature of Dues	Amount (Rs Lakhs)	Period to which amount relates AY	Forum where disputes pending
The Income tax Act, 1961	Income Tax - TDS	119.92	2018-19	The Commissioner of Income Tax (Appeals), Mumbai

The provisions relating to employees' state insurance, duty of custom and duty of excise are not applicable to the Company.

- (viii) According to the information and explanations given by the management, the Company has no dues to banks, financial institutions or debenture holders, hence, reporting under clause (viii) is not applicable to the Company and hence not commented upon.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.



S.R. BATLIBOI & ASSOCIATES LLP

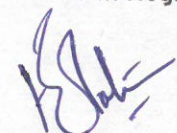
Chartered Accountants

- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Hormuz Master
Partner

Membership Number: 110797

Place of Signature: Mumbai

UDIN: 20110797AAAAAZ2234

Place of Signature: Mumbai

Date: June 13, 2020



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls over financial reporting of Tata Communications Collaboration Services Private Limited (the 'Company') as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting


Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per Hormuz Master
Partner

Membership Number: 110797
UDIN: 20110797AAAAAZ2234
Place of Signature: Mumbai
Date: June 13, 2020



TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH 2020

₹ in lakhs

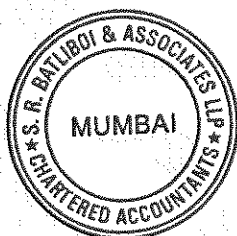
		Note No.	As at 31-Mar-20	As at 31-Mar-19
I	ASSETS			
	1 Non-current assets			
	(a) Property, plant and equipment	3	618.52	764.42
	(b) Other Intangible assets	4	25.15	31.18
	(c) Deferred tax assets (net)	5	77.03	165.08
	(d) Advance tax (net)		522.76	326.52
	Total non-current assets		1,243.46	1,287.20
	2 Current assets			
	(a) Financial assets			
	(i) Investments	6	9,700.93	8,604.77
	(ii) Trade receivables	7	7,219.56	4,203.64
	(iii) Cash and cash equivalents	8	106.39	88.38
	(iv) Other financial assets	9	-	29.47
	(b) Other assets	10	1,498.47	965.08
	Total current assets		18,525.35	13,891.34
	Total assets		19,768.81	15,178.54
II	EQUITY AND LIABILITIES			
	1 Equity			
	(a) Share capital	11	2.00	2.00
	(b) Other equity	12	12,191.52	8,829.98
			12,193.52	8,831.98
	2 Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	13	6,821.72	6,257.31
	(ii) Other financial liabilities	14	0.34	0.10
	(b) Current tax liability (net)		668.69	25.50
	(c) Other liabilities	15	84.54	63.65
	Total current liabilities		7,575.29	6,346.56
	Total equity and liabilities		19,768.81	15,178.54

See accompanying notes forming part of the financial statements

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

Hormuz Master
Partner
Membership No. 110797

Mumbai
Date: 13 June 2020



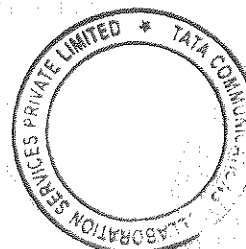
For and on behalf of the Board of Directors

Pratibha K. Advani
Director

New Delhi
Date: 13 June 2020

Manish Sansi
Director

New Delhi



TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH 2020

₹ in lakhs

	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
INCOME			
I Revenue from operations		20,889.01	15,472.98
II Other Income	16	471.21	765.77
III Total income (I + II)		21,360.22	16,238.75
EXPENSES			
Operating and other expenses	17	8,696.59	8,833.72
Depreciation and amortisation	18	151.93	102.91
Total expenses		8,848.52	8,936.63
V Profit before tax (III-IV)		12,511.70	7,302.12
VI Tax expense	19		
(a) Current tax expense		3,034.35	2,319.32
(b) Deferred tax - (credit)/ charge		88.05	(165.39)
VII Profit for the year (V - VI)		9,389.30	5,148.19
Earnings per equity share			
Basic and diluted (of ₹ 10 each)	21	46,946.50	25,740.95

See accompanying notes forming part of the financial statements

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors



Hormuz Master
Partner
Membership No. 110797



Pratibha K. Advani
Director

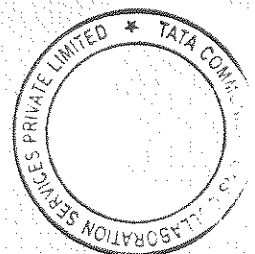
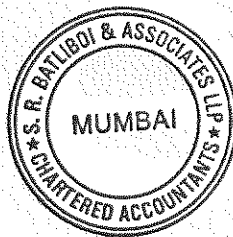


Manish Sansi
Director

Mumbai
Date: 13 June 2020

New Delhi
Date: 13 June 2020

New Delhi



TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2020

₹ in lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
1 CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	12,511.70	7,302.12
Adjustments for:		
Depreciation and amortisation expense	151.93	102.91
Gain on investments carried at fair value through profit and loss	(433.43)	(402.33)
Interest on Income Tax Refund	(1.20)	-
Allowance for doubtful trade receivables	21.54	47.50
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	12,250.54	7,050.20
Changes in working capital		
<i>Adjustment for (increase)/decrease in operating assets</i>		
Trade receivables	(3,037.46)	3,050.69
Other current assets	(533.39)	(799.16)
Other financial assets	29.47	(29.47)
<i>Adjustment for increase/ (decrease) in operating liabilities</i>		
Trade payables, other liabilities and provisions	564.41	1,909.81
Other Current liabilities	20.89	(10.80)
Other Financial liabilities	0.24	-
Cash generated from operations before tax	9,294.70	11,171.27
Income tax paid	(2,586.20)	(2,627.89)
NET CASH FROM OPERATING ACTIVITIES	6,708.50	8,543.38
2 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	-	(1,073.29)
Purchase of current investments	(27,399.03)	(40,524.80)
Proceeds from sale of current investments	26,736.30	32,658.94
NET CASH USED IN INVESTING ACTIVITIES	(662.73)	(8,939.15)
3 CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend and Dividend Distribution Tax	(6,027.76)	-
NET CASH USED IN FINANCING ACTIVITIES	(6,027.76)	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	18.01	(395.77)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR (Refer Note 8 Cash and Cash Equivalents)	88.38	484.15
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	106.39	88.38

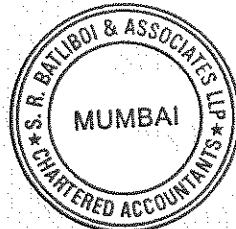
Figures in brackets represent outflows.

See accompanying notes forming part of the financial statements

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

Hormuz Master
Partner
Membership No. 110797

Mumbai
Date: 13 June 2020



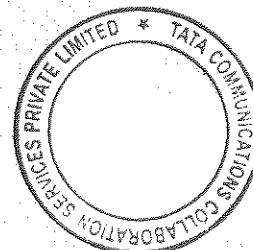
For and on behalf of the Board of Directors

Pratibha K. Advani
Director

Manish Sansi
Director

New Delhi
Date: 13 June 2020

New Delhi



TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

A. Equity share capital

		₹ in lakhs
Particulars	No. of shares	Amount
Balance as at 01 April 2018	20,000	2.00
Changes in equity share capital during the year	-	-
Balance as at 01 April 2019	20,000	2.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2020	20,000	2.00

B. Other equity

		₹ in lakhs
Particulars	Retained earnings	
Balance as at 01 April 2018	3,681.79	
Profit for the year	5,148.19	
Balance as at 31 March 2019	8,829.98	
Profit for the year	9,389.30	
Proposed Dividend (including tax on proposed dividend)	-6,027.76	
Balance as at 31 March 2020	12,191.52	

See accompanying notes forming part of the financial statements

In terms of our report attached
 For S.R. Batliboi & Associates LLP
 Chartered Accountants
 ICAI Firm Registration No. 101049W/E300004

Hormuz Master
 Partner
 Membership No. 110797

Mumbai
 Date: 13 June 2020

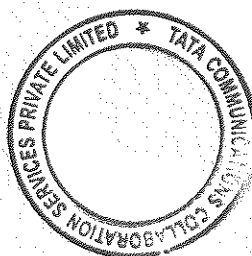
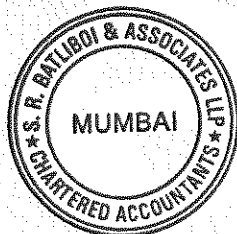
For and on behalf of the Board of Directors

Pratibha K. Advani
 Director

Manish Sansi
 Director

New Delhi
 Date: 13 June 2020

New Delhi



Tata Communications Collaboration Services Private Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

1. Corporate Information

Tata Communications Collaboration Services Private Limited (formerly known as Wirefree Internet Services Private Limited) ('the Company') was incorporated in India on 24 April 2008. The name of the Company was changed from Wirefree Internet Services Private Limited to Tata Communications Collaboration Services Private Limited with effect from 25 February 2016. The Company holds licenses from the Department of Telecommunications for providing voice mail / audiotex services in Mumbai, New Delhi, Bangalore and Chennai SDCAs.

2. Significant accounting policies

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act 2013.

b. Basis of preparation of financial statements

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer note 2(p)).

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

c. Significant accounting estimates and assumptions

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the management of the Company to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liability as at the date of the financial statement and the reported amounts of income and expense for the year presented.

Estimate and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year in which the estimate are revised and future years are affected.

Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimates and assumptions

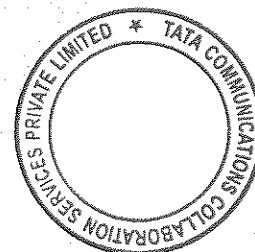
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful lives of assets

The Company reviews the useful life of assets at the end of each reporting year. This reassessment may result in change in depreciation expense in future years.

d. Cash and cash equivalents

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



Tata Communications Collaboration Services Private Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

e. Property, plant and equipment

- i. Property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation/ amortisation and impairment loss, if any. Cost includes inward freight, duties, taxes and all incidental expenses incurred to bring the assets ready for their intended use.
- ii. Capital work-in-progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date are carried at cost, comprising of direct cost, directly attributable cost and attributable interest.

The depreciable amount for property, plant and equipment is the cost of property, plant and equipment or other amount substituted for cost, less its estimated residual value (wherever applicable). Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful lives. The asset's residual values, estimated useful lives and methods of depreciation are reviewed at each financial year end and any change in estimate is accounted for on a prospective basis.

Estimated useful lives of the asset is as follows:

Property, plant and equipment's	Useful lives of Assets
Plant and machinery (Refer I below)	
– Network equipment	3 to 8 years

1. In the above case, the useful lives of the assets are different from the useful lives prescribed in Schedule II to the Companies Act, 2013. The useful lives of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, etc.
2. Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss in the year of occurrence.

f. Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

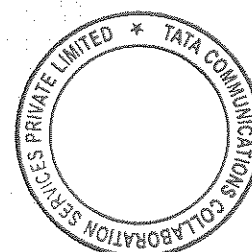
The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of financial year. Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortised as follows:

Intangible asset	Useful economic lives
Software and Application	3 to 6 years

An intangible assets is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.



Tata Communications Collaboration Services Private Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

g. Impairment of non-financial assets

The carrying values of assets/ cash generating units ("CGU") at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company as a CGU. These budgets and forecast calculations generally cover a significant period. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the significant period.

h. Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to the customers for an amount, that reflects the consideration which the Company expects to receive in exchange of those goods or services in normal course of business. Revenue is measured at the fair value of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

Types of products and services and their revenue recognition criterion are as follows:

- i. Revenue from Voice Solutions (VS) is recognised at the end of each month based on minutes of traffic carried during the month
- ii. Revenue from Audio conferencing services is recognised over the period of the respective arrangements based on contracted fee schedules and usage revenue is recognised based on minutes of traffic carried during the month.

i. Other Income

Interest income for all financial instruments measured at amortised cost is recorded on accrual basis. Interest income is included in Other income in the Statement of Profit and Loss.

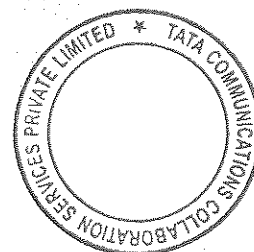
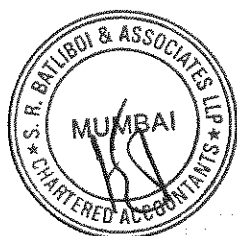
j. Taxation

Current income tax

Current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961.

Provision for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the balance sheet after offsetting these balances on an assessment year basis.

Current tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.



Tata Communications Collaboration Services Private Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

k. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of a financial asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

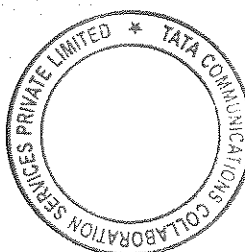
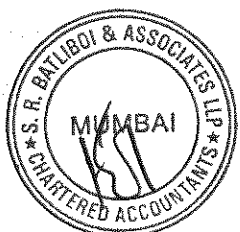
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



Tata Communications Collaboration Services Private Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

l. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are converted into INR at rates of exchange approximating those prevailing at the transaction dates or at the average exchange rate for the month in which the transaction occurs. Foreign currency monetary assets and liabilities are outstanding as at the balance sheet date are translated to INR at the closing rates prevailing on the balance sheet date. Exchange differences on foreign currency transactions are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not re-translated.

m. Borrowing costs

Borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

n. Earnings per share

Basic and diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

o. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions and contingent liabilities are reviewed at each balance sheet date.

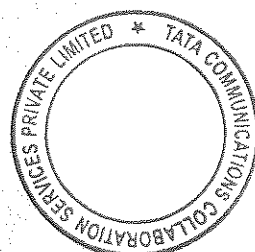
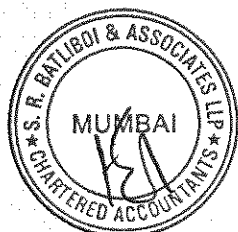
p. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of an instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A.. Financial assets

i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

ii. Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets are measured at FVTOCI if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

iii. Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are measured at FVTPL unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

iv. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at lower of the original carrying amount of the asset and maximum amount of consideration that the Company could be required to repay.

v. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at FVTOCI;

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- trade receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at reporting date.

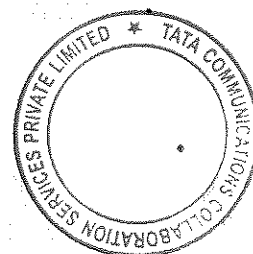
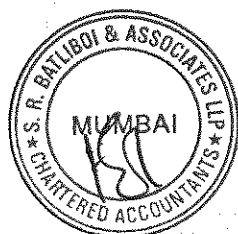
The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For assessing ECL on a collective basis, financial assets have been grouped on the basis of shared risk characteristics and basis of estimation may change during the course of time due to change in risk characteristics.

B. Financial liabilities

i. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis and using the EIR method.



Tata Communications Collaboration Services Private Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

ii. De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting of financial instruments

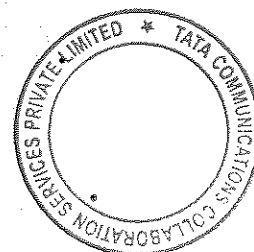
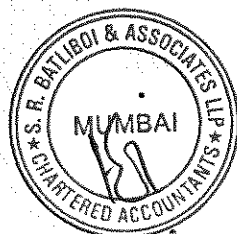
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

D. Derivative financial instruments - Initial and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

3. Property, plant and equipment

Particulars	Amount in ₹ lakhs		
	Plant and Machinery	Computers	Total
Cost			
Balance as at 1 April 2018	478.43	0.57	479.00
Additions	475.87	-	475.87
Disposals/ adjustments	-	-	-
Balance as at 31 March 2019	954.30	0.57	954.87
Additions	-	-	-
Disposals/ adjustments	-	-	-
Balance as at 31 March 2020	954.30	0.57	954.87
Accumulated depreciation			
Balance as at 1 April 2018	90.15	0.40	90.55
Depreciation	99.73	0.17	99.90
Disposals/ adjustments	-	-	-
Balance at 31 March 2019	189.88	0.57	190.45
Depreciation	145.90	-	145.90
Disposals/ adjustments	-	-	-
Balance as at 31 March 2020	335.78	0.57	336.35
Carrying amount			
Balance as at 31 March 2019	764.42	-	764.42
Balance as at 31 March 2020	618.52	-	618.52



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

4. Intangible assets

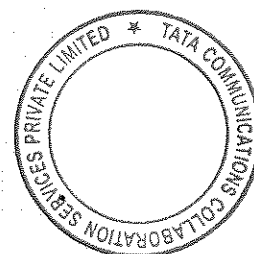
Amount in ₹ lakhs	
Particulars	Software
Cost	
Balance as at 1 April 2018	11.66
Additions	23.53
Disposals/ adjustments	-
Balance as at 31 March 2019	35.19
Additions	-
Disposals/ adjustments	-
Balance as at 31 March 2020	35.19
Accumulated depreciation	
Balance as at 1 April 2018	1.00
Depreciation	3.01
Disposals/ adjustments	-
Balance as at 31 March 2019	4.01
Depreciation	6.03
Disposals/ adjustments	-
Balance as at 31 March 2020	10.04
Carrying amount	
Balance as at 31 March 2019	31.18
Balance as at 31 March 2020	25.15

5. Deferred tax asset (net)

Amount in ₹ lakhs

Major components of deferred tax asset and liability consist of the following:

	As at 1 April 2019	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2020
Deferred tax asset arising out of timing differences on:				
Provision for doubtful debts	13.85	3.54	-	17.39
Expenditure disallowed under section 40 (a) (ia)	151.42	(98.30)	-	53.12
Deferred tax liability arising out of timing differences on:				
Difference between accounting and tax depreciation/ amortisation	0.19	(6.71)	-	(6.52)
Total Deferred tax (liabilities)/ assets	165.08	88.05	-	77.03



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

Major components of deferred tax asset and liability consist of the following:

	As at 1 April 2018	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2019
Deferred tax asset arising out of timing differences on:				
Provision for doubtful debts	0.02	13.83	-	13.85
Expenditure disallowed under section 40 (a) (ia)	-	151.42	-	151.42
Deferred tax liability arising out of timing differences on:				
Difference between accounting and tax depreciation/ amortisation	0.33	(0.14)	-	0.19
Total Deferred tax (liabilities)/ assets	(0.31)	165.39	-	165.08

6. Investments

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
Current		
Investments at FVTPL	9,700.93	8,604.77
Total	9,700.93	8,604.77

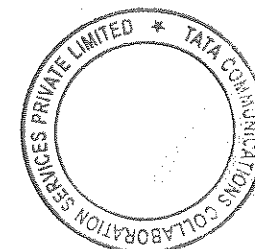
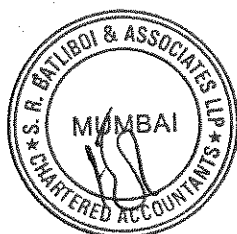
7. Trade Receivables

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
Unsecured		
Considered good	7,219.56	4,203.64
Considered doubtful	69.10	47.56
	7,288.66	4,251.20
Less: allowances for doubtful debts	(69.10)	(47.56)
Total	7,219.56	4,203.64

8. Cash and cash equivalents

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
Current accounts with scheduled banks	106.39	88.38
Total	106.39	88.38

R.L.



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

9. Other financial assets

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
a. Fair valuation of forward contracts	-	29.47
Total	-	29.47

10. Other assets

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
Current		
Unsecured – considered good		
a. Goods and Service tax receivable	1,498.28	931.55
b. Prepaid expenses	0.19	33.53
Total	1,498.47	965.08

11. Equity share capital

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
a. Authorised:		
150,000 (31 March 2019: 150,000) Equity shares of ₹ 10 each	15.00	15.00
b. Issued, subscribed and paid up:		
20,000 (31 March 2019: 20,000) Equity shares of ₹ 10 each fully paid up	2.00	2.00

a. Issued, subscribed and paid up:

There is no change in the issued, subscribed and paid up share capital of the Company during the current year.

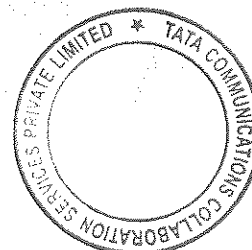
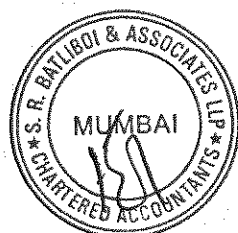
b. Terms/ rights attached to equity shares:

The Company has only one class of equity shares with a face value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share at any general meeting of shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

c. The Board of Directors have recommended a dividend of ₹ 45,000 (2018 - 2019 ₹ 25,000) per share.

d. Number of shares held by each shareholder holding more than 5% of the issued share capital:

	As at 31 March 2020		As at 31 March 2019	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Holding Company)	20,000	100%	20,000	100%



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

12. Other equity

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
a. Retained earnings	12,191.52	8,829.98
Total	12,191.52	8,829.98

13. Trade payables

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable to related parties	6,650.04	6,098.41
- Other creditors	171.68	158.90
Total	6,821.72	6,257.31

14. Other financial liabilities

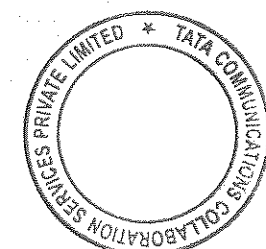
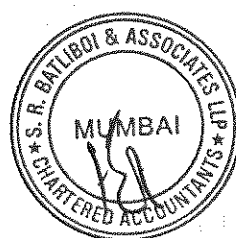
	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
Current		
a. Deposits from customers and contractors	0.10	0.10
b. Forward contracts (includes losses on mark to market)	0.24	-
Total	0.34	0.10

15. Other current liabilities

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
Current		
a. Statutory dues payable	75.03	49.79
b. Deferred revenue	9.51	13.85
c. Others	-	0.01
Total	84.54	63.65

16. Other income

	Amount in ₹ lakhs	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on income tax refund	1.20	-
Gain on investments carried at fair value through profit and loss	433.43	402.33
Foreign exchange gain (net)	36.58	363.44
Total	471.21	765.77



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

17. Operating and other expenses

	Amount in ₹ lakhs	
	For the year ended 31 March 2020	For the year ended 31 March 2019
a. Network and transmission expenses	7,084.21	7,461.78
b. Services rendered by related parties	1,480.81	1,263.77
c. Provision for doubtful trade receivables	21.55	47.50
d. Corporate social responsibility expenditure	86.09	35.00
e. Other expenses (Refer note 20)	23.93	25.67
Total	8,696.59	8,833.72

- i. As required by the Companies Act, 2013 and rules thereon, gross amount required to be spent by the Company during the year toward Corporate Social Responsibility (CSR) amount to ₹ 83.52 lakhs (2019: ₹ 35 lakhs). The Company has spent ₹ 86.09 lakhs (2019: ₹ 35 lakhs) during the year on CSR activities mainly for education and women safety project including ₹14.94 lakhs (2019: NIL) on construction / acquisition of assets.

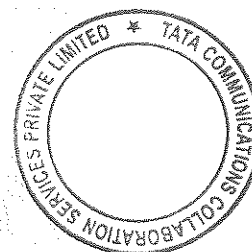
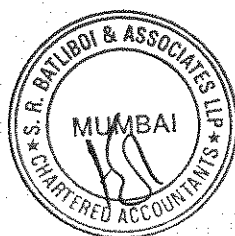
18. Depreciation and amortisation

	Amount in ₹ lakhs	
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment (note 3)	145.90	99.90
Amortisation of intangible assets (note 4)	6.03	3.01
Total	151.93	102.91

19. Income tax

- i. Income tax recognised in statement of profit and loss

	Amount in ₹ lakhs	
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<u>Current tax</u>		
In respect of current year	3,153.65	2,150.53
In respect of earlier year	(119.30)	168.79
Total Current tax (a)	3,034.35	2,319.32
<u>Deferred tax</u>		
In respect of the current year	10.60	(13.96)
In respect of the earlier year	77.45	(151.43)
Total deferred tax (b)	88.05	(165.39)
Total Income tax (a + b)	3,122.40	2,153.93



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

- ii. The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Amount in ₹ lakhs	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit before tax from continuing operations	12,511.70	7,302.12
Income tax expense calculated at 25.168% tax rate (2018 - 2019: 29.12% tax rate)	3,148.95	2,126.38
Reasoning		
Effect of expenses /adjustments that are not deductible in determining taxable profit	(7.10)	10.19
Tax pertaining to prior years	(41.85)	17.36
Tax impact due to rate change in law	22.40	-
Total	(26.55)	27.55
Income tax expense recognised in profit or loss	3,122.40	2,153.93

The Company has exercised the option of lower tax rate of 25.17% (inclusive of Surcharge and Cess) permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Deferred Tax Assets (net) as at March 31, 2019 have been re-measured during the quarter ended September 30, 2019.

20. Auditor's remuneration:

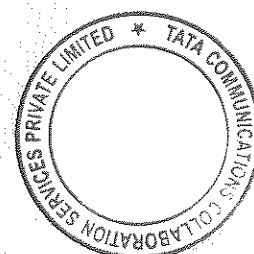
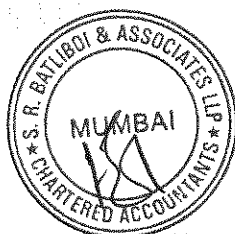
(Included in Other expenses under operating and other expenses – Refer note 17)

	Amount in ₹ lakhs	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Payment to statutory auditors		
i. Audit fees	8.25	7.50
ii. Others	-	0.75

Above amount excludes GST/ Service tax

21. Earnings per share

	Amount in ₹ lakhs	
	As at 31 March 2020	As at 31 March 2019
Net profit after tax attributable to the equity shareholders (A)	9,389.30	5,148.19
Number of equity shares outstanding at the end of the year	0.20	0.20
Weighted average number of shares outstanding during the year (B)	0.20	0.20
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	46,946.50	25,740.95



Tata Communications Collaboration Services Private Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

22. Segment reporting

The Company is engaged in telecommunication services in the form of voice mail / audiotex licenses for Mumbai, New Delhi, Bangalore and Chennai SDCAs granted by the Department of Telecommunications. The Company geographical segment is as per the table below:

Country	Amount in ₹ lakhs	
	For the year ended 31 March 2020	For the year ended 31 March 2019
United States of America	10,079.62	7,092.48
India	5,432.53	5,663.42
United Kingdom	4,463.17	1,613.83
Others	913.69	1,103.25
Total	20,889.01	15,472.98

For segment, non-current assets comprises of property, plant and equipment, capital work in progress and other intangible assets which are mainly located in India.

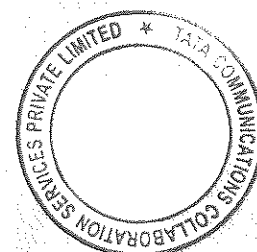
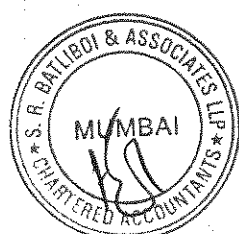
Information about major customers:

Name	Amount in ₹ lakhs	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Customer C	10,079.62	7,092.48
Customer D	2,737.47	2,116.44
Customer A	4,463.17	1,613.83

23. Related Party Transactions

i. Names of related parties and nature of relationship

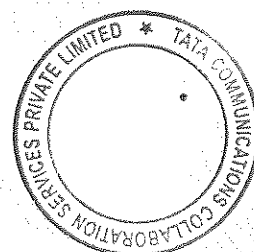
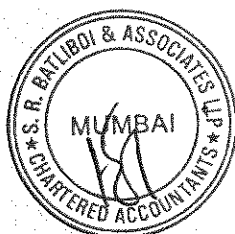
Sr No	Category of related parties	Names
A	Holding Company	Tata Communications Limited
B	Controlling party and its affiliates	Tata Sons Private Limited
		Tata Teleservices Limited
		Tata Consultancy Services Limited
		Tata AIG General Insurance Company Limited
		AirAsia (India) Limited
		Automotive Stampings and Assemblies Limited
		Ecofirst Services Limited
		Infiniti Retail Limited
		TASEC Limited (formerly TAS-AGT Systems Limited)
		Tata Advanced Materials Limited
		Tata Advanced Systems Limited
		Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp GY Batteries Limited)
		Tata AIA Life Insurance Company Limited



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

Sr No	Category of related parties	Names
		Tata Autocomp Hendrickson Suspensions Private Limited <i>(formerly Taco Hendrickson Suspensions Private Limited)</i>
		Tata Autocomp Katcon Exhaust Systems Private Limited <i>(formerly Katcon India Private Limited)</i>
		Tata Autocomp Systems Limited
		Tata Boeing Aerospace Limited <i>(formerly Tata Aerospace Limited)</i>
		Tata Capital Financial Services Limited
		Tata Consulting Engineers Limited
		Tata Housing Development Company Limited
		Tata Interactive Systems GmbH <i>(ceased w.e.f 2 July 2018)</i>
		Tata International Limited
		Tata SIA Airlines Limited
		Tata Sikorsky Aerospace Limited <i>(formerly Tata Aerospace Systems Limited)</i>
		Tata Sky Broadband Private Limited <i>(formerly Quickest Broadband Private Limited)</i>
		Tata Sky Limited
		Tata Toyo Radiator Limited
		Tata Unistore Limited <i>(formerly Tata Industrial Services Limited)</i>
		Tata Asset Management Limited
		Concorde Motors (India) Limited <i>(w.e.f 28 May 2018)</i>
		Conneqt Business Solutions Limited <i>(formerly Tata Business Support Services Limited)</i>
		Sai Life Science Limited <i>(w.e.f 28 May 2018) (ceased w.e.f. 25 July 2018)</i>
		Tata Chemicals Limited <i>(w.e.f 28 May 2018)</i>
		Tata Chemicals Magadi Limited <i>(w.e.f 28 May 2018)</i>
		Tata Coffee Ltd. <i>(w.e.f 28 May 2018)</i>
		Tata Elxsi Limited <i>(w.e.f 28 May 2018)</i>
		Tata Metaliks Ltd. <i>(w.e.f 28 May 2018)</i>
		Tata Power Solar Systems Limited <i>(w.e.f 28 May 2018)</i>

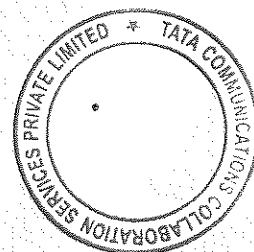
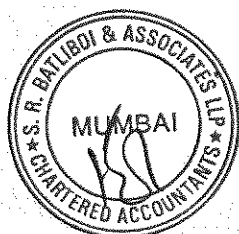
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Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

Sr No	Category of related parties	Names
		Tata Projects Limited (w.e.f 28 May 2018)
		Tata Steel BSL Limited (formerly Bhushan Steel Limited) (w.e.f 28 May 2018)
		Tata Steel Limited (w.e.f 28 May 2018)
		Tata Steel Downstream Products Limited (formerly Tata Steel Processing and Distribution Limited) (w.e.f 28 May 2018)
		Tata Technologies Europe Limited (w.e.f 28 May 2018)
		Tata Technologies Limited (w.e.f 28 May 2018)
		Tata Teleservices (Maharashtra) Limited
		The Indian Hotels Company Limited (w.e.f 28 May 2018)
		The Tinplate Company of India Limited (w.e.f 28 May 2018)
		Titan Company Limited (w.e.f 28 May 2018)
		Indian Steel & Wire Products Ltd.
		Allsec Technologies Limited (w.e.f. 3 June 2019)
C	Fellow subsidiaries*	Tata Communications Transformation Services Limited
		Tata Communications (America) Inc.
		Tata Communications (UK) Limited
		Tata Communications (Canada) Limited
		Tata Communications Deutschland GmbH
		Tata Communications (Hong kong) Limited
		Tata Communications (Netherlands) BV
		Tata Communications International Pte Ltd
		Tata Communications (Australia) Pty Limited
		Tata Communications (Ireland) Limited
		Tata Communications (Poland) Sp. Zoo
		Tata Communications (Switzerland) GmbH
		Tata Communications (France) SAS
		Tata Communications (Sweden) AB
		Tata Communications Lanka Limited
		Tata Communications Comunicações E Multimídia (Brazil) Limitada

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Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

Sr No	Category of related parties	Names
D	Associates of holding company *	STT Global Data Centres India Private Limited (formerly Tata Communications Data Centers Private Limited)
E	Others	Go Digit Infoworks Services Private Limited

* Where transactions have taken place or there are balances

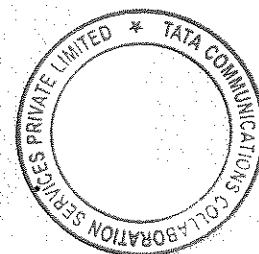
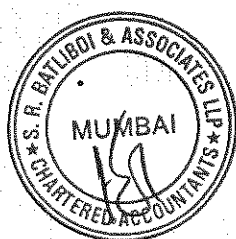
Reimbursement made of expenses incurred by related party for business purpose of the Company, or reimbursement received for expenses incurred by the Company on behalf of a related party shall not be deemed related party transactions.

On May 28, 2018, Tata Sons Private Limited ('TSPL') and its wholly owned subsidiary, Panatone Finvest Limited ('Panatone'), increased their combined stake in Holding Company to 48.90% there by gaining de-facto control as per Ind-AS. Accordingly, the Holding Company has classified TSPL and Panatone as "Controlling Entities" and hence, the Company has disclosed TSPL, its subsidiaries, joint ventures and associates as the 'Controlling party and its affiliates', effective this date.

ii. Summary of transactions and balances with related parties

Particulars	Amount in ₹ lakhs					Total
	Holding company	Controlling party and its Affiliates	Fellow subsidiaries	Associates of holding company	Others	
<u>Transactions during the year</u>						
Revenue from operations	2,737.47	528.92	15,461.34	6.74	30.98	18,765.45
	2,116.44	790.06	9,881.00	8.89	-	12,796.39
Operating and other expenses	452.44	1,986.71	2,493.23	-	-	4,932.38
	550.36	3,839.61	1,549.98	-	-	5,939.95
Fixed assets purchased	-	-	-	-	-	-
	248.28	-	-	-	-	248.28
Purchase of Mutual Funds	-	1,545.00	-	-	-	1,545.00
	-	5,265.00	-	-	-	5,265.00
Redemption of Mutual Funds	-	3,593.44	-	-	-	3,593.44
	-	3,283.87	-	-	-	3,283.87
<u>Closing balances</u>						
Trade receivables	241.14	291.94	6,110.01	5.95	5.98	6,655.02
	-	347.20	3,104.81	10.37	-	3,462.38
Current investments	-	-	-	-	-	-
	-	2,000.00	-	-	-	2,000.00
Other assets (current)	-	0.19	-	-	-	0.19
	-	-	-	-	-	-
Trade payables	2,396.34	783.14	3,470.56	-	-	6,650.04
	2,585.54	2,654.18	858.69	-	-	6,098.41

Previous year figures are in italics



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

24. Financial instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(p) to the financial statements.

Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2020 and 31 March 2019 are as follows:

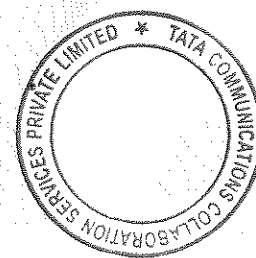
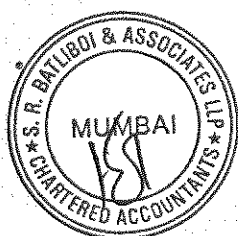
	As at 31 March 2020				As at 31 March 2019			
	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
Financial assets:								
Investments	9,700.93	-	-	9,700.93	8,604.77	-	-	8,604.77
Trade receivables	-	-	7,219.56	7,219.56	-	-	4,203.64	4,203.64
Other financial assets	-	-	-	-	-	29.47	-	29.47
Cash and cash equivalents	-	-	106.39	106.39	-	-	88.38	88.38
Total	9,700.93	-	7,325.95	17,026.88	8,604.77	29.47	4,292.02	12,926.26
Financial liabilities:								
Trade payables	-	-	6,821.72	6,821.72	-	-	6,257.31	6,257.31
Other financial liabilities	-	0.24	0.10	0.34	-	-	0.10	0.10
Total	-	0.24	6,821.82	6,822.06	-	-	6,257.41	6,257.41

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at 31 March 2020 and 31 March 2019 approximate the fair value because of their short-term nature. Difference between carrying amount and fair value of other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure is required)

As at 31 March 2020

	Amount in ₹ lakhs			
	Level 1	Level 2	Level 3	Total
Financial assets				
i. Investment in mutual funds	9,700.93	-	-	9,700.93
ii. Derivative financial assets	-	-	-	-
Total	9,700.93	-	-	9,700.93
Financial liabilities				
i. Derivative financial liabilities	-	0.24	-	0.24
Total	-	0.24	-	0.24



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
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As at 31 March 2019

Amount in ₹ lakhs

	Level 1	Level 2	Level 3	Total
Financial assets				
i. Investment in mutual funds	8,604.77	-	-	8,604.77
ii. Derivative financial assets	-	29.47	-	29.47
Total	8,604.77	29.47	-	8,634.24
Financial liabilities				
i. Derivative financial liabilities	-	-	-	-
Total	-	-	-	-

25. Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The senior management reviews and agrees policies for managing each of these risks, which are summarised below.

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits.

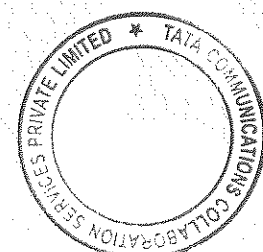
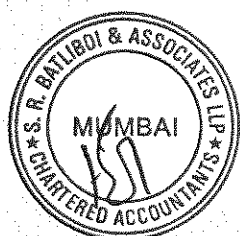
b. Foreign currency sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company's objective is to try and protect the underlying values of the Company's balance sheet forex exposures. Exposures are broadly categorized into receivables and payable exposures.

The Company manages its foreign currency risk by entering into derivatives on Net Exposures, i.e. netting off the Receivable and Payable exposures in order to take full benefit of natural hedge.

Non-crystallised (not in books) exposures for which cash flows are highly probable are considered for hedging after due consideration of cost of cover, impact of such derivatives on Statement of Profit and Loss due to MTMs (mark to market loss or gains), market / industry practices, regulatory restrictions etc.



Tata Communications Collaboration Services Private Limited

Notes forming part of the financial statements

for the year ended 31 March 2020

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 5% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which would affect the Statement of Profit and Loss and equity.

The following table sets forth information relating to foreign currency exposure (net) as at 31 March 2020 and 31 March 2019.

Amount in ₹ lakhs

Currency	USD	GBP
As at 31 March 2020		
Financial assets	1,822.58	-
Financial Liabilities	-	4.19

Currency	USD	GBP
As at 31 March 2019		
Financial assets	664.12	-
Financial Liabilities	-	4.05

5% appreciation/ depreciation of the respective foreign currencies with respect to functional currency of the Company would result in increase/ decrease in the Company's profit before tax by approximately ₹ 90.91 lakhs (2018 - 2019: ₹ 33 lakhs) for the year ended 31 March 2020.

c. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

In determining the allowances for doubtful trade receivables, the Company will use simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables as mentioned below:

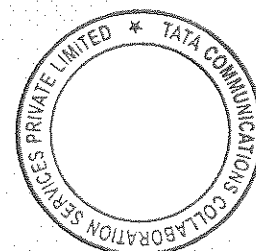
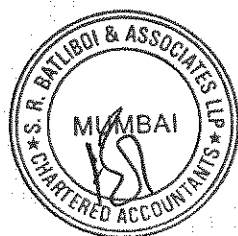
Amount in ₹ lakhs

Ageing of receivables	As at	As at
	31 March 2020	31 March 2019
Within credit period	457.71	497.10
1-90 days	5,676.70	3,463.16
91-180 days	259.01	119.55
181-360 days	691.53	112.48
More than 360 days	134.61	11.35
Total	7,219.56	4,203.64

d. Liquidity risk

The Company monitors its risk of shortage of funds using a liquidity planning tool.

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

	Amount in ₹ lakhs			
	On demand	0 to 12 months	1 to 5 years	Total
As at 31 March 2020				
Other financial liabilities	0.10	0.24	-	0.34
Trade Payables	1,470.45	5,351.27	-	6,821.72

	Amount in ₹ lakhs			
	On demand	0 to 12 months	1 to 5 years	Total
As at 31 March 2019				
Other financial liabilities	0.10	-	-	0.10
Trade Payables	3,475.27	2,782.04	-	6,257.31

26. Contingent liabilities:

	Amount in ₹ lakhs	
Particulars	As at 31 March 2020	As at 31 March 2019
Income Tax	120.05	-

The Company has received Order u/s 201/201(A) of the Income Tax Act, 1961 dated 20 February 2020 for FY 2017-18 (AY 2018-19) raising demand of ₹ 120.05 lakhs on account of alleged non-deduction of taxes on year-end provisions. The Company has contested the claim with the relevant authority and has preferred appeal which is pending. The Company believes that the claim is not probable and would not result in outflow.

27. Events after the reporting period

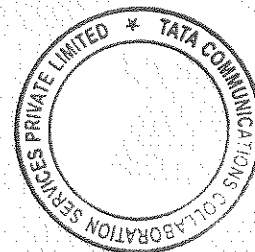
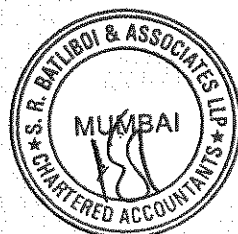
There are no subsequent events between the year ended 31 March 2020 and signing of financial statements as on 13 June 2020 which have material impact on the financials of the Company.

- 28.** The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company is monitoring the situation closely, and shall take actions as appropriate, based on any material changes in the future economic conditions.

29. Approval of financial statements

The financial statements were approved for issue by the board of directors on 13 June 2020.

R/L



Tata Communications Collaboration Services Private Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

30. Previous year's figures have been regrouped/rearranged where necessary to confirm to current year's classification/disclosure.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/ E300004

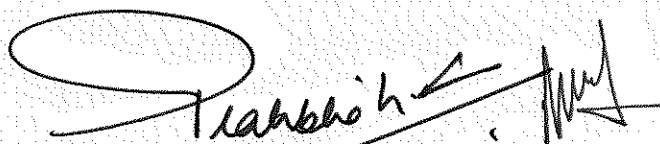
For and on behalf of the Board of Directors



Hormuz Master

Partner

Membership No. 110797



Pratibha K. Advani

Director



Manish Sansi

Director

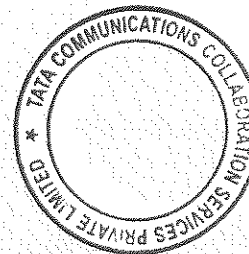
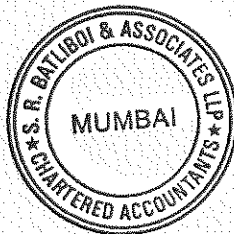
MUMBAI

DATE: 13 June 2020

NEW DELHI

DATE: 13 June 2020

NEW DELHI



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LLP Identity No. AAB-7509

APPENDIX - 46

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Lanka Limited** ("the subsidiary") registered in Colombo as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



Tata Communications Lanka Limited

BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A) ASSETS						
(1) Non-current assets						
Property, plant and equipment	1		787,162	59,399,245	828,999	57,383,311
Capital work-in-progress			327	24,675	1,164	80,572
Right of use assets			313,803	23,679,574	-	-
Other intangible assets	2		272,353	20,551,757	360,379	24,945,434
Non current tax asset			127,685	9,635,110	-	-
Other non-current assets	3		19,705	1,486,939	682	47,208
			1,521,035	114,777,301	1,191,224	82,456,525
(2) Current assets						
Inventories	4		98,817	7,456,731	93,353	6,461,895
Financial assets						
(i) Trade receivables	5		2,167,209	163,537,591	1,878,145	130,005,197
(ii) Cash and cash equivalent	6		8,022,911	605,408,864	8,679,765	600,813,333
(iii) Other financial assets	7		105,227	7,940,429	120,109	8,313,945
Other current assets	8		524,088	39,547,680	509,653	35,278,181
			10,918,252	823,891,296	11,281,025	780,872,551
TOTAL ASSETS			12,439,287	938,668,597	12,472,249	863,329,076
(B) EQUITY AND LIABILITIES						
(1) Equity						
Equity share capital	9		1,197,348	90,351,880	1,197,348	82,880,429
Other equity	10		7,996,663	603,428,190	9,421,944	652,186,964
Total Equity			9,194,011	693,780,070	10,619,292	735,067,392
(2) Non-current liabilities						
Financial liabilities						
(i) Lease liabilities			244,914	18,481,210	-	-
Deferred tax liabilities (Net)			95,137	7,179,038	119,482	8,270,544
			340,051	25,660,248	119,482	8,270,544
(3) Current liabilities						
Financial liabilities						
(i) Trade payables	11		2,284,134	172,360,752	1,180,716	81,729,162
(ii) Other financial liabilities	12		16,113	1,215,887	12,676	877,433
(iii) Lease liabilities			68,052	5,135,204	-	-
Other current liabilities	13		508,310	38,357,073	272,595	18,869,026
Provisions	14		28,616	2,159,363	18,774	1,299,536
Current tax liabilities (Net)			-	-	248,714	17,215,983
			2,905,225	219,228,279	1,733,475	119,991,140
TOTAL EQUITY AND LIABILITIES			12,439,287	938,668,597	12,472,249	863,329,076

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications Lanka Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR*	USD	INR*
i	Revenue from telecommunications services	15	9,883,586	745,815,400	12,001,596	830,750,475
ii	Other Income	16	427,740	32,277,260	344,584	23,852,104
iii	Total income (i + ii)		10,311,326	778,092,660	12,346,180	854,602,580
iv	Expenses:					
	(i) Network and transmission expenses	17	6,316,733	476,660,672	6,645,568	460,006,217
	(ii) Employee benefits expenses	18	551,800	41,638,828	518,456	35,887,524
	(iii) Operating and other expenses	19	1,174,933	88,660,444	1,448,776	100,284,275
	(iv) Finance costs	20	13,721	1,035,387	-	-
	(v) Depreciation and amortisation expenses		327,042	24,678,589	454,551	31,464,020
	Total expenses		8,384,229	632,673,920	9,067,351	627,642,036
v	Profit / (loss) before taxes (iii-iv)		1,927,097	145,418,740	3,278,829	226,960,543
vi	Tax expenses					
	(i) Current tax expense/(benefit)		352,720	26,616,251	566,657	39,223,998
	(ii) Deferred tax expense/(benefit)		(24,345)	(1,837,074)	(55,897)	(3,869,190)
	Net tax expenses		328,375	24,779,178	510,760	35,354,807
vii	Profit / (loss) for the year (v-vi)		1,598,722	120,639,562	2,768,069	191,605,736

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	44,028	3,322,353	-	-
Plant and machinery	3,442,518	259,772,408	3,352,799	232,080,747
Furniture and fixtures	128,411	9,689,894	97,064	6,718,770
Computers	184,795	13,944,631	228,344	15,805,972
Office equipment	47,284	3,568,051	43,790	3,031,144
(a)	3,847,036	290,297,337	3,721,997	257,636,632
Accumulated depreciation:				
Lease hold improvement	3,796	286,446	-	-
Plant and machinery	2,768,720	208,927,611	2,605,167	180,329,660
Furniture and fixtures	73,385	5,537,632	61,392	4,249,554
Computers	174,636	13,178,033	191,553	13,259,299
Office equipment	39,337	2,968,370	34,886	2,414,809
(b)	3,059,874	230,898,092	2,892,998	200,253,322
Net block (a) - (b)	787,162	59,399,245	828,999	57,383,311

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	16,436	1,240,261	16,436	1,137,700
License Fees	823,656	62,153,082	823,656	57,013,468
(a)	840,092	63,393,342	840,092	58,151,168
Accumulated amortisation:				
Computer software	16,436	1,240,261	16,436	1,137,700
License Fees	551,303	41,601,324	463,277	32,068,034
(b)	567,739	42,841,584.94	479,713	33,205,733.86
Net block (a) - (b)	272,353	20,551,757	360,379	24,945,434

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Capital Advances	19,705	1,486,939	682	47,208
Total	19,705	1,486,939	682	47,208

4 Inventories

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Stores and spares(Consumables)	98,817	7,456,731	93,353	6,461,895
Total	98,817	7,456,731	93,353	6,461,895



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	1,450,973	109,490,423	892,338	61,767,636
Intercompany receivables	1,102,854	83,221,363	1,039,057	71,923,526
Provision for doubtful debts	(386,618)	(29,174,194)	(53,250)	(3,685,965)
Total	2,167,209	163,537,591	1,878,145	130,005,197

6 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	8,022,911	605,408,864	8,679,765	600,813,333
Total	8,022,911	605,408,864	8,679,765	600,813,333

7 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	42,949	3,240,932	43,620	3,019,376
Interest Receivable	62,278	4,699,498	76,489	5,294,569
Total	105,227	7,940,429	120,109	8,313,945

8 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	4,767	359,718	4,767	329,972
Prepaid expenses	4,301	324,553	16,961	1,174,040
Indirect Tax receivable	515,020	38,863,409	487,925	33,774,169
Total	524,088	39,547,680	509,653	35,278,181

9 Equity share capital

Particulars	As at 31 March 2019		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	1,197,348	90,351,880	1,197,348	82,880,429
Total	1,197,348	90,351,880	1,197,348	82,880,429



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	9,421,944	710,979,894	7,594,069	525,661,456
Impact on adoption of Ind AS 116	(10,491)	(791,651)	-	-
Profit / (loss) for the year	1,598,722	120,639,562	2,768,069	191,605,736
Closing balance	11,010,175	830,827,806	10,362,138	717,267,192
Dividend	(3,013,512)	(227,399,616)	(940,194)	(65,080,229)
Total	7,996,663	603,428,190	9,421,944	652,186,964

11 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade Payables	2,284,134	172,360,752	1,180,716	81,729,162
Total	2,284,134	172,360,752	1,180,716	81,729,162

12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	16,113	1,215,887	12,676	877,433
Total	16,113	1,215,887	12,676	877,433

13 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	64,786	4,888,752	66,648	4,613,375
Accrued Payroll	44,987	3,394,719	63,310	4,382,318
Other Statutory dues	398,503	30,071,036	130,736	9,049,546
Others	34	2,566	11,901	823,787
Total	508,310	38,357,073	272,595	18,869,026



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

14 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	18,929	1,428,382	18,774	1,299,536
Provision for Gratuity Funded	9,687	730,981	-	-
Total	28,616	2,159,363	18,774	1,299,536

15 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	9,883,586	745,815,400	12,001,596	830,750,475
Total	9,883,586	745,815,400	12,001,596	830,750,475

16 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	329,316	24,850,185	301,145	20,845,257
Miscellaneous income	98,424	7,427,075	16,491	1,141,507
Total	427,740	32,277,260	344,584	23,852,104

17 Network costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	6,316,733	476,660,672	6,645,568	460,006,217
Total	6,316,733	476,660,672	6,645,568	460,006,217

18 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	455,830	34,396,932	430,856	29,823,852
Contribution to provident and other funds	65,037	4,907,692	41,702	2,886,612
Staff welfare expenses	30,933	2,334,204	45,898	3,177,060
Total	551,800	41,638,828	518,456	35,887,524



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

19 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	7,143	539,011	24,681	1,708,419
Auditors remuneration	4,276	322,667	3,226	223,304
Bad debts Written off	-	-	(23,068)	(1,596,767)
Communication expenses	7,601	573,571	7,603	526,280
CSR expenses	408	30,788	-	-
Directors fees	1,820	137,337	2,609	180,595
Donations	-	-	(16)	(1,108)
Electricity	52,927	3,993,871	59,155	4,094,709
Entertainment expenses	1,005	75,837	376	26,027
Exchange (Gain)/Loss -Net	18,111	1,366,656	81,645	5,651,467
Insurance expenses	6,202	468,003	3,216	222,612
Legal and professional fees	26,927	2,031,911	34,648	2,398,335
Loss on sale of fixed assets	23,414	1,766,820	320	22,150
Miscellaneous expenses	19,487	1,470,489	22,215	1,537,722
Printing and stationery	3,712	280,108	3,921	271,412
Provision for doubtful debts	333,367	25,155,874	-	-
Rates and Taxes	1,996	150,618	-	-
Recruitment expenses	3,115	235,058	-	-
Rent	44,964	3,392,983	103,190	7,142,812
Repairs and Maintenance - Plant & Machinery	498,825	37,641,335	1,000,293	69,240,281
Repairs and Maintenance -Building	336	25,355	905	62,644
Seminars, trainings and conferences	702	52,973	1,442	99,815
Services rendered by agencies	80,078	6,042,686	73,476	5,086,009
Travelling and conveyance expenses	38,517	2,906,493	48,939	3,387,558
Total	1,174,933	88,660,444	1,448,776	100,284,275

20 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	13,721	1,035,387	-	-
Total	13,721	1,035,387	-	-



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LLP Identity No. AAB-7509

APPENDIX - 39

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications International Pte. Ltd.** ("the subsidiary") registered in Singapore as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar V.V.

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	43,708,429	3,298,238,053	47,986,230	3,321,606,841
Capital work-in-progress		450,045	33,960,396	416,533	28,832,414
Right-of-use assets		17,097,237	1,290,157,504	-	-
Other intangible assets	2	1,106,194	83,473,399	1,433,936	99,257,050
Intangible assets under development		745,657	56,267,277	136,178	9,426,241
Investments in subsidiaries & associates	3	195,851,011	14,778,917,291	207,936,703	14,393,378,582
Financial assets					
(i) Investments -others	4	2,000,000	150,920,000	1,371,432	94,930,523
(ii) Loans	5	26,178,649	1,975,440,854	57,842,443	4,003,853,904
(iii) Other financial assets	6	129,305	9,757,355	135,239	9,361,244
Other non-current assets	7	4,144,319	312,730,312	5,316,513	368,009,030
		291,410,846	21,989,862,441	322,575,207	22,328,655,829
(2) Current assets					
Financial assets					
(i) Trade receivables	8	27,022,571	2,039,123,207	26,363,187	1,824,859,804
(ii) Cash and cash equivalent	9	28,016,823	2,114,149,464	2,307,526	159,726,950
(iii) Other financial assets	10	2,087,638	157,533,163	2,633,480	182,289,451
Other current assets	11	6,239,717	470,849,044	6,613,860	457,811,388
		63,366,749	4,781,654,878	37,918,053	2,624,687,593
TOTAL ASSETS		354,777,595	26,771,517,319	360,493,260	24,953,343,422
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	12	423,149,234	31,930,841,198	423,149,234	29,290,389,977
Other equity	13	(373,054,857)	(28,150,719,506)	(368,951,351)	(25,538,812,482)
Total Equity		50,094,377	3,780,121,692	54,197,884	3,751,577,495
(2) Non-current liabilities					
Financial liabilities					
(i) Borrowings	14	45,626,266	3,442,958,032	13,921,704	963,660,351
(ii) Other financial liabilities	15	33,461,000	2,524,967,060	33,594,996	2,325,445,623
(iii) Lease liabilities		14,425,143	1,088,521,291	-	-
Provisions	16	10,898,517	822,402,093	11,074,165	766,553,702
Other non current liabilities (Deferred revenue)		43,755,857	3,301,816,969	44,721,636	3,095,631,644
		148,166,783	11,180,665,445	103,312,501	7,151,291,320
(3) Current liabilities					
Financial liabilities					
(i) Borrowings	17	81,317,430	6,136,213,267	134,318,318	9,297,513,972
(ii) Trade payables	18	31,814,153	2,400,695,985	32,280,494	2,234,455,795
(iii) Other financial liabilities	19	19,196,845	1,448,593,923	14,405,353	997,138,534
(iv) Lease liabilities		2,262,679	170,741,757	-	-
Other current liabilities	20	21,367,566	1,612,396,530	21,259,596	1,471,589,235
Provisions	21	470,657	35,515,777	643,928	44,572,696
Current tax liabilities (Net)		87,105	6,572,943	75,186	5,204,375
		156,516,435	11,810,730,182	202,982,875	14,050,474,607
TOTAL EQUITY AND LIABILITIES		354,777,595	26,771,517,319	360,493,260	24,953,343,422

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	22	159,909,682	12,066,784,604	148,377,818	10,270,712,562
ii	Other Income	23	4,731,409	357,032,124	3,884,369	268,876,023
iii	Total income (i + ii)		164,641,091	12,423,816,728	152,262,187	10,539,588,585
iv	Expenses:					
	Network and transmission expenses	24	88,072,755	6,645,970,092	70,084,203	4,851,228,532
	Employee benefits expenses	25	27,080,374	2,043,485,022	30,407,127	2,104,781,331
	Operating and other expenses	26	35,311,720	2,664,622,351	37,462,688	2,593,167,229
	Finance costs	27	5,453,948	411,554,916	5,821,793	402,984,512
	Depreciation and amortisation expenses		11,570,525	873,111,817	11,353,803	785,910,244
	Total expenses		167,489,322	12,638,744,198	155,129,614	10,738,071,848
v	Profit before exceptional items and taxes (iii - iv)		(2,848,231)	(214,927,470)	(2,867,427)	(198,483,263)
vi	Exceptional items:					
	Staff cost optimisation		(1,101,074)	(83,087,044)	(317,613)	(21,985,172)
	Impairment of investment		(112,000)	(8,451,520)	(22,399,602)	(1,550,500,450)
vii	Profit before taxes (v - vi)		(4,061,305)	(306,466,034)	(25,584,642)	(1,770,968,885)
viii	Tax expenses					
	(i) Current tax expense/(benefit)		42,202	3,184,563	528,095	36,554,736
	(ii) Deferred tax expense/(benefit)		-	-	(386,528)	(26,755,468)
	Net tax expenses		42,202	3,184,563	141,567	9,799,268
ix	Profit / (loss) for the year (vii-viii)		(4,103,507)	(309,650,597)	(25,726,209)	(1,780,768,153)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	7,411,813	559,295,409	7,420,039	513,615,100
Cables	91,001,544	6,866,976,510	86,089,855	5,959,139,763
Plant and machinery	61,493,897	4,640,329,468	59,703,357	4,132,666,372
Furniture and fixtures	991,737	74,836,474	992,976	68,733,799
Computers	2,338,082	176,431,668	2,440,202	168,910,782
Office equipment	338,991	25,580,261	340,608	23,576,886
(a)	163,576,064	12,343,449,790	156,987,037	10,866,642,702
Accumulated depreciation:				
Lease hold improvement	5,447,439	411,063,747	4,504,539	311,804,190
Cables	64,421,988	4,861,283,214	59,199,517	4,097,790,567
Plant and machinery	47,187,511	3,560,769,580	42,686,576	2,954,764,791
Furniture and fixtures	494,120	37,286,295	335,506	23,223,725
Computers	2,152,823	162,452,024	2,160,624	149,558,393
Office equipment	163,754	12,356,877	114,045	7,894,195
(b)	119,867,635	9,045,211,737	109,000,807	7,545,035,861
Net block (a) - (b)	43,708,429	3,298,238,053	47,986,230	3,321,606,841

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	4,232,189	319,360,982	4,022,876	278,463,477
(a)	4,232,189	319,360,982	4,022,876	278,463,477
Accumulated amortisation:				
Computer software	3,125,995	235,887,583	2,588,940	179,206,427
(b)	3,125,995	235,887,583	2,588,940	179,206,427
Net block (a) - (b)	1,106,194	83,473,399	1,433,936	99,257,050

3 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	214,496,075	16,185,873,820	214,496,075	14,847,418,312
Impairment of investment in subsidiaries	(18,645,064)	(1,406,956,529)	(18,645,064)	(1,290,611,330)
Investments in associates	-	-	33,276,878	2,303,425,495
Impairment of investment in associates	-	-	(21,191,186)	(1,466,853,895)
Total	195,851,011	14,778,917,291	207,936,703	14,393,378,582



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 Financial asset - Investment others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments - others	2,000,000	150,920,000	1,371,432	94,930,523
Total	2,000,000	150,920,000	1,371,432	94,930,523

5 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	27,499,065	2,075,079,445	59,050,859	4,087,500,460
Allowances for loan receivables	(1,320,416)	(99,638,591)	(1,208,416)	(83,646,556)
Total	26,178,649	1,975,440,854	57,842,443	4,003,853,904

6 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	129,305	9,757,355	135,239	9,361,244
Total	129,305	9,757,355	135,239	9,361,244

7 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	4,144,319	312,730,312	5,316,513	368,009,030
Total	4,144,319	312,730,312	5,316,513	368,009,030

8 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	30,738,429	2,319,521,852	29,668,682	2,053,666,168
Provision for doubtful debts	(3,715,858)	(280,398,645)	(3,305,495)	(228,806,364)
Total	27,022,571	2,039,123,207	26,363,187	1,824,859,804

9 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	28,016,823	2,114,149,464	2,307,526	159,726,950
Total	28,016,823	2,114,149,464	2,307,526	159,726,950



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	-	-	87	5,988
Forward Premium	888,084	67,014,819	441,897	30,588,110
Interest Receivable on Inter Co. Loan (Net)	849,238	64,083,499	1,584,310	109,665,938
Others	350,316	26,434,845	607,186	42,029,415
Total	2,087,638	157,533,163	2,633,480	182,289,451

11 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	31,988	2,413,814	945	65,413
Advances to employees	177,107	13,364,494	319,002	22,081,318
Other Advances	-	-	419	29,003
Prepaid expenses	5,886,994	444,232,567	5,942,765	411,358,193
Indirect tax receivable	143,628	10,838,169	349,073	24,162,833
Others	-	-	1,656	114,628
Total	6,239,717	470,849,044	6,613,860	457,811,388

12 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	423,149,234	31,930,841,198	423,149,234	29,290,389,977
Total	423,149,234	31,930,841,198	423,149,234	29,290,389,977

13 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(368,951,351)	(27,841,068,909)	(343,225,142)	(23,758,044,329)
Profit / (loss) for the year	(4,103,507)	(309,650,597)	(25,726,209)	(1,780,768,153)
Total	(373,054,857)	(28,150,719,506)	(368,951,351)	(25,538,812,482)

14 Non-current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from banks	45,626,266	3,442,958,032	13,921,704	963,660,351
Total	45,626,266	3,442,958,032	13,921,704	963,660,351



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Dividend payable	33,461,000	2,524,967,060	33,461,000	2,316,170,420
Lease equalisation	-	-	133,996	9,275,203
Total	33,461,000	2,524,967,060	33,594,996	2,325,445,623

16 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	10,649,257	803,592,933	9,915,135	686,325,645
Retention liability	249,260	18,809,160	1,159,030	80,228,057
Total	10,898,517	822,402,093	11,074,165	766,553,702

17 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from bank	55,734,003	4,205,687,866	134,318,318	9,297,513,972
Inter company loans taken (Net)	25,583,427	1,930,525,401	-	-
Total	81,317,430	6,136,213,267	134,318,318	9,297,513,972

18 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	29,759,305	2,245,637,155	30,879,825	2,137,501,487
Inter Company - Payables (Net)	2,054,848	155,058,830	1,400,669	96,954,308
Total	31,814,153	2,400,695,985	32,280,494	2,234,455,795

19 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Current portion of long term loans	18,234,391	1,375,967,145	13,849,836	958,685,648
Deposit from customers and contractors	674,138	50,870,453	362,683	25,104,917
Interest accrued but not due -others	288,316	21,756,325	189,210	13,097,116
Others	-	-	3,624	250,853
Total	19,196,845	1,448,593,923	14,405,353	997,138,534



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	16,826,453	1,269,724,143	14,284,892	988,800,224
Other Employee dues	4,535,695	342,263,545	6,974,704	482,789,011
Others	5,418	408,842	-	-
Total	21,367,566	1,612,396,530	21,259,596	1,471,589,235

21 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	470,657	35,515,777	643,928	44,572,696
Total	470,657	35,515,777	643,928	44,572,696

22 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	159,909,682	12,066,784,604	148,377,818	10,270,712,562
Total	159,909,682	12,066,784,604	148,377,818	10,270,712,562

23 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	-	-	44	3,046
Interest on loan to subsidiaries	2,677,652	202,055,620	2,981,875	206,405,388
Profit on sale of fixed assets	-	-	2	138
Exchange gain -Net	920,182	69,436,934	-	-
Miscellaneous income	1,133,575	85,539,570	902,448	62,467,451
Total	4,731,409	357,032,124	3,884,369	268,876,023

24 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	88,072,755	6,645,970,092	70,071,603	4,850,356,360
Rent of satellite channels	-	-	12,600	872,172
Total	88,072,755	6,645,970,092	70,084,203	4,851,228,532



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

25 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	25,511,631	1,925,107,675	28,609,571	1,980,354,505
Contribution to provident and other funds	1,146,532	86,517,305	1,180,345	81,703,481
Staff welfare expenses	422,211	31,860,042	617,211	42,723,345
Total	27,080,374	2,043,485,022	30,407,127	2,104,781,331

26 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	654,289	49,372,648	729,066	50,465,949
Auditors remuneration	48,572	3,665,243	51,535	3,567,253
Communication expenses	336,396	25,384,442	337,378	23,353,305
CSR expenses	32,100	2,422,266	30,831	2,134,122
Directors fees	47,096	3,553,864	47,180	3,265,800
Donations	3,716	280,409	3,671	254,107
Electricity	1,644,347	124,082,425	1,564,086	108,266,033
Entertainment expenses	78,892	5,953,190	64,805	4,485,802
Exchange loss -Net	-	-	18,174	1,258,004
Insurance expenses	159,125	12,007,573	119,860	8,296,709
IT consumables	24,458	1,845,601	22,573	1,562,503
Legal and professional fees	1,296,930	97,866,338	2,038,265	141,088,703
Loss on sale of fixed asset	1,636,839	123,515,871	4,865	336,755
Miscellaneous expenses	4,476,025	337,760,805	6,068,807	420,082,786
Printing and stationery	24,473	1,846,733	36,996	2,560,863
Provision for doubtful debts	410,363	30,965,992	1,585,376	109,739,727
Rates and Taxes	669,860	50,547,636	352,297	24,385,998
Recruitment expenses	235,735	17,788,563	520,322	36,016,689
Relocation Expense	62,612	4,724,702	81,808	5,662,750
Rent	2,133,614	161,002,512	2,312,669	160,082,948
Repairs and Maintenance Plant & Machinery	18,430,234	1,390,745,458	15,987,163	1,106,631,423
Repairs and Maintenance -Building	4,300	324,478	18,128	1,254,820
Seminars, trainings and conferences	13,101	988,601	881,826	61,039,996
Services rendered by agencies	1,131,196	85,360,050	2,096,037	145,087,681
Bad debts written off	-	-	(3,000)	(207,660)
Travelling and conveyance expenses	1,757,447	132,616,951	2,491,970	172,494,163
Total	35,311,720	2,664,622,351	37,462,688	2,593,167,229

27 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	5,440,108	410,510,550	5,808,677	402,076,622
Guarantee fees	13,840	1,044,366	13,116	907,890
Total	5,453,948	411,554,916	5,821,793	402,984,512



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APPENDIX - 7

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (America) Inc.** ("the subsidiary") registered in Delaware, USA as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	104,075,095	7,853,506,671	120,178,025	8,318,722,890
Capital work-in-progress		2,823,853	213,087,947	3,277,946	226,899,422
Right-of-use assets		59,955,300	4,524,226,938	-	-
Other intangible assets	2	7,465,653	563,358,176	10,669,908	738,571,032
Intangible assets under development		824,926	62,248,916	3,935,037	272,383,261
Financial assets					
(i) Investments -others	3	27,210,603	2,053,312,102	22,810,603	1,578,949,940
(ii) Loans	4	68,071,899	5,136,705,499	56,406,402	3,904,451,146
(iii) Other financial assets	5	1,085,573	81,917,339	1,284,614	88,920,981
Non current tax asset (Net)		514,659	38,836,168	1,103,282	76,369,180
Other non-current assets	6	970,786	73,255,512	887,629	61,441,679
		272,998,347	20,600,455,268	220,553,446	15,266,709,531
(2) Current assets					
Financial assets					
(i) Trade receivables	7	51,765,372	3,906,214,971	59,381,648	4,110,397,675
(ii) Cash and cash equivalent	8	53,108	4,007,530	63,030	4,362,937
(iii) Other financial assets	9	2,321,447	175,176,391	1,264,970	87,561,224
Current tax assets (Net)					
Other current assets	10	12,081,921	911,701,759	8,316,277	575,652,694
		66,221,848	4,997,100,651	69,025,925	4,777,974,530
TOTAL ASSETS		339,220,195	25,597,555,919	289,579,371	20,044,684,061
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	11	226,603,995	17,099,537,463	226,603,995	15,685,528,534
Other equity	12	(91,271,497)	(6,887,347,160)	(103,281,931)	(7,149,175,264)
Total Equity		135,332,498	10,212,190,303	123,322,064	8,536,353,270
(2) Non-current liabilities					
Financial liabilities					
(i) Other financial liabilities	13	-	-	4,042,727	279,837,563
(ii) Lease liabilities		50,555,274	3,814,900,976	-	-
Provisions	14	5,026,719	379,316,216	5,333,034	369,152,614
Other non current liabilities (Deferred revenue)		39,630,246	2,990,498,363	51,439,913	3,560,670,778
		95,212,239	7,184,715,555	60,815,674	4,209,660,955
(3) Current liabilities					
Financial liabilities					
(i) Trade payables	15	64,804,895	4,890,177,377	67,370,562	4,663,390,302
(ii) Other financial liabilities	16	1,557,985	117,565,548	2,645,393	183,114,104
(iii) Lease liabilities		14,275,423	1,077,223,420		
Other current liabilities	17	26,346,879	1,988,135,489	33,206,267	2,298,537,801
Provisions	18	1,690,276	127,548,227	2,219,411	153,627,629
		108,675,458	8,200,650,061	105,441,633	7,298,669,836
TOTAL EQUITY AND LIABILITIES		339,220,195	25,597,555,919	289,579,371	20,044,684,061

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	19	390,464,525	29,464,453,057	398,479,098	27,582,723,164
ii	Other Income	20	8,923,623	673,376,591	8,220,495	569,022,664
iii	Total income (i + ii)		399,388,148	30,137,829,648	406,699,593	28,151,745,828
iv	Expenses:					
	Network and transmission expenses	21	205,926,231	15,539,193,391	192,533,853	13,327,193,305
	Employee benefits expenses	22	74,852,049	5,648,335,617	82,296,927	5,696,593,287
	Operating and other expenses	23	71,779,253	5,416,462,429	80,109,805	5,545,200,702
	Finance costs	24	2,087,174	157,498,150	2,617,351	181,173,036
	Depreciation and amortisation expenses		30,805,273	2,324,565,901	38,437,614	2,660,651,641
	Total expenses		385,449,980	29,086,055,488	395,995,550	27,410,811,971
v	Profit before exceptional items and taxes (iii - iv)		13,938,168	1,051,774,160	10,704,043	740,933,857
vi	Exceptional items:					
	Staff cost optimisation		(1,939,653)	(146,366,215)	(313,275)	(21,684,896)
vii	Profit before taxes (v - vi)		11,998,515	905,407,945	10,390,768	719,248,961
viii	Tax expenses					
	(i) Current tax expense/(benefit)		(11,393)	(859,716)	409,571	28,350,505
	(ii) Deferred tax expense/(benefit)		(526)	(39,692)	-	-
	Net tax expenses		(11,919)	(899,408)	409,571	28,350,505
ix	Profit / (loss) for the year (vii-viii)		12,010,434	906,307,353	9,981,197	690,898,456

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Land	1,498,991	113,113,861	1,498,991	103,760,157
Building	5,609,046	423,258,611	5,609,046	388,258,164
Lease hold improvement	9,173,282	692,215,860	9,007,384	623,491,120
Cables	137,096,975	10,345,337,734	135,489,019	9,378,549,895
Plant and machinery	320,581,182	24,191,055,994	318,107,923	22,019,430,430
Furniture and fixtures	1,916,998	144,656,669	1,245,835	86,236,699
Computers	16,425,832	1,239,493,283	17,313,463	1,198,437,909
Office equipment	1,296,738	97,851,849	1,198,008	82,926,114
Vehicles	28,208	2,128,576	28,208	1,952,558
(a)	493,627,252	37,249,112,437	489,497,877	33,883,043,046
Accumulated depreciation:				
Land	-	-	-	-
Building	3,368,805	254,210,025	3,130,870	216,718,821
Lease hold improvement	6,566,355	495,497,148	5,882,131	407,161,108
Cables	102,597,877	7,742,035,798	94,945,305	6,572,114,012
Plant and machinery	259,364,491	19,571,644,491	247,348,295	17,121,448,980
Furniture and fixtures	787,179	59,400,527	644,700	44,626,134
Computers	16,116,440	1,216,146,562	16,719,285	1,157,308,908
Office equipment	722,802	54,542,639	621,058	42,989,635
Vehicles	28,208	2,128,576	28,208	1,952,558
(b)	389,552,157	29,395,605,766	369,319,852	25,564,320,156
Net block (a) - (b)	104,075,095	7,853,506,671	120,178,025	8,318,722,890

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	74,992,156	5,658,908,092	77,303,458	5,350,945,363
(a)	74,992,156	5,658,908,092	77,303,458	5,350,945,363
Accumulated amortisation:				
Computer software	67,526,503	5,095,549,916	66,633,550	4,612,374,331
(b)	67,526,503	5,095,549,916	66,633,550	4,612,374,331
Net block (a) - (b)	7,465,653	563,358,176	10,669,908	738,571,032

3 Financial asset - Investment others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments - others	27,210,603	2,053,312,102	22,810,603	1,578,949,940
Total	27,210,603	2,053,312,102	22,810,603	1,578,949,940



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	68,071,899	5,136,705,499	56,406,402	3,904,451,146
Total	68,071,899	5,136,705,499	56,406,402	3,904,451,146

5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	1,085,573	81,917,339	1,284,614	88,920,981
Total	1,085,573	81,917,339	1,284,614	88,920,981

6 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	970,786	73,255,512	887,629	61,441,679
Total	970,786	73,255,512	887,629	61,441,679

7 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	57,916,497	4,370,378,864	64,699,275	4,478,483,816
Provision for doubtful debts	(6,151,125)	(464,163,893)	(5,317,627)	(368,086,141)
Total	51,765,372	3,906,214,971	59,381,648	4,110,397,675

8 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	53,108	4,007,530	63,030	4,362,937
Total	53,108	4,007,530	63,030	4,362,937

9 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	86,374	6,517,782	83,707	5,794,199
Interest Receivable on Inter Co. Loan (Net)	1,699,280	128,227,669	-	-
Others	535,793	40,430,940	1,181,263	81,767,025
Total	2,321,447	175,176,391	1,264,970	87,561,224



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	2,297,128	173,341,279	55,117	3,815,199
Advances to employees	183,262	13,828,951	619,358	42,871,961
Other Advances	511	38,560	1,054	72,958
Prepaid expenses	9,601,020	724,492,969	7,640,742	528,892,161
Others	-	-	6	415
Total	12,081,921	911,701,759	8,316,277	575,652,694

11 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	226,603,995	17,099,537,463	226,603,995	15,685,528,534
Total	226,603,995	17,099,537,463	226,603,995	15,685,528,534

12 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(103,281,931)	(7,793,654,513)	(113,263,128)	(7,840,073,720)
Profit / (loss) for the year	12,010,434	906,307,353	9,981,197	690,898,456
Total	(91,271,497)	(6,887,347,160)	(103,281,931)	(7,149,175,264)

13 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Lease equalisation	-	-	4,042,727	279,837,563
Total	-	-	4,042,727	279,837,563

14 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	4,961,422	374,388,904	4,859,045	336,343,095
Retention liability	65,297	4,927,312	473,989	32,809,519
Total	5,026,719	379,316,216	5,333,034	369,152,614



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	55,579,133	4,194,001,376	62,458,086	4,323,348,713
Inter Company - Payables (Net)	9,225,762	696,176,001	4,912,476	340,041,589
Total	64,804,895	4,890,177,377	67,370,562	4,663,390,302

16 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	1,557,985	117,565,548	1,586,102	109,789,980
Interest accrued but not due on Inter Co. loan (Net)	-	-	122,525	8,481,181
Others	-	-	936,766	64,842,943
Total	1,557,985	117,565,548	2,645,393	183,114,104

17 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	16,484,038	1,243,885,507	18,588,379	1,286,687,594
Other Employee dues	9,254,728	698,361,775	13,472,973	932,599,191
Other Statutory dues	512,127	38,645,103	1,144,910	79,250,670
Others	95,986	7,243,104	5	346
Total	26,346,879	1,988,135,489	33,206,267	2,298,537,801

18 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	1,690,276	127,548,227	2,219,411	153,627,629
Total	1,690,276	127,548,227	2,219,411	153,627,629



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

19 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	390,464,525	29,464,453,057	398,479,098	27,582,723,164
Total	390,464,525	29,464,453,057	398,479,098	27,582,723,164

20 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	5	377	205	14,190
Interest on loan to subsidiaries	4,951,320	373,626,607	5,127,562	354,929,842
Profit on sale of fixed assets	2,985	225,248	881	60,983
Miscellaneous income	3,969,313	299,524,359	3,091,847	214,017,649
Total	8,923,623	673,376,591	8,220,495	569,022,664

21 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	205,926,231	15,539,193,391	192,533,853	13,327,193,305
Total	205,926,231	15,539,193,391	192,533,853	13,327,193,305

22 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	74,547,357	5,625,343,559	81,591,179	5,647,741,410
Staff welfare expenses	304,692	22,992,058	705,748	48,851,877
Total	74,852,049	5,648,335,617	82,296,927	5,696,593,287



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

23 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	2,774,094	209,333,133	3,375,516	233,653,218
Auditors remuneration	120,510	9,093,685	35,310	2,444,158
Communication expenses	589,079	44,451,901	601,613	41,643,652
CSR expenses	15,164	1,144,275	15,082	1,043,976
Donations	(445)	(33,580)	1,000	69,220
Electricity	8,824,249	665,877,830	8,762,698	606,553,956
Entertainment expenses	77,304	5,833,360	60,340	4,176,735
Exchange loss -Net	1,550,948	117,034,536	7,294,511	504,926,051
Insurance expenses	187,027	14,113,057	629,020	43,540,764
IT consumables	58,421	4,408,449	171,147	11,846,795
Legal and professional fees	3,700,540	279,242,748	5,596,636	387,399,144
Miscellaneous expenses	3,128,834	236,101,812	3,710,770	256,859,499
Printing and stationery	205,956	15,541,440	147,358	10,200,121
Provision for doubtful debts	833,498	62,895,759	448,222	31,025,927
Rates and Taxes	5,036,987	380,091,039	4,902,368	339,341,913
Recruitment expenses	504,754	38,088,737	1,144,805	79,243,402
Relocation Expense	371,174	28,008,790	343,131	23,751,528
Rent	12,051,879	909,434,789	11,451,665	792,684,251
Repairs and Maintenance Plant & Machinery	25,283,132	1,907,865,141	23,711,601	1,641,317,021
Repairs and Maintenance -Building	251,005	18,940,837	147,780	10,229,332
Security charges	165,791	12,510,589	144,338	9,991,076
Seminars, trainings and conferences	724,400	54,663,224	951,230	65,844,141
Services rendered by agencies	2,899,982	218,832,642	3,052,051	211,262,970
Travelling and conveyance expenses	2,424,970	182,988,236	3,411,613	236,151,852
Total	71,779,253	5,416,462,429	80,109,805	5,545,200,702

24 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	2,086,443	157,442,989	2,617,351	181,173,036
Guarantee fees	731	55,161	-	-
Total	2,087,174	157,498,150	2,617,351	181,173,036



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APPENDIX - 53

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Transformation Services (US) Inc** ("the subsidiary") registered in Delaware, USA as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the associate is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

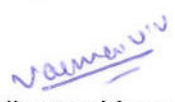
The compilation engagement was carried out by us in accordance with the **Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information"**, issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)
PARTNER
Membership No. 105545
Place Mumbai
Date: 13 June 2020



Tata Communications Transformation Services (US) Inc

BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A) ASSETS						
(1) Current assets						
Financial assets						
(i) Trade receivables	1		229,032	17,282,755	-	-
(ii) Cash and cash equivalent	2		11,144	840,926	37,871	2,621,435
			240,176	18,123,681	37,871	2,621,435
TOTAL ASSETS			240,176	18,123,681	37,871	2,621,435
(B) EQUITY AND LIABILITIES						
(1) Equity						
Equity share capital	3		50,000	3,773,000	50,000	3,461,000
Other equity	4		(47,474)	(3,582,388)	(21,498)	(1,488,103)
Total Equity			2,526	190,612	28,502	1,972,897
(2) Current liabilities						
Financial liabilities						
(i) Trade payables	5		237,650	17,933,069	9,369	648,538
			237,650	17,933,069	9,369	648,538
TOTAL EQUITY AND LIABILITIES			240,176	18,123,681	37,871	2,621,435

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications Transformation Services (US) Inc

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR*	USD	INR*
i	Revenue from operation	6	254,240	19,184,950	-	-
ii	Other Income		-	-	-	-
iii	Total income (i + ii)		254,240	19,184,950	-	-
iv	Expenses:					
	Employee benefits expenses	7	21	1,585	-	-
	Operating and other expenses	8	280,195	21,143,515	16,233	1,123,660
	Total expenses		280,216	21,145,100	16,233	1,123,660
v	Profit / (loss) before taxes (iii - iv)		(25,976)	(1,960,150)	(16,233)	(1,123,660)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	1,600	110,752
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	1,600	110,752
vii	Profit / (loss) for the year (v-vi)		(25,976)	(1,960,150)	(17,833)	(1,234,412)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications Transformation Services (US) Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	229,032	17,282,755	-	-
Total	229,032	17,282,755	-	-

2 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	11,144	840,926	37,871	2,621,435
Total	11,144	840,926	37,871	2,621,435

3 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	50,000	3,773,000	50,000	3,461,000
Total	50,000	3,773,000	50,000	3,461,000

4 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(21,498)	(1,622,239)	(3,665)	(253,691)
Profit / (loss) for the year	(25,976)	(1,960,149)	(17,833)	(1,234,412)
Total	(47,474)	(3,582,388)	(21,498)	(1,488,103)

5 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	237,650	17,933,069	9,369	648,538
Total	237,650	17,933,069	9,369	648,538

6 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	254,240	19,184,950	-	-
Total	254,240	19,184,950	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

7 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Staff welfare expenses	21	1,585	-	-
Total	21	1,585	-	-

8 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	3,500	264,110	-	-
Auditors remuneration	963	72,668	1,745	120,819
Communication expenses	932	70,329	-	-
Legal and professional fees	92,304	6,965,260	12,049	834,018
Miscellaneous expenses	621	46,861	2,439	168,823
Printing and stationery	44	3,320	-	-
Recruitment expenses	20,618	1,555,834	-	-
Seminars, trainings and conferences	2,189	165,182	-	-
Services rendered by agencies	158,122	11,931,886	-	-
Travelling and conveyance expenses	902	68,065	-	-
Total	280,195	21,143,515	16,233	1,123,660



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LLP Identity No. AAB-7509

APPENDIX - 45

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Netfoundry Inc** ("the subsidiary") registered in Delaware, USA as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020	
			USD	INR*
(A) ASSETS				
(1) Non-current assets				
Property, plant and equipment	1		170,393	12,857,855
Capital work-in-progress			54,275	4,095,592
Other intangible assets	2		4,643,139	350,371,269
Intangible assets under development			702,268	52,993,143
			5,570,075	420,317,859
(2) Current assets				
Financial assets				
(i) Trade receivables	3		400,868	30,249,499
(ii) Cash and cash equivalent	4		51,710	3,902,037
Other current assets	5		102,072	7,702,353
			554,650	41,853,889
TOTAL ASSETS			6,124,725	462,171,748
(B) EQUITY AND LIABILITIES				
(1) Equity				
Equity share capital	6		3	226
Other equity	7		(2,262,938)	(170,761,302)
Total Equity			(2,262,935)	(170,761,076)
(2) Current liabilities				
Financial liabilities				
(i) Borrowings	8		4,685,319	353,554,172
(ii) Trade payables	9		2,343,246	176,821,343
(iii) Other financial liabilities	10		62,163	4,690,820
Other current liabilities	11		1,271,721	95,964,067
Provisions	12		25,211	1,902,422
			8,387,660	632,932,824
TOTAL EQUITY AND LIABILITIES			6,124,725	462,171,748

*Exchange rate as at 31 March 2020 1 USD = INR 75.46



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20	
			USD	INR
A	CONTINUED OPERATIONS			
i	Revenue from telecommunications services	13	861,027	64,973,097
ii	Other Income		-	-
iii	Total income (i + ii)		861,027	64,973,097
iv	Expenses:			
	Network and transmission expenses	14	662,833	50,017,378
	Employee benefits expenses	15	5,370,962	405,292,792
	Operating and other expenses	16	2,674,516	201,818,979
	Finance costs	17	63,783	4,813,065
	Depreciation and amortisation expenses		1,351,868	102,011,959
	Total expenses		10,123,962	763,954,173
v	Profit before taxes (iii - iv)		(9,262,935)	(698,981,076)
vi	Tax expenses			
	(i) Current tax expense/(benefit)		-	-
	(ii) Deferred tax expense/(benefit)		-	-
	Net tax expenses		-	-
vii	Profit / (loss) for the year (v-vi)		(9,262,935)	(698,981,076)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020	
	USD	INR
Gross block:		
Plant and machinery	201,038	15,170,327
Computers	36,888	2,783,568
(a)	237,926	17,953,895
Accumulated depreciation:		
Plant and machinery	47,850	3,610,761
Computers	19,683	1,485,279
(b)	67,533	5,096,040
Net block (a) - (b)	170,393	12,857,855

2 Other intangible assets

Particulars	As at 31 March 2020	
	USD	INR
Gross block:		
Computer software	8,897,343	671,393,503
(a)	8,897,343	671,393,503
Accumulated amortisation:		
Computer software	4,254,204	321,022,234
(b)	4,254,204	321,022,234
Net block (a) - (b)	4,643,139	350,371,269

3 Trade receivables

Particulars	As at 31 March 2020	
	USD	INR
Trade receivables	400,868	30,249,499
Total	400,868	30,249,499

4 Cash and cash equivalents

Particulars	As at 31 March 2020	
	USD	INR
Balance with bank	51,710	3,902,037
Total	51,710	3,902,037



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Current assets - other assets

Particulars	As at 31 March 2020	
	USD	INR
Advances to employees	20,995	1,584,283
Prepaid expenses	81,077	6,118,070
Total	102,072	7,702,353

6 Equity share capital

Particulars	As at 31 March 2020	
	USD	INR
Equity share capital	3	226
Total	3	226

7 Other Equity

Particulars	As at 31 March 2020	
	USD	INR
Surplus / (Deficit)		
Opening balance	-	-
Profit / (loss) for the year	(9,262,935)	(698,981,076)
Closing balance	(9,262,935)	(698,981,076)
Share premium	6,999,997	528,219,774
Total	(2,262,938)	(170,761,302)

8 Current liabilities - borrowings

Particulars	As at 31 March 2020	
	USD	INR
Inter company loans taken (Net)	4,685,319	353,554,172
Total	4,685,319	353,554,172

9 Current liabilities - Trade payables

Particulars	As at 31 March 2020	
	USD	INR
Trade payable	336,981	25,428,586
Inter Company - Payables (Net)	2,006,265	151,392,757
Total	2,343,246	176,821,343



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020	
	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	62,163	4,690,820
Total	62,163	4,690,820

11 Current liabilities - other current liabilities

Particulars	As at 31 March 2020	
	USD	INR
Deferred revenue and advance from customers	85,895	6,481,637
Other Employee dues	1,184,063	89,349,394
Other Statutory dues	1,763	133,036
Total	1,271,721	95,964,067

12 Current liabilities - provisions

Particulars	As at 31 March 2020	
	USD	INR
Leave entitlement	25,211	1,902,422
Total	25,211	1,902,422

13 Revenue from operations

Particulars	Current year 2019-20	
	USD	INR
Data and voice revenue	861,027	64,973,097
Total	861,027	64,973,097

14 Network and transmission expenses

Particulars	Current year 2019-20	
	USD	INR
Charges for use of transmission facilities	662,833	50,017,378
Rent of satellite channels	-	-
Total	662,833	50,017,378



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Employee benefit expenses

Particulars	Current year 2019-20	
	USD	INR
Salaries, bonus and allowances	5,367,898	405,061,583
Staff welfare expenses	3,064	231,209
Total	5,370,962	405,292,792

16 Operating and other expenses

Particulars	Current year 2019-20	
	USD	INR
Advertising and publicity	517,234	39,030,478
Auditors remuneration	1,657	125,037
Communication expenses	9,233	696,722
Exchange loss -Net	84	6,339
IT consumables	75,415	5,690,816
Legal and professional fees	338,526	25,545,172
Miscellaneous expenses	106,047	8,002,308
Printing and stationery	419	31,618
Rates and Taxes	255	19,242
Recruitment expenses	200	15,092
Relocation Expense	370	27,920
Repairs and Maintenance Plant & Machinery	176,396	13,310,842
Seminars, trainings and conferences	8,822	665,708
Services rendered by agencies	1,171,463	88,398,598
Travelling and conveyance expenses	268,395	20,253,087
Total	2,674,516	201,818,979

17 Finance costs

Particulars	Current year 2019-20	
	USD	INR
Interest expenses	62,482	4,714,892
Guarantee fees	1,301	98,173
Total	63,783	4,813,065



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APPENDIX - 12

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Australia) Pty. Ltd.** ("the subsidiary") registered in Australia as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinod V.V.

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	2,424,577	182,958,581	2,678,507	185,406,255
	Capital work-in-progress		21,170	1,597,488	149,331	10,336,692
	Right-of-use assets		486,820	36,735,437	-	-
	Other intangible assets	2	187,857	14,175,690	136,558	9,452,545
	Deferred tax assets (Net)		337,625	25,477,183	763,760	52,867,467
	Non current tax asset (Net)		11,547	871,337	-	-
	Other non-current assets	3	89,778	6,774,648	26,497	1,834,122
			3,559,374	268,590,364	3,754,653	259,897,081
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	4	6,705,019	505,960,734	5,633,547	389,954,123
	(ii) Cash and cash equivalent	5	858,654	64,794,031	630,510	43,643,902
	(iii) Other financial assets	6	109,053	8,229,139	62,727	4,341,963
	Other current assets	7	386,056	29,131,785	620,976	42,983,959
			8,058,782	608,115,689	6,947,760	480,923,947
	TOTAL ASSETS		11,618,156	876,706,053	10,702,413	740,821,028
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	357,000	26,939,220	357,000	24,711,540
	Other equity	9	2,370,503	178,878,158	1,995,825	138,151,008
	Total Equity		2,727,503	205,817,378	2,352,825	162,862,548
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Other financial liabilities	10	-	-	18,606	1,287,907
	(ii) Lease liabilities		269,255	20,317,982	-	-
	Provisions	11	24,783	1,870,125	-	-
	Other non current liabilities (Deferred revenue)		302	22,789	2,210	152,976
			294,340	22,210,896	20,816	1,440,883
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	12	3,456,144	260,800,626	468,293	32,415,241
	(ii) Trade payables	13	3,484,402	262,932,975	5,563,053	385,074,528
	(iii) Other financial liabilities	14	103,514	7,811,166	29,033	2,009,664
	(iv) Lease liabilities		164,687	12,427,281		
	Other current liabilities	15	1,006,238	75,930,720	1,082,735	74,946,917
	Provisions	16	381,328	28,775,011	568,235	39,333,227
	Current tax liabilities (Net)		-	-	617,423	42,738,020
			8,596,313	648,677,779	8,328,772	576,517,597
	TOTAL EQUITY AND LIABILITIES		11,618,156	876,706,053	10,702,413	740,821,028

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications (Australia) Pty. Ltd.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	17	30,695,766	2,316,302,502	34,316,449	2,375,384,600
ii	Other Income	18	2,447,175	184,663,826	1,910,983	132,278,243
iii	Total income (i + ii)		33,142,941	2,500,966,328	36,227,432	2,507,662,843
iv	Expenses:					
	Network and transmission expenses	19	21,284,085	1,606,097,054	23,527,863	1,628,598,677
	Employee benefits expenses	20	8,173,266	616,754,653	8,194,638	567,232,842
	Operating and other expenses	21	2,184,376	164,833,011	2,950,479	204,232,155
	Finance costs	22	134,616	10,158,124	23,119	1,600,297
	Depreciation and amortisation expenses		814,642	61,472,885	784,057	54,272,426
	Total expenses		32,590,985	2,459,315,727	35,480,156	2,455,936,397
v	Profit before exceptional items and taxes (iii - iv)		551,956	41,650,601	747,276	51,726,446
vi	Exceptional items:					
	Staff cost optimisation		-	-	7,269	503,160
vii	Profit before taxes (v - vi)		551,956	41,650,601	754,545	52,229,606
viii	Tax expenses					
	(i) Current tax expense/(benefit)		(248,857)	(18,778,749)	220,728	15,278,792
	(ii) Deferred tax expense/(benefit)		426,135	32,156,147	(276,491)	(19,138,707)
	Net tax expenses		177,278	13,377,398	(55,763)	(3,859,915)
ix	Profit / (loss) for the year (vii-viii)		374,678	28,273,203	810,308	56,089,521

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	28,581	2,156,722	3,958	273,973
Cables	380,458	28,709,361	380,458	26,335,303
Plant and machinery	7,589,718	572,720,120	7,173,062	496,519,352
Furniture and fixtures	39,036	2,945,657	39,036	2,702,072
Computers	255,971	19,315,572	259,293	17,948,261
Office equipment	7,335	553,499	1,538	106,460
(a)	8,301,099	626,400,931	7,857,345	543,885,421
Accumulated depreciation:				
Lease hold improvement	3,903	294,520	896	62,021
Cables	365,213	27,558,973	363,113	25,134,682
Plant and machinery	5,260,415	396,950,916	4,632,741	320,678,332
Furniture and fixtures	21,989	1,659,290	18,882	1,307,012
Computers	217,667	16,425,152	161,668	11,190,659
Office equipment	7,335	553,499	1,538	106,460
(b)	5,876,522	443,442,350	5,178,838	358,479,166
Net block (a) - (b)	2,424,577	182,958,581	2,678,507	185,406,255

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	297,699	22,464,367	177,344	12,275,752
(a)	297,699	22,464,367	177,344	12,275,752
Accumulated amortisation:				
Computer software	109,842	8,288,677	40,786	2,823,207
(b)	109,842	8,288,677	40,786	2,823,207
Net block (a) - (b)	187,857	14,175,690	136,558	9,452,545

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	89,778	6,774,648	26,497	1,834,122
Total	89,778	6,774,648	26,497	1,834,122

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	6,777,809	511,453,467	5,647,113	390,893,162
Provision for doubtful debts	(72,790)	(5,492,733)	(13,566)	(939,039)
Total	6,705,019	505,960,734	5,633,547	389,954,123



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	858,654	64,794,031	630,510	43,643,902
Total	858,654	64,794,031	630,510	43,643,902

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	-	-	7,455	516,035
Interest Receivable on Inter Co. Loan (Net)	-	-	67	4,638
Others	109,053	8,229,139	55,205	3,821,290
Total	109,053	8,229,139	62,727	4,341,963

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	71,011	5,358,490	122,968	8,511,845
Advances to employees	54,083	4,081,103	113,842	7,880,143
Other Advances	3,392	255,960	-	-
Prepaid expenses	257,570	19,436,232	362,295	25,078,060
Others	-	-	21,871	1,513,911
Total	386,056	29,131,785	620,976	42,983,959

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	357,000	26,939,220	357,000	24,711,540
Total	357,000	26,939,220	357,000	24,711,540

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	1,995,825	150,604,955	1,185,517	82,061,487
Profit / (loss) for the year	374,678	28,273,203	810,308	56,089,521
Total	2,370,503	178,878,158	1,995,825	138,151,008



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Lease equalisation	-	-	18,606	1,287,907
Total	-	-	18,606	1,287,907

11 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	24,783	1,870,125	-	-
Total	24,783	1,870,125	-	-

12 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	3,456,144	260,800,626	468,293	32,415,241
Total	3,456,144	260,800,626	468,293	32,415,241

13 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	3,081,756	232,549,308	3,040,038	210,431,430
Inter Company - Payables (Net)	402,646	30,383,667	2,523,015	174,643,098
Total	3,484,402	262,932,975	5,563,053	385,074,528

14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	25,044	1,889,820	29,033	2,009,664
Interest accrued but not due on Inter Co. loan (Net)	78,470	5,921,346	-	-
Total	103,514	7,811,166	29,033	2,009,664



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	98,778	7,453,788	90,048	6,233,123
Other Employee dues	668,575	50,450,670	748,187	51,789,504
Other Statutory dues	238,868	18,024,979	244,500	16,924,290
Others	17	1,283	-	-
Total	1,006,238	75,930,720	1,082,735	74,946,917

16 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	381,328	28,775,011	568,235	39,333,227
Total	381,328	28,775,011	568,235	39,333,227

17 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	30,695,766	2,316,302,502	34,316,449	2,375,384,600
Total	30,695,766	2,316,302,502	34,316,449	2,375,384,600

18 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	1	75	352	24,365
Interest on loan to subsidiaries	4,208	317,536	30,719	2,126,369
Exchange gain -Net	460,886	34,778,458	-	-
Miscellaneous income	1,982,080	149,567,757	1,879,912	130,127,509
Total	2,447,175	184,663,826	1,910,983	132,278,243

19 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	21,096,577	1,591,947,700	23,527,863	1,628,598,677
Rent of satellite channels	187,508	14,149,354	-	-
Total	21,284,085	1,606,097,054	23,527,863	1,628,598,677



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	8,149,912	614,992,360	8,179,286	566,170,177
Staff welfare expenses	23,354	1,762,293	15,352	1,062,665
Total	8,173,266	616,754,653	8,194,638	567,232,842

21 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	18,607	1,404,084	38,777	2,684,144
Auditors remuneration	13,534	1,021,276	14,381	995,453
Communication expenses	45,943	3,466,859	57,748	3,997,317
CSR expenses	(931)	(70,253)	2,595	179,626
Directors fees	-	-	7,198	498,246
Electricity	249,776	18,848,097	281,944	19,516,164
Entertainment expenses	11,612	876,242	20,732	1,435,069
Exchange loss -Net	-	-	111,859	7,742,880
Insurance expenses	32,201	2,429,887	41,721	2,887,928
IT consumables	1,523	114,926	9,696	671,157
Legal and professional fees	152,114	11,478,522	185,657	12,851,178
Miscellaneous expenses	101,918	7,690,730	104,436	7,229,058
Printing and stationery	6,977	526,484	7,712	533,825
Provision for doubtful debts	59,224	4,469,043	(239)	(16,544)
Rates and Taxes	456,275	34,430,512	386,760	26,771,527
Recruitment expenses	48,760	3,679,430	356,700	24,690,774
Relocation Expense	152,137	11,480,258	211,302	14,626,324
Rent	247,094	18,645,713	330,936	22,907,390
Repairs and Maintenance Plant & Machinery	212,733	16,052,832	265,261	18,361,366
Repairs and Maintenance -Building	3,403	256,790	222	15,367
Security charges	-	-	401	27,757
Seminars, trainings and conferences	592	44,672	4,040	279,649
Services rendered by agencies	153,737	11,600,994	247,302	17,118,244
Travelling and conveyance expenses	217,147	16,385,913	263,338	18,228,256
Total	2,184,376	164,833,011	2,950,479	204,232,155

22 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	128,173	9,671,935	22,913	1,586,038
Guarantee fees	6,443	486,189	206	14,259
Total	134,616	10,158,124	23,119	1,600,297



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LLP Identity No. AAB-7509

APPENDIX - 29

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **-TCPoP Communications GmbH** ("the subsidiary") registered in Austria as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar V.V.

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	248,612	18,760,262	296,508	20,524,284
	Capital work-in-progress		19,297	1,456,152	-	-
	Other intangible assets	2	2,050,994	154,768,008	-	-
	Intangible assets under development		-	-	547,981	37,931,245
	Financial assets					
	(i) Loans	3	-	-	687,835	47,611,939
	(ii) Other financial assets	4	3,187	240,491	3,260	225,657
	Deferred tax assets (Net)		907	68,442	-	-
	Non current tax asset (Net)		80,641	6,085,170	95,792	6,630,722
	Other non-current assets	5	14,577	1,099,980	579	40,078
			2,418,215	182,478,505	1,631,955	112,963,925
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	6	279,024	21,055,151	98,133	6,792,766
	(ii) Other financial assets	7	106	7,999	14,216	984,031
	Other current assets	8	39,341	2,968,672	131,684	9,115,167
			318,471	24,031,822	244,033	16,891,964
	TOTAL ASSETS		2,736,686	206,510,327	1,875,988	129,855,889
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	9	45,681	3,447,088	45,681	3,162,039
	Other equity	10	1,052,229	79,401,202	1,010,995	69,981,073
	Total Equity		1,097,910	82,848,290	1,056,676	73,143,112
(2)	Non-current liabilities					
	Other non current liabilities (Deferred revenue)		4,584	345,909	-	-
			4,584	345,909	-	-
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	11	1,501,519	113,304,624	-	-
	(ii) Trade payables	12	96,054	7,248,235	819,312	56,712,777
	(iii) Other financial liabilities	13	29,731	2,243,501	-	-
	Other current liabilities	14	6,888	519,768	-	-
			1,634,192	123,316,128	819,312	56,712,777
	TOTAL EQUITY AND LIABILITIES		2,736,686	206,510,327	1,875,988	129,855,889

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	15	667,423	50,363,740	527,290	36,499,014
ii	Other Income	16	9,287	700,797	26,448	1,830,731
iii	Total income (i + ii)		676,710	51,064,537	553,738	38,329,745
iv	Expenses:					
	Network and transmission expenses	17	272,479	20,561,265	116,037	8,032,081
	Operating and other expenses	18	124,496	9,394,468	323,890	22,419,667
	Finance costs	19	36,596	2,761,534	-	-
	Depreciation and amortisation expenses		193,190	14,578,117	79,671	5,514,827
	Total expenses		626,761	47,295,384	519,598	35,966,575
v	Profit before taxes (iii - iv)		49,949	3,769,153	34,140	2,363,170
vi	Tax expenses					
	(i) Current tax expense/(benefit)		9,622	726,076	13,002	899,998
	(ii) Deferred tax expense/(benefit)		(907)	(68,442)	9,377	649,076
	Net tax expenses		8,715	657,634	22,379	1,549,074
vii	Profit / (loss) for the year (v-vi)		41,234	3,111,519	11,761	814,096

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Cables	76,660	5,784,764	76,660	5,306,405
Plant and machinery	463,978	35,011,780	445,216	30,817,852
(a)	540,638	40,796,544	521,876	36,124,257
Accumulated depreciation:				
Cables	24,276	1,831,867	16,610	1,149,744
Plant and machinery	267,750	20,204,415	208,758	14,450,229
(b)	292,026	22,036,282	225,368	15,599,973
Net block (a) - (b)	248,612	18,760,262	296,508	20,524,284

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	2,173,673	164,025,365	-	-
(a)	2,173,673	164,025,365	-	-
Accumulated amortisation:				
Computer software	122,679	9,257,357	-	-
(b)	122,679	9,257,357	-	-
Net block (a) - (b)	2,050,994	154,768,008	-	-

3 Non-current assets - financial assets - loans

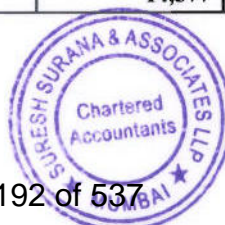
Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	-	-	687,835	47,611,939
Total	-	-	687,835	47,611,939

4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	3,187	240,491	3,260	225,657
Total	3,187	240,491	3,260	225,657

5 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	14,577	1,099,980	579	40,078
Total	14,577	1,099,980	579	40,078



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	78,182	5,899,614	13,790	954,544
Intercompany receivables (Net)	204,504	15,431,872	84,343	5,838,222
Provision for doubtful debts	(3,662)	(276,335)	-	-
Total	279,024	21,055,151	98,133	6,792,766

7 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	-	-	14,182	981,678
Others	106	7,999	34	2,353
Total	106	7,999	14,216	984,031

8 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	8,310	627,073	12,572	870,234
Indirect tax receivable	31,031	2,341,599	119,112	8,244,933
Total	39,341	2,968,672	131,684	9,115,167

9 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	45,681	3,447,088	45,681	3,162,039
Total	45,681	3,447,088	45,681	3,162,039

10 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	1,010,995	76,289,683	999,234	69,166,977
Profit / (loss) for the year	41,234	3,111,519	11,761	814,096
Total	1,052,229	79,401,202	1,010,995	69,981,073



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	1,501,519	113,304,624	-	-
Total	1,501,519	113,304,624	-	-

12 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	96,054	7,248,235	819,312	56,712,777
Total	96,054	7,248,235	819,312	56,712,777

13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	29,731	2,243,501	-	-
Total	29,731	2,243,501	-	-

14 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	6,888	519,768	-	-
Total	6,888	519,768	-	-

15 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	667,423	50,363,740	527,290	36,499,014
Total	667,423	50,363,740	527,290	36,499,014



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	1,819	137,262	26,448	1,830,731
Exchange gain -Net	6,866	518,108	-	-
Miscellaneous income	602	45,427	-	-
Total	9,287	700,797	26,448	1,830,731

17 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	272,479	20,561,265	116,037	8,032,081
Total	272,479	20,561,265	116,037	8,032,081

18 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	-	-	(91)	(6,299)
Communication expenses	25	1,887	213	14,744
Electricity	(13,173)	(994,035)	92,672	6,414,756
Exchange loss -Net	-	-	61,602	4,264,090
Insurance expenses	5,203	392,618	2,576	178,311
Legal and professional fees	49,398	3,727,573	37,651	2,606,202
Miscellaneous expenses	18,496	1,395,709	1,176	81,403
Provision for doubtful debts	3,662	276,335	-	-
Rates and Taxes	1,264	95,381	612	42,363
Rent	(19,047)	(1,437,287)	125,746	8,704,138
Repairs and Maintenance Plant & Machinery	15,717	1,186,005	971	67,213
Seminars, trainings and conferences	62,024	4,680,331	-	-
Services rendered by agencies	927	69,951	762	52,746
Total	124,496	9,394,468	323,890	22,419,667

19 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	35,600	2,686,376	-	-
Guarantee fees	996	75,158	-	-
Total	36,596	2,761,534	-	-



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LLP Identity No. AAB-7509

APPENDIX - 25

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Belgium) SPRL** ("the subsidiary") registered in Belgium as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	223,669	16,878,062	185,797	12,860,869
	Capital work-in-progress		34,749	2,622,160	5,293	366,381
	Financial assets					
	(i) Other financial assets	2	18,964	1,431,023	19,396	1,342,591
	Other non-current assets	3	13,814	1,042,404	2,377	164,536
			291,196	21,973,649	212,863	14,734,377
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	4	245,056	18,491,926	216,955	15,017,626
	(ii) Other financial assets	5	4,357	328,779	4,921	340,632
	Other current assets	6	293,792	22,169,544	172,433	11,935,812
			543,205	40,990,249	394,309	27,294,070
	TOTAL ASSETS		834,401	62,963,898	607,172	42,028,447
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	7	3,337,592	251,854,692	3,337,592	231,028,118
	Other equity	8	(3,237,453)	(244,298,204)	(3,238,038)	(224,136,989)
	Total Equity		100,139	7,556,488	99,554	6,891,129
(2)	Non-current liabilities					
	Other non current liabilities (Deferred revenue)		3,607	272,184	5,155	356,829
			3,607	272,184	5,155	356,829
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	9	366,523	27,657,826	117,511	8,134,111
	(ii) Trade payables	10	324,528	24,488,883	367,512	25,439,181
	(iii) Other financial liabilities	11	10,551	796,178	9,285	642,708
	Other current liabilities	12	29,053	2,192,339	8,155	564,489
			730,655	55,135,226	502,463	34,780,489
	TOTAL EQUITY AND LIABILITIES		834,401	62,963,898	607,172	42,028,447

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	13	832,965	62,855,539	1,166,330	80,733,363
ii	Other Income	14	2,037	153,712	4,129	285,809
iii	Total income (i + ii)		835,002	63,009,251	1,170,459	81,019,172
iv	Expenses:					
	Network and transmission expenses	15	601,444	45,384,964	913,247	63,214,957
	Operating and other expenses	16	162,526	12,264,215	206,466	14,291,576
	Finance costs	17	15,867	1,197,323	10,884	753,390
	Depreciation and amortisation expenses		54,538	4,115,437	46,071	3,189,035
	Total expenses		834,375	62,961,939	1,176,668	81,448,958
v	Profit before taxes (iii - iv)		627	47,312	(6,209)	(429,786)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		42	3,169	1,915	132,556
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		42	3,169	1,915	132,556
vii	Profit / (loss) for the year (v-vi)		585	44,143	(8,124)	(562,342)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,108,216	83,625,979	1,023,221	70,827,358
(a)	1,108,216	83,625,979	1,023,221	70,827,358
Accumulated depreciation:				
Plant and machinery	884,547	66,747,917	837,424	57,966,489
(b)	884,547	66,747,917	837,424	57,966,489
Net block (a) - (b)	223,669	16,878,062	185,797	12,860,869

2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	18,964	1,431,023	19,396	1,342,591
Total	18,964	1,431,023	19,396	1,342,591

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	13,814	1,042,404	2,377	164,536
Total	13,814	1,042,404	2,377	164,536

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	187,800	14,171,388	64,645	4,474,727
Intercompany receivables (Net)	69,837	5,269,900	160,662	11,121,024
Provision for doubtful debts	(12,581)	(949,362)	(8,352)	(578,125)
Total	245,056	18,491,926	216,955	15,017,626



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	3,217	242,755	3,217	222,681
Others	1,140	86,024	1,704	117,951
Total	4,357	328,779	4,921	340,632

6 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	44,914	3,389,210	18,497	1,280,362
Indirect tax receivable	248,878	18,780,334	153,936	10,655,450
Total	293,792	22,169,544	172,433	11,935,812

7 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	3,337,592	251,854,692	3,337,592	231,028,118
Total	3,337,592	251,854,692	3,337,592	231,028,118

8 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(3,238,038)	(244,342,347)	(3,229,914)	(223,574,647)
Profit / (loss) for the year	585	44,143	(8,124)	(562,342)
Total	(3,237,453)	(244,298,204)	(3,238,038)	(224,136,989)

9 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	366,523	27,657,826	117,511	8,134,111
Total	366,523	27,657,826	117,511	8,134,111



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	324,528	24,488,883	367,512	25,439,181
Total	324,528	24,488,883	367,512	25,439,181

11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	10,551	796,178	9,285	642,708
Total	10,551	796,178	9,285	642,708

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	29,053	2,192,339	8,155	564,489
Total	29,053	2,192,339	8,155	564,489

13 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	832,965	62,855,539	1,166,330	80,733,363
Total	832,965	62,855,539	1,166,330	80,733,363

14 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Exchange gain -Net	-	-	4,129	285,809
Miscellaneous income	2,037	153,712	-	-
Total	2,037	153,712	4,129	285,809



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	601,444	45,384,964	913,247	63,214,957
Total	601,444	45,384,964	913,247	63,214,957

16 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	5,119	386,280	4,309	298,269
Auditors remuneration	35,800	2,701,468	46,200	3,197,964
Communication expenses	413	31,165	227	15,713
Electricity	12,194	920,159	12,452	861,927
Exchange loss -Net	5,910	445,969	-	-
Insurance expenses	3,386	255,508	2,160	149,515
Legal and professional fees	8,872	669,481	54,461	3,769,790
Miscellaneous expenses	1,529	115,381	1,378	95,385
Provision for doubtful debts	4,229	319,120	2,144	148,408
Rates and Taxes	641	48,370	307	21,251
Repairs and Maintenance Plant & Machinery	80,485	6,073,398	82,301	5,696,875
Services rendered by agencies	3,948	297,916	527	36,479
Total	162,526	12,264,215	206,466	14,291,576

17 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	14,964	1,129,183	10,419	721,203
Guarantee fees	903	68,140	465	32,187
Total	15,867	1,197,323	10,884	753,390



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LLP Identity No. AAB-7509

APPENDIX - 13

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Bermuda) Ltd.** ("the subsidiary") registered in Bermuda as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	447,046,474	33,734,126,928	494,799,144	34,249,996,748
Capital work-in-progress		14,840,176	1,119,839,681	5,747,935	397,872,061
Right-of-use assets		7,526	567,912	-	-
Investments in subsidiaries & associates	2	11,188,767	844,304,358	9,806,313	678,792,986
Other non-current assets	3	1,668,924	125,937,005	2,799,930	193,811,155
		474,751,867	35,824,775,884	513,153,322	35,520,472,950
(2) Current assets					
Financial assets					
(i) Trade receivables	4	20,302,810	1,532,050,043	16,801,609	1,163,007,375
(ii) Cash and cash equivalent	5	1,099,317	82,954,461	74,323	5,144,638
(iii) Other financial assets	6	10,931	824,853	9,778	676,833
Other current assets	7	1,120,719	84,569,456	1,898,455	131,411,055
		22,533,777	1,700,398,813	18,784,165	1,300,239,901
(3) Assets Classified as held for sale		57,924	4,370,945	-	-
TOTAL ASSETS		497,343,568	37,529,545,642	531,937,487	36,820,712,851
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	8	13,061	985,583	13,061	904,082
Other equity	9	(459,428,411)	(34,668,467,892)	(422,484,019)	(29,244,343,793)
Total Equity		(459,415,350)	(34,667,482,309)	(422,470,958)	(29,243,439,711)
(2) Non-current liabilities					
Financial liabilities					
(i) Borrowings	10	-	-	16,342,956	1,131,259,414
Provisions	11	760,200	57,364,692	693,234	47,985,657
Other non current liabilities (Deferred revenue)		165,514,841	12,489,749,902	186,536,937	12,912,086,779
		166,275,041	12,547,114,594	203,573,127	14,091,331,850
(3) Current liabilities					
Financial liabilities					
(i) Borrowings	12	737,234,611	55,631,723,746	681,581,090	47,179,043,050
(ii) Trade payables	13	12,261,840	925,278,446	19,021,315	1,316,655,424
(iii) Other financial liabilities	14	17,540,066	1,323,573,380	27,838,853	1,927,005,405
(iv) Lease liabilities		7,527	567,987	-	-
Other current liabilities	15	23,439,833	1,768,769,798	22,394,060	1,550,116,833
		790,483,877	59,649,913,357	750,835,318	51,972,820,712
TOTAL EQUITY AND LIABILITIES		497,343,568	37,529,545,642	531,937,487	36,820,712,851

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	16	87,306,747	6,588,167,129	83,405,670	5,773,340,477
ii	Other Income	17	74,105	5,591,963	17,950,538	1,242,536,241
iii	Total income (i + ii)		87,380,852	6,593,759,092	101,356,208	7,015,876,718
iv	Expenses:					
	Network and transmission expenses	18	2,006,260	151,392,380	2,386,709	165,207,997
	Employee benefits expenses	19	414,797	31,300,582	420,708	29,121,407
	Operating and other expenses	20	32,690,467	2,466,822,637	34,206,764	2,367,792,203
	Finance costs	21	38,597,389	2,912,558,974	40,406,225	2,796,918,895
	Depreciation and amortisation expenses		50,616,331	3,819,508,337	49,463,768	3,423,882,021
	Total expenses		124,325,244	9,381,582,910	126,884,174	8,782,922,523
vii	Profit before taxes (v - vi)		(36,944,392)	(2,787,823,818)	(25,527,966)	(1,767,045,805)
viii	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
ix	Profit / (loss) for the year (vii-viii)		(36,944,392)	(2,787,823,818)	(25,527,966)	(1,767,045,805)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	9,323	703,514	9,323	645,338
Cables	898,484,169	67,799,615,393	895,598,144	61,993,303,528
Plant and machinery	47,194,515	3,561,298,102	47,903,696	3,315,893,837
Furniture and fixtures	2,000	150,920	2,000	138,440
Computers	1,631	123,075	2,431	168,274
(a)	945,691,638	71,361,891,004	943,515,594	65,310,149,417
Accumulated depreciation:				
Lease hold improvement	9,323	703,514	9,323	645,338
Cables	454,668,739	34,309,303,045	407,829,504	28,229,958,267
Plant and machinery	43,964,472	3,317,559,057	40,874,443	2,829,328,944
Furniture and fixtures	1,000	75,460	750	51,915
Computers	1,630	123,000	2,430	168,205
(b)	498,645,164	37,627,764,076	448,716,450	31,060,152,669
Net block (a) - (b)	447,046,474	33,734,126,928	494,799,144	34,249,996,748

2 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	11,188,767	844,304,358	9,806,313	678,792,986
Total	11,188,767	844,304,358	9,806,313	678,792,986

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	1,668,924	125,937,005	2,799,930	193,811,155
Total	1,668,924	125,937,005	2,799,930	193,811,155

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	2,523,971	190,458,852	2,035,304	140,883,743
Intercompany receivables (Net)	17,779,040	1,341,606,358	14,766,506	1,022,137,545
Provision for doubtful debts	(201)	(15,167)	(201)	(13,913)
Total	20,302,810	1,532,050,043	16,801,609	1,163,007,375



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	1,099,317	82,954,461	74,323	5,144,638
Total	1,099,317	82,954,461	74,323	5,144,638

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	10,931	824,853	9,778	676,833
Total	10,931	824,853	9,778	676,833

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	1,120,719	84,569,456	1,898,455	131,411,055
Total	1,120,719	84,569,456	1,898,455	131,411,055

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	13,061	985,583	13,061	904,082
Total	13,061	985,583	13,061	904,082

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(433,093,958)	(32,681,270,071)	(407,565,992)	(28,211,717,966)
Profit / (loss) for the year	(36,944,392)	(2,787,823,818)	(25,527,966)	(1,767,045,805)
Closing balance	(470,038,350)	(35,469,093,889)	(433,093,958)	(29,978,763,771)
Share premium	10,609,939	800,625,997	10,609,939	734,419,978
Total	(459,428,411)	(34,668,467,892)	(422,484,019)	(29,244,343,793)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Non-current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from banks	-	-	16,342,956	1,131,259,414
Total	-	-	16,342,956	1,131,259,414

11 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	760,200	57,364,692	693,234	47,985,657
Total	760,200	57,364,692	693,234	47,985,657

12 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	737,234,611	55,631,723,746	681,581,090	47,179,043,050
Total	737,234,611	55,631,723,746	681,581,090	47,179,043,050

13 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	12,261,840	925,278,446	19,021,315	1,316,655,424
Total	12,261,840	925,278,446	19,021,315	1,316,655,424

14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Current portion of long term loans	-	-	10,895,304	754,172,943
Interest accrued but not due on Inter Co. loan (Net)	17,540,066	1,323,573,380	16,900,763	1,169,870,815
Interest accrued but not due -others	-	-	42,786	2,961,647
Total	17,540,066	1,323,573,380	27,838,853	1,927,005,405



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	22,412,390	1,691,238,949	22,358,061	1,547,624,982
Other Employee dues	27,443	2,070,849	35,999	2,491,851
Others	1,000,000	75,460,000	-	-
Total	23,439,833	1,768,769,798	22,394,060	1,550,116,833

16 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	87,306,747	6,588,167,129	83,405,670	5,773,340,477
Total	87,306,747	6,588,167,129	83,405,670	5,773,340,477

17 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Dividend income	-	-	17,888,657	1,238,252,838
Interest income - others	2,104	158,768	1,260	87,217
Exchange gain -Net	-	-	6,621	458,306
Miscellaneous income	72,001	5,433,195	54,000	3,737,880
Total	74,105	5,591,963	17,950,538	1,242,536,241

18 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	2,006,260	151,392,380	2,386,709	165,207,997
Total	2,006,260	151,392,380	2,386,709	165,207,997

19 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	414,797	31,300,582	420,561	29,111,232
Staff welfare expenses	-	-	147	10,175
Total	414,797	31,300,582	420,708	29,121,407



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Asset retirement expense	258,605	19,514,333	59,768	4,137,141
Auditors remuneration	7,922	597,794	8,144	563,728
Communication expenses	11,557	872,091	11,819	818,111
Entertainment expenses	584	44,069	643	44,508
Exchange loss -Net	12,811	966,718	-	-
Insurance expenses	29,225	2,205,319	18,160	1,257,035
IT consumables	1,165	87,911	150	10,383
Legal and professional fees	41,367	3,121,554	39,712	2,748,865
Miscellaneous expenses	29,275	2,209,089	3,089	213,819
Printing and stationery	3,416	257,771	1,761	121,896
Rent	22,476	1,696,039	22,476	1,555,789
Repairs and Maintenance Plant & Machinery	32,134,594	2,424,876,463	33,914,081	2,347,532,687
Repairs and Maintenance -Building	2,592	195,592	2,592	179,418
Services rendered by agencies	128,075	9,664,540	102,930	7,124,815
Travelling and conveyance expenses	6,803	513,354	21,439	1,484,008
Total	32,690,467	2,466,822,637	34,206,764	2,367,792,203

21 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	35,846,260	2,704,958,780	37,690,231	2,608,917,790
Guarantee fees	2,751,129	207,600,194	2,715,994	188,001,105
Total	38,597,389	2,912,558,974	40,406,225	2,796,918,895



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LLP Identity No. AAB-7509

APPENDIX - 5

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Brazil) Participacoes Limitada** ("the subsidiary") registered in Brazil as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinod Kumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Investments in subsidiaries & associates	1	1,128,038	85,121,747	693,350	47,993,687
			1,128,038	85,121,747	693,350	47,993,687
(2)	Current assets					
	(i) Trade receivables	2	6	453	14,558	1,007,705
	(ii) Cash and cash equivalent	3	98,604	7,440,658	31,906	2,208,533
			98,610	7,441,111	46,464	3,216,238
	TOTAL ASSETS		1,226,648	92,562,858	739,814	51,209,925
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	4	1,449,493	109,378,742	820,892	56,822,144
	Other equity	5	(223,379)	(16,856,179)	(88,535)	(6,128,393)
	Total Equity		1,226,114	92,522,563	732,357	50,693,751
(2)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	6	501	37,805	4,990	345,408
	(ii) Other financial liabilities	7	-	-	471	32,603
	Other current liabilities	8	33	2,490	1,996	138,163
			534	40,295	7,457	516,174
	TOTAL EQUITY AND LIABILITIES		1,226,648	92,562,858	739,814	51,209,925

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	9	-	-	-	-
ii	Other Income		577	43,540	505	34,956
iii	Total income (i + ii)		577	43,540	505	34,956
iv	Expenses:	10				
	Operating and other expenses		135,421	10,218,868	62,377	4,317,736
	Total expenses		135,421	10,218,868	62,377	4,317,736
v	Profit before taxes (iii - iv)		(134,844)	(10,175,328)	(61,872)	(4,282,780)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(134,844)	(10,175,328)	(61,872)	(4,282,780)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	1,128,038	85,121,747	693,350	47,993,687
Total	1,128,038	85,121,747	693,350	47,993,687

2 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Intercompany receivables (Net)	6	453	14,558	1,007,705
Total	6	453	14,558	1,007,705

3 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	98,604	7,440,658	31,906	2,208,533
Total	98,604	7,440,658	31,906	2,208,533

4 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	1,449,493	109,378,742	820,892	56,822,144
Total	1,449,493	109,378,742	820,892	56,822,144

5 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(88,535)	(6,680,851)	(26,663)	(1,845,613)
Profit / (loss) for the year	(134,844)	(10,175,328)	(61,872)	(4,282,780)
Total	(223,379)	(16,856,179)	(88,535)	(6,128,393)

6 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	501	37,805	4,990	345,408
Total	501	37,805	4,990	345,408



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

7 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	-	-	471	32,603
Total	-	-	471	32,603

8 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Other Statutory dues	33	2,490	1,996	138,163
Total	33	2,490	1,996	138,163

9 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	577	43,540	505	34,956
Total	577	43,540	505	34,956

10 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Exchange loss -Net	50,257	3,792,393	17,733	1,227,478
Legal and professional fees	47,217	3,562,995	44,594	3,086,797
Miscellaneous expenses	8,827	666,085	50	3,461
Rates and Taxes	29,120	2,197,395	-	-
Total	135,421	10,218,868	62,377	4,317,736



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LLP Identity No. AAB-7509

APPENDIX - 6

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Comunicacoes E Multimidia (Brazil) Limitada** ("the subsidiary") registered in Brazil as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	681,473	51,423,952	641,767	44,423,111
Capital work-in-progress		141,276	10,660,687	43,718	3,026,160
Non current tax asset (Net)		-	-	40,559	2,807,494
		822,749	62,084,639	726,044	50,256,765
(2) Current assets					
Financial assets					
(i) Trade receivables	2	549,226	41,444,594	78,304	5,420,203
(ii) Cash and cash equivalent	3	300,593	22,682,748	228,735	15,833,037
(iii) Other financial assets	4	115,382	8,706,726	38,621	2,673,346
Other current assets	5	40,115	3,027,078	389	26,927
		1,005,316	75,861,146	346,049	23,953,513
TOTAL ASSETS		1,828,065	137,945,785	1,072,093	74,210,278
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	6	1,253,787	94,610,767	770,389	53,326,327
Other equity	7	(12,205)	(920,990)	10,162	703,414
Total Equity		1,241,582	93,689,777	780,551	54,029,741
(2) Current liabilities					
Financial liabilities					
(i) Trade payables	8	303,648	22,913,278	237,215	16,420,022
(ii) Other financial liabilities	9	-	-	54,301	3,758,715
Other current liabilities	10	204,046	15,397,312	26	1,800
Current tax liabilities (Net)		78,789	5,945,418	-	-
		586,483	44,256,008	291,542	20,180,537
TOTAL EQUITY AND LIABILITIES		1,828,065	137,945,785	1,072,093	74,210,278

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications Comunicacoes e Multimidia (Brazil) Limitada

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	11	1,680,468	126,808,115	571,031	39,526,766
ii	Other Income	12	846	63,839	2,140	148,131
iii	Total income (i + ii)		1,681,314	126,871,954	573,171	39,674,897
iv	Expenses:					
	Network and transmission expenses	13	547,694	41,328,989	251,467	17,406,546
	Employee benefits expenses	14	15,996	1,207,058	-	-
	Operating and other expenses	15	945,773	71,368,031	258,681	17,905,899
	Depreciation and amortisation expenses		125,895	9,500,037	45,332	3,137,881
	Total expenses		1,635,358	123,404,115	555,480	38,450,326
v	Profit before taxes (iii - iv)		45,956	3,467,839	17,691	1,224,571
vi	Tax expenses					
	(i) Current tax expense/(benefit)		68,323	5,155,654	5,974	413,520
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		68,323	5,155,654	5,974	413,520
vii	Profit / (loss) for the year (v-vi)		(22,367)	(1,687,815)	11,717	811,051

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	862,848	65,110,510	697,247	48,263,437
(a)	862,848	65,110,510	697,247	48,263,437
Accumulated depreciation:				
Plant and machinery	181,375	13,686,558	55,480	3,840,326
(b)	181,375	13,686,558	55,480	3,840,326
Net block (a) - (b)	681,473	51,423,952	641,767	44,423,111

2 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	92,100	6,949,866	37,345	2,585,021
Intercompany receivables (Net)	457,184	34,499,105	40,959	2,835,182
Provision for doubtful debts	(58)	(4,377)	-	-
Total	549,226	41,444,594	78,304	5,420,203

3 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Cash in hand	-	-	3,413	236,248
Balance with bank	300,593	22,682,748	225,322	15,596,789
Total	300,593	22,682,748	228,735	15,833,037

4 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	115,382	8,706,726	38,621	2,673,346
Total	115,382	8,706,726	38,621	2,673,346

5 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	40,115	3,027,078	389	26,927
Total	40,115	3,027,078	389	26,927



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	1,253,787	94,610,767	770,389	53,326,327
Total	1,253,787	94,610,767	770,389	53,326,327

7 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	10,162	766,825	(1,555)	(107,637)
Profit / (loss) for the year	(22,367)	(1,687,815)	11,717	811,051
Total	(12,205)	(920,990)	10,162	703,414

8 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	303,648	22,913,278	237,215	16,420,022
Total	303,648	22,913,278	237,215	16,420,022

9 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	-	-	54,301	3,758,715
Total	-	-	54,301	3,758,715

10 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	882	66,556	-	-
Other Employee dues	6,993	527,692	-	-
Other Statutory dues	196,171	14,803,064	26	1,800
Total	204,046	15,397,312	26	1,800



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	1,680,468	126,808,115	571,031	39,526,766
Total	1,680,468	126,808,115	571,031	39,526,766

12 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	846	63,839	2,140	148,131
Total	846	63,839	2,140	148,131

13 Network and transmission expenses

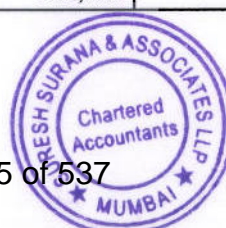
Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	547,694	41,328,989	251,467	17,406,546
Total	547,694	41,328,989	251,467	17,406,546

14 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	15,989	1,206,530	-	-
Staff welfare expenses	7	528	-	-
Total	15,996	1,207,058	-	-

15 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	9,000	679,140	-	-
Communication expenses	258	19,469	121	8,376
Electricity	24,834	1,873,974	21,803	1,509,204
Exchange loss -Net	146,649	11,066,134	54,108	3,745,356
Insurance expenses	7,930	598,398	5,992	414,766
Legal and professional fees	410,752	30,995,346	134,097	9,282,194
Miscellaneous expenses	27,992	2,112,275	4,947	342,431
Printing and stationery	1,116	84,213	-	-
Provision for doubtful debts	58	4,377	-	-
Rates and Taxes	204,129	15,403,574	21,907	1,516,403
Rent	10,108	762,750	11,060	765,573
Repairs and Maintenance Plant & Machinery	51,786	3,907,772	4,495	311,144
Services rendered by agencies	51,076	3,854,195	151	10,452
Travelling and conveyance expenses	85	6,414	-	-
Total	945,773	71,368,031	258,681	17,905,899



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LLP Identity No. AAB-7509

APPENDIX - 2

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Canada) Ltd.** ("the subsidiary") registered in Canada as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.

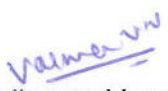


The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



Tata Communications (Canada) LTD.

BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A) ASSETS						
(1) Non-current assets						
Property, plant and equipment	1		24,880,842	1,877,508,340	27,294,744	1,889,342,181
Capital work-in-progress			509,217	38,425,515	1,436,879	99,460,764
Right-of-use assets			441,623	33,324,872	-	-
Other intangible assets	2		10,935,865	825,220,373	12,185,907	843,508,482
Intangible assets under development			420,720	31,747,531	1,412,647	97,783,425
Financial assets						
(i) Other financial assets	3		1,938	146,241	2,441	168,966
Other non-current assets	4		15,302,658	1,154,738,572	7,647,229	529,341,192
			52,492,863	3,961,111,444	49,979,847	3,459,605,010
(2) Current assets						
Financial assets						
(i) Trade receivables	5		34,620,130	2,612,435,010	27,769,876	1,922,230,816
(ii) Cash and cash equivalent	6		328,293	24,772,990	527,848	36,537,639
(iii) Other financial assets	7		9,179	692,647	3,021,513	209,149,129
Other current assets	8		1,706,992	128,809,617	1,728,073	119,617,213
			36,664,594	2,766,710,264	33,047,310	2,287,534,797
TOTAL ASSETS			89,157,457	6,727,821,708	83,027,157	5,747,139,807
(B) EQUITY AND LIABILITIES						
(1) Equity						
Equity share capital	9		73,520,000	5,547,819,200	73,520,000	5,089,054,400
Other equity	10		(317,488,258)	(23,957,663,946)	(315,503,819)	(21,839,174,352)
Total Equity			(243,968,258)	(18,409,844,746)	(241,983,819)	(16,750,119,952)
(2) Non-current liabilities						
Financial liabilities						
(i) Borrowings	11		50,000,000	3,773,000,000	100,000,000	6,922,000,000
(ii) Other financial liabilities	12		-	-	403,772	27,949,098
(iii) Lease liabilities			10	755	-	-
Provisions	13		706,319	53,298,832	821,929	56,893,926
Other non current liabilities (Deferred revenue)			744,243	56,160,577	1,208,126	83,626,482
			51,450,572	3,882,460,164	102,433,827	7,090,469,506
(3) Current liabilities						
Financial liabilities						
(i) Borrowings	14		144,615,151	10,912,659,294	125,745,852	8,704,127,875
(ii) Trade payables	15		78,473,388	5,921,601,858	89,536,867	6,197,741,934
(iii) Other financial liabilities	16		53,608,136	4,045,269,943	1,368,182	94,705,558
(iv) Lease liabilities			797,320	60,165,767	-	-
Other current liabilities	17		2,512,636	189,603,513	4,037,001	279,441,208
Provisions	18		525,540	39,657,248	677,926	46,926,038
Current tax liabilities (Net)			1,142,972	86,248,667	1,211,321	83,847,640
			281,675,143	21,255,206,290	222,577,149	15,406,790,253
TOTAL EQUITY AND LIABILITIES			89,157,457	6,727,821,708	83,027,157	5,747,139,807

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications (Canada) LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	19	209,081,632	15,777,299,951	249,398,196	17,263,343,127
ii	Other Income	20	4,897,392	369,557,200	10,596,046	733,458,304
iii	Total income (i + ii)		213,979,024	16,146,857,151	259,994,242	17,996,801,431
iv	Expenses:					
	Network and transmission expenses	21	170,693,793	12,880,553,620	215,713,603	14,931,695,599
	Employee benefits expenses	22	18,719,182	1,412,549,473	21,859,100	1,513,086,902
	Operating and other expenses	23	15,384,757	1,160,933,762	15,719,789	1,088,123,796
	Finance costs	24	10,750,892	811,262,310	11,042,192	764,340,530
	Depreciation and amortisation expenses		9,272,585	699,709,264	8,859,103	613,227,110
	Total expenses		224,821,209	16,965,008,429	273,193,787	18,910,473,937
v	Profit before exceptional items and taxes (iii - iv)		(10,842,185)	(818,151,278)	(13,199,545)	(913,672,506)
vi	Exceptional items:					
	Staff cost optimisation		(397,588)	(30,001,990)	(633,868)	(43,876,343)
vii	Profit before taxes (v - vi)		(11,239,773)	(848,153,268)	(13,833,413)	(957,548,849)
viii	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	2,325,000	160,936,500
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	2,325,000	160,936,500
ix	Profit / (loss) for the year (vii-viii)		(11,239,773)	(848,153,268)	(16,158,413)	(1,118,485,349)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications (Canada) LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Land	7,380,000	556,894,800	7,380,000	510,843,600
Building	6,243,676	471,147,791	6,542,676	452,884,033
Lease hold improvement	3,572,299	269,565,683	3,572,299	247,274,537
Cables	86,152	6,501,030	86,152	5,963,441
Plant and machinery	68,979,725	5,205,210,049	67,974,884	4,705,221,470
Furniture and fixtures	3,498,149	263,970,324	3,498,149	242,141,874
Computers	10,877,926	820,848,296	10,977,839	759,886,016
Office equipment	1,096,799	82,764,453	1,096,799	75,920,427
(a)	101,734,726	7,676,902,426	101,128,798	7,000,135,398
Accumulated depreciation:				
Land	-	-	-	-
Building	3,374,488	254,638,864	3,253,652	225,217,791
Lease hold improvement	3,241,638	244,614,003	2,847,992	197,138,006
Cables	67,645	5,104,492	63,866	4,420,805
Plant and machinery	56,301,929	4,248,543,562	54,117,219	3,745,993,899
Furniture and fixtures	2,526,191	190,626,373	2,228,097	154,228,874
Computers	10,608,300	800,502,318	10,696,377	740,403,216
Office equipment	733,693	55,364,474	626,851	43,390,626
(b)	76,853,884	5,799,394,086	73,834,054	5,110,793,217
Net block (a) - (b)	24,880,842	1,877,508,340	27,294,744	1,889,342,181

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	87,752,179	6,621,779,427	84,423,483	5,843,793,493
(a)	87,752,179	6,621,779,427	84,423,483	5,843,793,493
Accumulated amortisation:				
Computer software	76,816,314	5,796,559,054	72,237,576	5,000,285,011
(b)	76,816,314	5,796,559,054	72,237,576	5,000,285,011
Net block (a) - (b)	10,935,865	825,220,373	12,185,907	843,508,482

3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	1,938	146,241	2,441	168,966
Total	1,938	146,241	2,441	168,966



Tata Communications (Canada) LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	1,469,853	110,915,107	1,800,398	124,623,550
Prepaid pension asset	13,832,805	1,043,823,465	5,846,831	404,717,642
Total	15,302,658	1,154,738,572	7,647,229	529,341,192

5 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	23,017,183	1,736,876,629	30,160,506	2,087,710,225
Intercompany receivables (Net)	14,878,741	1,122,749,796	170,264	11,785,674
Provision for doubtful debts	(3,275,794)	(247,191,415)	(2,560,894)	(177,265,083)
Total	34,620,130	2,612,435,010	27,769,876	1,922,230,816

6 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	328,293	24,772,990	527,848	36,537,639
Total	328,293	24,772,990	527,848	36,537,639

7 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	9,179	692,647	9,179	635,370
Others	-	-	3,012,334	208,513,759
Total	9,179	692,647	3,021,513	209,149,129

8 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	13,904	1,049,196	46,733	3,234,858
Advances to employees	26,193	1,976,524	124,789	8,637,895
Other Advances	-	-	2	138
Prepaid expenses	1,666,895	125,783,897	1,411,518	97,705,276
Indirect tax receivable	-	-	145,031	10,039,046
Total	1,706,992	128,809,617	1,728,073	119,617,213



Tata Communications (Canada) LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

9 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	73,520,000	5,547,819,200	73,520,000	5,089,054,400
Total	73,520,000	5,547,819,200	73,520,000	5,089,054,400

10 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(280,718,740)	(21,183,036,120)	(264,560,327)	(18,312,865,835)
Profit / (loss) for the year	(11,239,773)	(848,153,268)	(16,158,413)	(1,118,485,349)
Closing balance	(291,958,513)	(22,031,189,388)	(280,718,740)	(19,431,351,184)
OCI Reserves Employee Benefit Plan	(25,529,745)	(1,926,474,558)	(34,785,079)	(2,407,823,168)
Total	(317,488,258)	(23,957,663,946)	(315,503,819)	(21,839,174,352)

11 Non-current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from banks	50,000,000	3,773,000,000	100,000,000	6,922,000,000
Total	50,000,000	3,773,000,000	100,000,000	6,922,000,000

12 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Lease equalisation	-	-	403,772	27,949,098
Total	-	-	403,772	27,949,098

13 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	412,595	31,134,419	395,745	27,393,469
Pension liability	175,921	13,274,999	261,298	18,087,048
Retention liability	117,803	8,889,414	164,886	11,413,409
Total	706,319	53,298,832	821,929	56,893,926



Tata Communications (Canada) LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

14 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from bank	50,000,000	3,773,000,000	50,000,000	3,461,000,000
Inter company loans taken (Net)	94,615,151	7,139,659,294	75,745,852	5,243,127,875
Total	144,615,151	10,912,659,294	125,745,852	8,704,127,875

15 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	78,473,388	5,921,601,858	89,536,867	6,197,741,934
Total	78,473,388	5,921,601,858	89,536,867	6,197,741,934

16 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Current portion of long term loans	50,000,000	3,773,000,000	-	-
Deposit from customers and contractors	781,456	58,968,670	845,423	58,520,180
Interest accrued but not due on Inter Co. loan (Net)	2,665,976	201,174,549	319,340	22,104,715
Interest accrued but not due -others	85,836	6,477,185	160,541	11,112,648
Others	74,868	5,649,539	42,878	2,968,015
Total	53,608,136	4,045,269,943	1,368,182	94,705,558

17 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	710,708	53,630,026	598,338	41,416,956
Other Employee dues	1,636,405	123,483,121	2,970,870	205,643,621
Other Statutory dues	165,141	12,461,540	432,084	29,908,854
Others	382	28,826	35,709	2,471,777
Total	2,512,636	189,603,513	4,037,001	279,441,208

18 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	525,540	39,657,248	677,926	46,926,038
Total	525,540	39,657,248	677,926	46,926,038



Tata Communications (Canada) LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

19 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	209,081,632	15,777,299,951	249,398,196	17,263,343,127
Total	209,081,632	15,777,299,951	249,398,196	17,263,343,127

20 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	5,933	447,704	5,927	410,267
Interest on loan to subsidiaries	-	-	214,013	14,813,980
Profit on sale of fixed assets	7	528	97,063	6,718,701
Exchange gain -Net	1,663,636	125,537,973	8,682,911	601,031,099
Miscellaneous income	3,227,816	243,570,995	1,596,132	110,484,257
Total	4,897,392	369,557,200	10,596,046	733,458,304

21 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	170,693,793	12,880,553,620	215,716,965	14,931,928,317
Rent of satellite channels	-	-	(3,362)	(232,718)
Total	170,693,793	12,880,553,620	215,713,603	14,931,695,599

22 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	17,297,866	1,305,296,968	19,654,293	1,360,470,161
Contribution to provident and other funds	1,327,385	100,164,472	2,041,650	141,323,013
Staff welfare expenses	93,931	7,088,033	163,157	11,293,728
Total	18,719,182	1,412,549,473	21,859,100	1,513,086,902



Tata Communications (Canada) LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

23 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	130,116	9,818,553	501,346	34,703,170
Auditors remuneration	20,300	1,531,838	21,030	1,455,697
Communication expenses	152,685	11,521,610	127,610	8,833,164
Electricity	1,128,512	85,157,516	1,210,269	83,774,820
Entertainment expenses	(2,232)	(168,427)	(2,604)	(180,249)
Insurance expenses	199,983	15,090,717	162,369	11,239,182
IT consumables	9,926	749,016	(848)	(58,699)
Legal and professional fees	2,252,055	169,940,070	2,976,240	206,015,333
Loss on sale of fixed asset	-	-	81,814	5,663,165
Miscellaneous expenses	906,865	68,432,034	831,364	57,547,018
Printing and stationery	52,452	3,958,028	59,429	4,113,675
Provision for doubtful debts	714,900	53,946,354	(121,988)	(8,444,009)
Rates and Taxes	1,768,803	133,473,874	1,226,709	84,912,797
Recruitment expenses	44,476	3,356,159	68,296	4,727,449
Relocation Expense	44,162	3,332,465	54,527	3,774,359
Rent	1,470,211	110,942,122	1,321,304	91,460,663
Repairs and Maintenance Plant & Machinery	4,825,063	364,099,254	5,140,395	355,818,142
Repairs and Maintenance -Building	139,192	10,503,428	335,796	23,243,799
Security charges	268,079	20,229,241	277,403	19,201,836
Seminars, trainings and conferences	70,114	5,290,802	57,196	3,959,107
Services rendered by agencies	819,688	61,853,656	887,689	61,445,833
Travelling and conveyance expenses	369,407	27,875,452	504,443	34,917,544
Total	15,384,757	1,160,933,762	15,719,789	1,088,123,796

24 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	10,192,964	769,161,063	10,477,265	725,236,283
Guarantee fees	557,928	42,101,247	564,927	39,104,247
Total	10,750,892	811,262,310	11,042,192	764,340,530



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APPENDIX - 34

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Beijing) Technology Limited**. ("the subsidiary") registered in Shanghai The Republic of China as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm Reg. No. 121750W / W-100010

Vinodkumar V
(Vinodkumar Varma)
PARTNER
Membership No. 105545
Place Mumbai
Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	80,942	6,107,883	-	-
Financial assets					
(i) Other financial assets	2	3,540	267,128	-	-
Other non-current assets	3	7,103	535,992	-	-
		91,585	6,911,003	-	-
(2) Current assets					
Financial assets					
(i) Trade receivables	4	167,781	12,660,754	158,497	10,971,163
(ii) Cash and cash equivalent	5	382,416	28,857,111	234,916	16,260,886
(iii) Other financial assets	6	7,453	562,403	6,850	474,157
Other current assets	7	14,124	1,065,797	30,715	2,126,092
		571,774	43,146,065	430,978	29,832,298
TOTAL ASSETS		663,359	50,057,068	430,978	29,832,298
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	8	163,081	12,306,092	163,081	11,288,467
Other equity	9	129,227	9,751,467	14,417	997,945
Total Equity		292,308	22,057,559	177,498	12,286,412
(2) Non-current liabilities					
Other non current liabilities (Deferred revenue)		9,391	708,645	-	-
		9,391	708,645	-	-
(3) Current liabilities					
Financial liabilities					
(i) Trade payables	10	179,427	13,539,561	137,881	9,544,123
(ii) Other financial liabilities	11	973	73,423	-	-
Other current liabilities	12	146,507	11,055,419	90,126	6,238,522
Provisions	13	25,318	1,910,496	19,851	1,374,086
Current tax liabilities (Net)		9,435	711,965	5,622	389,155
		361,660	27,290,864	253,480	17,545,886
TOTAL EQUITY AND LIABILITIES		663,359	50,057,068	430,978	29,832,298

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	14	1,240,307	93,593,566	1,026,531	71,056,476
ii	Other Income	15	1,190	89,797	1,106	76,557
iii	Total income (i + ii)		1,241,497	93,683,363	1,027,637	71,133,033
iv	Expenses:					
	Network and transmission expenses	16	17,370	1,310,740	-	-
	Employee benefits expenses	17	831,315	62,731,030	641,702	44,418,613
	Operating and other expenses	18	254,947	19,238,303	358,379	24,806,994
	Depreciation and amortisation expenses		11,402	860,395	-	-
	Total expenses		1,115,034	84,140,468	1,000,081	69,225,607
v	Profit before taxes (iii - iv)		126,463	9,542,895	27,556	1,907,426
vi	Tax expenses					
	(i) Current tax expense/(benefit)		11,653	879,335	7,010	485,232
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		11,653	879,335	7,010	485,232
vii	Profit / (loss) for the year (v-vi)		114,810	8,663,560	20,546	1,422,194

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	7,738	583,909	-	-
Office equipment	84,606	6,384,369	-	-
(a)	92,344	6,968,278	-	-
Accumulated depreciation:				
Plant and machinery	903	68,140	-	-
Office equipment	10,499	792,255	-	-
(b)	11,402	860,395	-	-
Net block (a) - (b)	80,942	6,107,883	-	-

2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	3,540	267,128	-	-
Total	3,540	267,128	-	-

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	7,103	535,992	-	-
Total	7,103	535,992	-	-

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	23,772	1,793,835	1,421	98,362
Intercompany receivables (Net)	144,009	10,866,919	157,076	10,872,801
Total	167,781	12,660,754	158,497	10,971,163

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	382,416	28,857,111	234,916	16,260,886
Total	382,416	28,857,111	234,916	16,260,886



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	7,453	562,403	6,850	474,157
Total	7,453	562,403	6,850	474,157

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	14,124	1,065,797	30,715	2,126,092
Total	14,124	1,065,797	30,715	2,126,092

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	163,081	12,306,092	163,081	11,288,467
Total	163,081	12,306,092	163,081	11,288,467

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	14,246	1,075,003	(6,300)	(436,086)
Profit / (loss) for the year	114,810	8,663,560	20,546	1,422,194
Closing balance	129,056	9,738,563	14,246	986,108
Capital reserves	171	12,904	171	11,837
Total	129,227	9,751,467	14,417	997,945

10 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	179,427	13,539,561	137,881	9,544,123
Total	179,427	13,539,561	137,881	9,544,123



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	973	73,423	-	-
Total	973	73,423	-	-

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	13,348	1,007,240	-	-
Other Employee dues	132,436	9,993,621	90,026	6,231,600
Other Statutory dues	723	54,558	-	-
Others	-	-	100	6,922
Total	146,507	11,055,419	90,126	6,238,522

13 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	25,318	1,910,496	19,851	1,374,086
Total	25,318	1,910,496	19,851	1,374,086

14 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	97,992	7,394,476	1,365	94,485
Management consultancy Services	1,142,315	86,199,090	1,025,166	70,961,991
Total	1,240,307	93,593,566	1,026,531	71,056,476

15 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	629	47,464	429	29,695
Miscellaneous income	561	42,333	677	46,862
Total	1,190	89,797	1,106	76,557



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	17,370	1,310,740	-	-
Total	17,370	1,310,740	-	-

17 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	820,372	61,905,271	635,253	43,972,213
Staff welfare expenses	10,943	825,759	6,449	446,400
Total	831,315	62,731,030	641,702	44,418,613

18 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	5,964	450,043	44,826	3,102,856
Auditors remuneration	2,538	191,517	2,492	172,496
Communication expenses	3,966	299,274	1,130	78,219
Entertainment expenses	9,585	723,284	4,170	288,647
Exchange loss -Net	20,365	1,536,743	11,860	820,949
Insurance expenses	6,905	521,051	7,192	497,830
IT consumables	1,226	92,514	2,310	159,898
Legal and professional fees	73,014	5,509,636	79,612	5,510,743
Miscellaneous expenses	10,093	761,621	351	24,295
Printing and stationery	143	10,791	144	9,968
Rates and Taxes	2,242	169,181	1,867	129,234
Recruitment expenses	(2,122)	(160,126)	47,079	3,258,808
Rent	38,594	2,912,303	41,235	2,854,287
Repairs and Maintenance Plant & Machinery	4,258	321,309	-	-
Seminars, trainings and conferences	8	604	3,191	220,881
Services rendered by agencies	40,045	3,021,796	72,316	5,005,714
Travelling and conveyance expenses	38,123	2,876,762	38,604	2,672,169
Total	254,947	19,238,303	358,379	24,806,994



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APPENDIX - 4

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (France) SAS** ("the subsidiary") registered in France as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.




The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



Tata Communications (France) SAS

BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A) ASSETS						
(1) Non-current assets						
Property, plant and equipment	1		22,662,685	1,710,126,209	26,290,552	1,819,832,011
Capital work-in-progress			111,696	8,428,580	223,670	15,482,437
Right-of-use assets			5,908,898	445,885,443	-	-
Other intangible assets	2		-	-	-	-
Intangible assets under development			267,000	20,147,820	-	-
Financial assets						
(i) Loans	3		20,913,849	1,578,159,046	6,452,070	446,612,285
(ii) Other financial assets	4		548,851	41,416,296	561,787	38,886,896
Other non-current assets	5		151,219	11,410,986	240,863	16,672,537
			50,564,198	3,815,574,380	33,768,942	2,337,486,166
(2) Current assets						
Financial assets						
(i) Trade receivables	6		7,689,176	580,225,221	7,357,161	509,262,684
(ii) Cash and cash equivalent	7		21	1,585	4,563	315,851
(iii) Other financial assets	8		418,398	31,572,313	63,132	4,369,997
Other current assets	9		2,198,198	165,876,021	2,059,778	142,577,833
			10,305,793	777,675,140	9,484,634	656,526,365
TOTAL ASSETS			60,869,991	4,593,249,520	43,253,576	2,994,012,531
(B) EQUITY AND LIABILITIES						
(1) Equity						
Equity share capital	10		20,391,358	1,538,731,875	20,391,358	1,411,489,801
Other equity	11		(17,859,851)	(1,347,704,360)	(18,311,810)	(1,267,543,489)
Total Equity			2,531,507	191,027,515	2,079,548	143,946,312
(2) Non-current liabilities						
Financial liabilities						
(i) Other financial liabilities	12		150,073	11,324,509	257,302	17,810,444
(ii) Lease liabilities			4,837,863	365,065,142	-	-
Provisions	13		749,471	56,555,082	702,098	48,599,224
Other non current liabilities (Deferred revenue)			29,933,834	2,258,807,114	22,428,248	1,552,483,327
			35,671,241	2,691,751,847	23,387,648	1,618,892,995
(3) Current liabilities						
Financial liabilities						
(i) Trade payables	14		10,449,912	788,550,360	11,011,335	762,204,609
(ii) Other financial liabilities	15		83,755	6,320,152	88,268	6,109,911
(iii) Lease liabilities			997,212	75,249,618	-	-
Other current liabilities	16		10,646,945	803,418,470	6,104,128	422,527,740
Provisions	17		489,419	36,931,558	582,649	40,330,964
			22,667,243	1,710,470,158	17,786,380	1,231,173,224
TOTAL EQUITY AND LIABILITIES			60,869,991	4,593,249,520	43,253,576	2,994,012,531

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications (France) SAS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	18	49,660,407	3,747,374,312	43,785,502	3,030,832,448
ii	Other Income	19	1,093,360	82,504,945	505,534	34,993,064
iii	Total income (i + ii)		50,753,767	3,829,879,257	44,291,036	3,065,825,512
iv	Expenses:					
	Network and transmission expenses	20	31,561,451	2,381,627,093	26,521,962	1,835,850,209
	Employee benefits expenses	21	6,601,800	498,171,828	8,661,446	599,545,292
	Operating and other expenses	22	6,673,739	503,600,346	6,330,486	438,196,242
	Finance costs	23	50,267	3,793,148	90,153	6,240,391
	Depreciation and amortisation expenses		5,207,639	392,968,439	5,270,226	364,805,044
	Total expenses		50,094,896	3,780,160,854	46,874,273	3,244,637,178
v	Profit before exceptional items and taxes (iii - iv)		658,871	49,718,403	(2,583,237)	(178,811,666)
vi	Exceptional items:					
	Staff cost optimisation		(206,912)	(15,613,580)	3,023,017	209,253,237
vii	Profit before taxes (v - vi)		451,959	34,104,823	439,780	30,441,571
viii	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	73,936	5,117,850
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	73,936	5,117,850
ix	Profit / (loss) for the year (vii-viii)		451,959	34,104,823	365,844	25,323,721

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	928,190	70,041,217	928,190	64,249,312
Cables	36,533,146	2,756,791,197	35,718,341	2,472,423,564
Plant and machinery	36,971,032	2,789,834,075	36,771,052	2,545,292,219
Furniture and fixtures	33,212	2,506,178	33,212	2,298,935
Computers	74,214	5,600,188	79,416	5,497,176
Office equipment	45,435	3,428,525	45,435	3,145,011
(a)	74,585,229	5,628,201,380	73,575,646	5,092,906,217
Accumulated depreciation:				
Lease hold improvement	458,486	34,597,354	339,974	23,533,000
Cables	20,989,084	1,583,836,279	18,470,246	1,278,510,428
Plant and machinery	30,361,942	2,291,112,143	28,353,900	1,962,656,958
Furniture and fixtures	19,616	1,480,223	15,982	1,106,274
Computers	64,254	4,848,607	78,701	5,447,683
Office equipment	29,162	2,200,565	26,291	1,819,863
(b)	51,922,544	3,918,075,171	47,285,094	3,273,074,206
Net block (a) - (b)	22,662,685	1,710,126,209	26,290,552	1,819,832,011

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	2,047,150	154,477,939	2,047,150	141,703,723
(a)	2,047,150	154,477,939	2,047,150	141,703,723
Accumulated amortisation:				
Computer software	2,047,150	154,477,939	2,047,150	141,703,723
(b)	2,047,150	154,477,939	2,047,150	141,703,723
Net block (a) - (b)	-	-	-	-

3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	20,913,849	1,578,159,046	6,452,070	446,612,285
Total	20,913,849	1,578,159,046	6,452,070	446,612,285

4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	548,851	41,416,296	561,787	38,886,896
Total	548,851	41,416,296	561,787	38,886,896



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	151,219	11,410,986	240,863	16,672,537
Total	151,219	11,410,986	240,863	16,672,537

6 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	8,007,886	604,275,078	7,662,133	530,372,846
Provision for doubtful debts	(318,710)	(24,049,857)	(304,972)	(21,110,162)
Total	7,689,176	580,225,221	7,357,161	509,262,684

7 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	21	1,585	4,563	315,851
Total	21	1,585	4,563	315,851

8 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	6,255	472,002	2,346	162,390
Interest Receivable on Inter Co. Loan (Net)	353,548	26,678,732	13,999	969,011
Others	58,595	4,421,579	46,787	3,238,596
Total	418,398	31,572,313	63,132	4,369,997

9 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	34,421	2,597,409	-	-
Prepaid expenses	2,163,698	163,272,651	2,058,213	142,469,504
Others	79	5,961	1,565	108,329
Total	2,198,198	165,876,021	2,059,778	142,577,833

10 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	20,391,358	1,538,731,875	20,391,358	1,411,489,801
Total	20,391,358	1,538,731,875	20,391,358	1,411,489,801



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(18,311,810)	(1,381,809,183)	(18,677,654)	(1,292,867,210)
Profit / (loss) for the year	451,959	34,104,823	365,844	25,323,721
Total	(17,859,851)	(1,347,704,360)	(18,311,810)	(1,267,543,489)

12 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Lease equalisation	150,073	11,324,509	257,302	17,810,444
Total	150,073	11,324,509	257,302	17,810,444

13 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	749,471	56,555,082	702,098	48,599,224
Total	749,471	56,555,082	702,098	48,599,224

14 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	7,945,147	599,540,793	7,003,672	484,794,176
Inter Company - Payables (Net)	2,504,765	189,009,567	4,007,663	277,410,433
Total	10,449,912	788,550,360	11,011,335	762,204,609

15 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	83,755	6,320,152	88,268	6,109,911
Total	83,755	6,320,152	88,268	6,109,911

16 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	8,641,297	652,072,272	3,883,234	268,797,457
Other Employee dues	1,757,095	132,590,389	1,986,808	137,526,850
Other Statutory dues	248,553	18,755,809	234,086	16,203,433
Total	10,646,945	803,418,470	6,104,128	422,527,740



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

17 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	489,419	36,931,558	582,649	40,330,964
Total	489,419	36,931,558	582,649	40,330,964

18 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	49,660,407	3,747,374,312	43,785,502	3,030,832,448
Total	49,660,407	3,747,374,312	43,785,502	3,030,832,448

19 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	503,448	37,990,186	197,680	13,683,410
Exchange gain -Net	237,835	17,947,029	185,398	12,833,250
Miscellaneous income	352,077	26,567,730	122,456	8,476,404
Total	1,093,360	82,504,945	505,534	34,993,064

20 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	31,294,889	2,361,512,324	26,093,256	1,806,175,180
Rent of satellite channels	266,562	20,114,769	428,706	29,675,029
Total	31,561,451	2,381,627,093	26,521,962	1,835,850,209

21 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	6,549,353	494,214,177	8,620,229	596,692,251
Staff welfare expenses	52,447	3,957,651	41,217	2,853,041
Total	6,601,800	498,171,828	8,661,446	599,545,292



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

22 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	50,571	3,816,088	96,685	6,692,536
Auditors remuneration	32,550	2,456,223	54,450	3,769,029
Communication expenses	58,886	4,443,538	59,308	4,105,300
Directors fees	-	-	35,423	2,451,980
Donations	(193)	(14,564)	193	13,359
Electricity	339,286	25,602,522	440,388	30,483,657
Entertainment expenses	5,528	417,143	(611)	(42,293)
Insurance expenses	41,623	3,140,872	31,728	2,196,212
IT consumables	3,060	230,908	1,302	90,124
Legal and professional fees	317,739	23,976,585	181,321	12,551,040
Miscellaneous expenses	304,841	23,003,301	421,192	29,154,909
Printing and stationery	5,913	446,195	18,749	1,297,806
Provision for doubtful debts	13,739	1,036,745	86,454	5,984,346
Rates and Taxes	217,681	16,426,208	417,107	28,872,147
Recruitment expenses	(729)	(55,010)	19,241	1,331,862
Relocation Expense	-	-	1,805	124,942
Rent	587,441	44,328,298	619,966	42,914,047
Repairs and Maintenance Plant & Machinery	4,331,677	326,868,346	3,321,458	229,911,323
Repairs and Maintenance -Building	(1,132)	(85,421)	10,432	722,103
Security charges	174	13,130	637	44,093
Seminars, trainings and conferences	20,908	1,577,718	8,148	564,005
Services rendered by agencies	176,475	13,316,804	209,844	14,525,402
Travelling and conveyance expenses	167,701	12,654,717	295,266	20,438,313
Total	6,673,739	503,600,346	6,330,486	438,196,242

23 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	50,267	3,793,148	84,414	5,843,137
Guarantee fees	-	-	5,739	397,254
Total	50,267	3,793,148	90,153	6,240,391



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LLP Identity No. AAB-7509

APPENDIX - 8

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

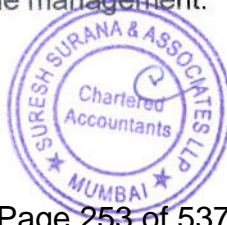
On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Deutschland GmbH** ("the subsidiary") registered in Germany as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	8,421,693	635,500,953	9,344,648	646,836,535
	Capital work-in-progress		1,164,725	87,890,149	162,016	11,214,748
	Right-of-use assets		1,526,702	115,204,933	-	-
	Other intangible assets	2	92,294	6,964,505	152,188	10,534,454
	Intangible assets under development		250,000	18,865,000	-	-
	Financial assets					
	(i) Other financial assets	3	139,337	10,514,370	142,699	9,877,625
	Non current tax asset (Net)		105	7,923	-	-
	Other non-current assets	4	886,267	66,877,708	1,030,108	71,304,076
			12,481,123	941,825,541	10,831,659	749,767,438
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	5	12,371,471	933,551,202	10,586,871	732,823,210
	(ii) Cash and cash equivalent	6	-	-	444	30,734
	(iii) Other financial assets	7	39,698	2,995,611	28,860	1,997,689
	Other current assets	8	2,483,777	187,425,813	1,767,158	122,322,677
			14,894,946	1,123,972,626	12,383,333	857,174,310
	TOTAL ASSETS		27,376,069	2,065,798,167	23,214,992	1,606,941,748
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	9	33,795	2,550,171	33,795	2,339,290
	Other equity	10	(46,754,432)	(3,528,089,440)	(39,514,517)	(2,735,194,865)
	Total Equity		(46,720,637)	(3,525,539,269)	(39,480,722)	(2,732,855,575)
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Lease liabilities		1,154,873	87,146,717	-	-
	Provisions	11	100,598	7,591,125	97,390	6,741,336
	Other non current liabilities (Deferred revenue)		1,679,059	126,701,792	1,317,663	91,208,633
			2,934,530	221,439,634	1,415,053	97,949,969
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	12	50,959,310	3,845,389,533	44,293,369	3,065,987,002
	(ii) Trade payables	13	16,422,594	1,239,248,944	15,077,967	1,043,696,875
	(iii) Other financial liabilities	14	1,437,291	108,457,979	335,129	23,197,630
	(iv) Lease liabilities		346,295	26,131,421	-	-
	Other current liabilities	15	1,887,386	142,422,147	1,497,990	103,690,868
	Provisions	16	109,300	8,247,778	76,206	5,274,979
			71,162,176	5,369,897,802	61,280,661	4,241,847,354
	TOTAL EQUITY AND LIABILITIES		27,376,069	2,065,798,167	23,214,992	1,606,941,748

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	17	75,102,465	5,667,232,009	70,466,927	4,877,720,687
ii	Other Income	18	402,452	30,369,028	103,258	7,147,519
iii	Total income (i + ii)		75,504,917	5,697,601,037	70,570,185	4,884,868,206
iv	Expenses:					
	Network and transmission expenses	19	67,840,069	5,119,211,607	63,371,195	4,386,554,118
	Employee benefits expenses	20	4,438,233	334,909,063	4,048,655	280,247,899
	Operating and other expenses	21	5,238,397	395,289,438	5,398,724	373,699,674
	Finance costs	22	2,692,399	203,168,428	2,303,733	159,464,398
	Depreciation and amortisation expenses		2,606,434	196,681,510	2,526,293	174,870,001
	Total expenses		82,815,532	6,249,260,046	77,648,600	5,374,836,090
v	Profit before exceptional items and taxes (iii - iv)		(7,310,615)	(551,659,009)	(7,078,415)	(489,967,884)
vi	Exceptional items:					
	Staff cost optimisation		-	-	1,260,256	87,234,920
vii	Profit before taxes (v - vi)		(7,310,615)	(551,659,009)	(5,818,159)	(402,732,964)
viii	Tax expenses					
	(i) Current tax expense/(benefit)		(70,700)	(5,335,022)	(457,588)	(31,674,241)
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		(70,700)	(5,335,022)	(457,588)	(31,674,241)
ix	Profit / (loss) for the year (vii-viii)		(7,239,915)	(546,323,987)	(5,360,571)	(371,058,723)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	403	30,410	403	27,896
Cables	2,418,542	182,503,179	2,401,412	166,225,739
Plant and machinery	29,905,099	2,256,638,771	29,011,766	2,008,194,443
Furniture and fixtures	288,905	21,800,771	288,905	19,998,004
Computers	244,725	18,466,949	248,747	17,218,267
Office equipment	7,004	528,522	7,004	484,817
(a)	32,864,678	2,479,968,602	31,958,237	2,212,149,166
Accumulated depreciation:				
Lease hold improvement	403	30,410	403	27,896
Cables	1,775,447	133,975,231	1,583,798	109,630,498
Plant and machinery	22,301,768	1,682,891,413	20,693,742	1,432,420,821
Furniture and fixtures	116,132	8,763,321	84,502	5,849,228
Computers	244,725	18,466,949	247,421	17,126,482
Office equipment	4,510	340,325	3,723	257,706
(b)	24,442,985	1,844,467,649	22,613,589	1,565,312,631
Net block (a) - (b)	8,421,693	635,500,953	9,344,648	646,836,535

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	1,134,572	85,614,803	1,125,572	77,912,094
(a)	1,134,572	85,614,803	1,125,572	77,912,094
Accumulated amortisation:				
Computer software	1,042,278	78,650,298	973,384	67,377,640
(b)	1,042,278	78,650,298	973,384	67,377,640
Net block (a) - (b)	92,294	6,964,505	152,188	10,534,454

3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	139,337	10,514,370	142,699	9,877,625
Total	139,337	10,514,370	142,699	9,877,625

4 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	886,267	66,877,708	1,030,108	71,304,076
Total	886,267	66,877,708	1,030,108	71,304,076



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	16,062,225	1,212,055,499	14,004,396	969,384,291
Provision for doubtful debts	(3,690,754)	(278,504,297)	(3,417,525)	(236,561,081)
Total	12,371,471	933,551,202	10,586,871	732,823,210

6 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	-	-	444	30,734
Total	-	-	444	30,734

7 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	39,698	2,995,611	28,860	1,997,689
Total	39,698	2,995,611	28,860	1,997,689

8 Current assets - other assets

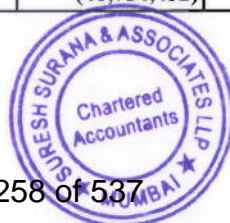
Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	33,208	2,505,876	16,012	1,108,351
Prepaid expenses	2,432,854	183,583,163	1,454,762	100,698,626
Indirect tax receivable	17,715	1,336,774	296,384	20,515,700
Total	2,483,777	187,425,813	1,767,158	122,322,677

9 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	33,795	2,550,171	33,795	2,339,290
Total	33,795	2,550,171	33,795	2,339,290

10 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(39,514,517)	(2,981,765,453)	(34,153,946)	(2,364,136,142)
Profit / (loss) for the year	(7,239,915)	(546,323,987)	(5,360,571)	(371,058,723)
Total	(46,754,432)	(3,528,089,440)	(39,514,517)	(2,735,194,865)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	100,598	7,591,125	97,390	6,741,336
Total	100,598	7,591,125	97,390	6,741,336

12 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	50,959,310	3,845,389,533	44,293,369	3,065,987,002
Total	50,959,310	3,845,389,533	44,293,369	3,065,987,002

13 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	14,293,110	1,078,558,081	13,729,929	950,385,685
Inter Company - Payables (Net)	2,129,484	160,690,863	1,348,038	93,311,190
Total	16,422,594	1,239,248,944	15,077,967	1,043,696,875

14 Current liabilities - other financial liabilities

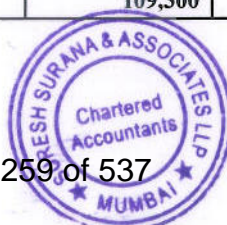
Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	153,754	11,602,277	146,880	10,167,034
Interest accrued but not due on Inter Co. loan (Net)	1,283,537	96,855,702	188,249	13,030,596
Total	1,437,291	108,457,979	335,129	23,197,630

15 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,423,098	107,386,975	1,169,439	80,948,568
Other Employee dues	464,288	35,035,172	322,641	22,333,210
Other Statutory dues	-	-	5,908	408,952
Others	-	-	2	138
Total	1,887,386	142,422,147	1,497,990	103,690,868

16 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	109,300	8,247,778	76,206	5,274,979
Total	109,300	8,247,778	76,206	5,274,979



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

17 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	75,102,465	5,667,232,009	70,466,927	4,877,720,687
Total	75,102,465	5,667,232,009	70,466,927	4,877,720,687

18 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	46,067	3,476,216	98,759	6,836,098
Exchange gain -Net	306,941	23,161,768	-	-
Miscellaneous income	49,444	3,731,044	4,499	311,421
Total	402,452	30,369,028	103,258	7,147,519

19 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	67,840,069	5,119,211,607	63,371,195	4,386,554,118
Total	67,840,069	5,119,211,607	63,371,195	4,386,554,118

20 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	4,425,112	333,918,952	4,032,336	279,118,298
Staff welfare expenses	13,121	990,111	16,319	1,129,601
Total	4,438,233	334,909,063	4,048,655	280,247,899



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

21 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	172,953	13,051,033	188,422	13,042,571
Auditors remuneration	51,300	3,871,098	84,700	5,862,934
Communication expenses	46,527	3,510,927	56,058	3,880,335
Electricity	447,309	33,753,937	479,160	33,167,455
Entertainment expenses	3,417	257,847	995	68,874
Exchange loss -Net	-	-	96,377	6,671,216
Insurance expenses	13,106	988,979	7,754	536,732
IT consumables	349	26,336	4,905	339,524
Legal and professional fees	344,232	25,975,747	403,306	27,916,841
Miscellaneous expenses	114,139	8,612,930	36,431	2,521,752
Printing and stationery	17,359	1,309,910	13,675	946,584
Provision for doubtful debts	273,229	20,617,860	647,408	44,813,582
Rates and Taxes	(225,644)	(17,027,096)	(17,041)	(1,179,578)
Recruitment expenses	131,936	9,955,891	65,497	4,533,702
Relocation Expense	3,690	278,447	40,068	2,773,507
Rent	292,276	22,055,147	231,180	16,002,280
Repairs and Maintenance Plant & Machinery	3,106,613	234,425,017	2,572,215	178,048,722
Repairs and Maintenance -Building	787	59,387	(517)	(35,787)
Seminars, trainings and conferences	2,105	158,843	22,102	1,529,900
Services rendered by agencies	280,342	21,154,607	338,713	23,445,714
Travelling and conveyance expenses	162,372	12,252,591	127,316	8,812,814
Total	5,238,397	395,289,438	5,398,724	373,699,674

22 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	2,496,933	188,418,564	2,144,934	148,472,331
Guarantee fees	195,466	14,749,864	158,799	10,992,067
Total	2,692,399	203,168,428	2,303,733	159,464,398



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APPENDIX - 37

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Guam) LLC** ("the subsidiary") registered in Guam as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar V.V.

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	3,604,093	271,964,858	3,963,160	274,329,934
	Financial assets					
	(i) Loans	2	18,064,155	1,363,121,136	17,121,096	1,185,122,265
	Deferred tax assets (Net)		2,995,105	226,010,623	3,018,603	208,947,700
	Non current tax asset (Net)		356,883	26,930,391	88,075	6,096,552
			25,020,236	1,888,027,008	24,190,934	1,674,496,451
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	3	160,381	12,102,350	111,745	7,734,989
	(ii) Other financial assets	4	449,389	33,910,894	410,086	28,386,153
	Other current assets	5	548,910	41,420,749	520,352	36,018,765
			1,158,680	87,433,993	1,042,183	72,139,907
	TOTAL ASSETS		26,178,916	1,975,461,001	25,233,117	1,746,636,358
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital		-	-	-	-
	Other equity	6	22,819,262	1,721,941,510	21,203,025	1,467,673,390
	Total Equity		22,819,262	1,721,941,510	21,203,025	1,467,673,390
(2)	Non-current liabilities					
	Other non current liabilities (Deferred revenue)		2,056,504	155,183,792	2,499,521	173,016,844
			2,056,504	155,183,792	2,499,521	173,016,844
(3)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	7	127,597	9,628,470	301,385	20,861,869
	(ii) Other financial liabilities	8	13,558	1,023,087	23,871	1,652,351
	Other current liabilities	9	1,151,464	86,889,473	1,201,759	83,185,758
	Provisions	10	10,531	794,669	3,556	246,146
			1,303,150	98,335,699	1,530,571	105,946,124
	TOTAL EQUITY AND LIABILITIES		26,178,916	1,975,461,001	25,233,117	1,746,636,358

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	11	4,814,046	363,267,911	4,884,500	338,105,090
ii	Other Income	12	878,976	66,327,529	807,108	55,868,016
iii	Total income (i + ii)		5,693,022	429,595,440	5,691,608	393,973,106
iv	Expenses:					
	Network and transmission expenses	13	1,116,976	84,287,009	855,071	59,188,015
	Employee benefits expenses	14	451,934	34,102,940	473,541	32,778,508
	Operating and other expenses	15	1,819,266	137,281,813	2,104,373	145,664,700
	Depreciation and amortisation expenses		336,042	25,357,729	366,015	25,335,558
	Total expenses		3,724,218	281,029,491	3,799,000	262,966,781
v	Profit before taxes (iii - iv)		1,968,804	148,565,949	1,892,608	131,006,325
vi	Tax expenses					
	(i) Current tax expense/(benefit)		329,069	24,831,547	271,869	18,818,772
	(ii) Deferred tax expense/(benefit)		23,498	1,773,159	82,852	5,735,015
	Net tax expenses		352,567	26,604,706	354,721	24,553,787
vii	Profit / (loss) for the year (v-vi)		1,616,237	121,961,243	1,537,887	106,452,538

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Land	924,769	69,783,069	924,769	64,012,510
Building	4,858,882	366,651,236	4,858,882	336,331,812
Cables	234,055	17,661,790	261,966	18,133,287
Plant and machinery	2,189,806	165,242,761	2,189,806	151,578,371
Furniture and fixtures	14,007	1,056,968	14,007	969,565
Computers	11,411	861,074	14,111	976,763
Office equipment	220,487	16,637,949	220,487	15,262,110
(a)	8,453,417	637,894,847	8,484,028	587,264,418
Accumulated depreciation:				
Land	-	-	-	-
Building	2,847,416	214,866,011	2,651,176	183,514,403
Cables	102,475	7,732,764	79,112	5,476,133
Plant and machinery	1,737,126	131,083,528	1,644,058	113,801,695
Furniture and fixtures	14,007	1,056,968	14,007	969,565
Computers	11,411	861,074	14,111	976,763
Office equipment	136,889	10,329,644	118,404	8,195,925
(b)	4,849,324	365,929,989	4,520,868	312,934,484
Net block (a) - (b)	3,604,093	271,964,858	3,963,160	274,329,934

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	18,064,155	1,363,121,136	17,121,096	1,185,122,265
Total	18,064,155	1,363,121,136	17,121,096	1,185,122,265

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	169,470	12,788,206	112,886	7,813,969
Intercompany receivables (Net)	16,552	1,249,014	-	-
Provision for doubtful debts	(25,641)	(1,934,870)	(1,141)	(78,980)
Total	160,381	12,102,350	111,745	7,734,989

4 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	449,389	33,910,894	410,086	28,386,153
Total	449,389	33,910,894	410,086	28,386,153



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	548,910	41,420,749	520,352	36,018,765
Total	548,910	41,420,749	520,352	36,018,765

6 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	21,203,025	1,599,980,267	19,665,138	1,361,220,852
Profit / (loss) for the year	1,616,237	121,961,243	1,537,887	106,452,538
Total	22,819,262	1,721,941,510	21,203,025	1,467,673,390

7 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	127,597	9,628,470	300,452	20,797,287
Inter Company - Payables (Net)	-	-	933	64,582
Total	127,597	9,628,470	301,385	20,861,869

8 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	13,000	980,980	13,000	899,860
Others	558	42,107	10,871	752,491
Total	13,558	1,023,087	23,871	1,652,351

9 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,127,237	85,061,304	1,176,955	81,468,825
Other Employee dues	24,227	1,828,169	24,804	1,716,933
Total	1,151,464	86,889,473	1,201,759	83,185,758

10 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	10,531	794,669	3,556	246,146
Total	10,531	794,669	3,556	246,146



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	4,814,046	363,267,911	4,884,500	338,105,090
Total	4,814,046	363,267,911	4,884,500	338,105,090

12 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	878,339	66,279,461	806,994	55,860,125
Miscellaneous income	637	48,068	114	7,891
Total	878,976	66,327,529	807,108	55,868,016

13 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,116,976	84,287,009	855,071	59,188,015
Total	1,116,976	84,287,009	855,071	59,188,015

14 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	451,934	34,102,940	473,541	32,778,508
Total	451,934	34,102,940	473,541	32,778,508

15 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Auditors remuneration	968	73,045	1,146	79,326
Communication expenses	6,225	469,739	7,434	514,581
Electricity	528,110	39,851,181	545,211	37,739,505
Exchange loss -Net	-	-	303	20,974
Insurance expenses	53,269	4,019,679	120,717	8,356,031
IT consumables	-	-	220	15,228
Legal and professional fees	6,910	521,429	23,860	1,651,589
Miscellaneous expenses	28,508	2,151,213	127,953	8,856,909
Printing and stationery	433	32,674	531	36,756
Provision for doubtful debts	24,500	1,848,770	-	-
Rates and Taxes	31,637	2,387,328	139,301	9,642,415
Repairs and Maintenance Plant & Machinery	1,114,156	84,074,212	1,105,029	76,490,107
Repairs and Maintenance -Building	7,099	535,691	16,813	1,163,796
Services rendered by agencies	17,451	1,316,852	15,855	1,097,483
Total	1,819,266	137,281,813	2,104,373	145,664,700



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APPENDIX - 14

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Hong Kong) Limited** ("the subsidiary") registered in Hong Kong as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	16,058,185	1,211,750,639	18,459,495	1,277,766,244
Capital work-in-progress		500,075	37,735,660	331,438	22,942,138
Right-of-use assets		2,037,492	153,749,146	-	-
Other intangible assets	2	47,135	3,556,807	73,301	5,073,895
Investments in subsidiaries & associates	3	3	226	3	208
Financial assets					
(i) Investments -others	4	65,633	4,952,666	65,633	4,543,116
(ii) Loans	5	-	-	2,147,561	148,654,172
(iii) Other financial assets	6	702,710	53,026,497	827,571	57,284,465
Other non-current assets	7	52,070	3,929,202	24,334	1,684,399
		19,463,303	1,468,700,843	21,929,336	1,517,948,637
(2) Current assets					
Financial assets					
(i) Trade receivables	8	13,213,130	997,062,790	8,909,107	616,688,387
(ii) Cash and cash equivalent	9	179,575	13,550,730	368,042	25,475,867
(iii) Other financial assets	10	172,024	12,980,931	66,819	4,625,211
Other current assets	11	1,212,871	91,523,246	1,012,702	70,099,233
		14,777,600	1,115,117,697	10,356,670	716,888,698
TOTAL ASSETS		34,240,903	2,583,818,540	32,286,006	2,234,837,335
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	12	8,022,064	605,344,949	8,022,064	555,287,270
Other equity	13	(44,266,831)	(3,340,375,068)	(42,437,725)	(2,937,539,323)
Total Equity		(36,244,767)	(2,735,030,119)	(34,415,661)	(2,382,252,053)
(2) Non-current liabilities					
Financial liabilities					
(i) Other financial liabilities	14	-	-	58,090	4,020,990
(ii) Lease liabilities		1,194,834	90,162,174	-	-
Provisions	15	3,565,561	269,057,233	3,779,212	261,597,055
Other non current liabilities (Deferred revenue)		5,294,445	399,518,820	7,004,870	484,877,101
		10,054,840	758,738,227	10,842,172	750,495,146
(3) Current liabilities					
Financial liabilities					
(i) Borrowings	16	38,378,551	2,896,045,458	37,000,000	2,561,140,000
(ii) Trade payables	17	16,875,519	1,273,426,664	13,498,833	934,389,220
(iii) Other financial liabilities	18	429,777	32,430,973	288,643	19,979,868
(iv) Lease liabilities		845,481	63,799,996	-	-
Other current liabilities	19	3,654,602	275,776,267	4,756,117	329,218,418
Provisions	20	246,900	18,631,074	315,902	21,866,736
		60,430,830	4,560,110,432	55,859,495	3,866,594,242
TOTAL EQUITY AND LIABILITIES		34,240,903	2,583,818,540	32,286,006	2,234,837,335

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	21	79,402,949	5,991,746,532	83,131,815	5,754,384,234
ii	Other Income	22	102,654	7,746,271	63,394	4,388,133
iii	Total income (i + ii)		79,505,603	5,999,492,803	83,195,209	5,758,772,367
iv	Expenses:					
	Network and transmission expenses	23	55,237,143	4,168,194,811	50,812,014	3,517,207,609
	Employee benefits expenses	24	9,217,160	695,526,893	10,894,984	754,150,792
	Operating and other expenses	25	11,969,935	903,251,296	18,303,706	1,266,982,528
	Finance costs	26	1,587,039	119,757,963	1,550,626	107,334,332
	Depreciation and amortisation expenses		3,320,860	250,592,096	3,165,706	219,130,169
	Total expenses		81,332,137	6,137,323,059	84,727,036	5,864,805,430
v	Profit before exceptional items and taxes (iii - iv)		(1,826,534)	(137,830,256)	(1,531,827)	(106,033,063)
vi	Exceptional items:					
	Staff cost optimisation		-	-	(473,957)	(32,807,304)
	Impairment of investment		-	-	(4,456,281)	(308,463,771)
vii	Profit before taxes (v - vi)		(1,826,534)	(137,830,256)	(6,462,065)	(447,304,138)
viii	Tax expenses					
	(i) Current tax expense/(benefit)		2,572	194,083	10,192	705,490
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		2,572	194,083	10,192	705,490
ix	Profit / (loss) for the year (vii-viii)		(1,829,106)	(138,024,339)	(6,472,257)	(448,009,628)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Building	241,622	18,232,796	241,622	16,725,075
Lease hold improvement	722,363	54,509,512	722,363	50,001,967
Cables	23,136,184	1,745,856,445	22,737,493	1,573,889,265
Plant and machinery	20,088,574	1,515,883,794	19,589,537	1,355,987,751
Furniture and fixtures	34,989	2,640,270	34,989	2,421,939
Computers	379,203	28,614,658	389,485	26,960,152
Office equipment	54,392	4,104,420	54,392	3,765,014
(a)	44,657,327	3,369,841,895	43,769,881	3,029,751,163
Accumulated depreciation:				
Building	241,622	18,232,796	241,622	16,725,075
Lease hold improvement	722,363	54,509,512	711,093	49,221,857
Cables	12,551,947	947,169,921	10,983,805	760,298,982
Plant and machinery	14,656,055	1,105,945,910	12,961,145	897,170,457
Furniture and fixtures	33,123	2,499,462	30,949	2,142,290
Computers	365,960	27,615,342	357,326	24,734,106
Office equipment	28,072	2,118,313	24,446	1,692,152
(b)	28,599,142	2,158,091,256	25,310,386	1,751,984,919
Net block (a) - (b)	16,058,185	1,211,750,639	18,459,495	1,277,766,244

2 Other intangible assets

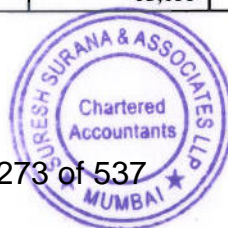
Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	242,565	18,303,955	242,565	16,790,349
(a)	242,565	18,303,955	242,565	16,790,349
Accumulated amortisation:				
Computer software	195,430	14,747,148	169,264	11,716,454
(b)	195,430	14,747,148	169,264	11,716,454
Net block (a) - (b)	47,135	3,556,807	73,301	5,073,895

3 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	3	226	3	208
Total	3	226	3	208

4 Financial asset - Investment others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments - others	23,767,690	1,793,509,887	23,767,690	1,645,199,502
Impairment of investment - others	(23,702,057)	(1,788,557,221)	(23,702,057)	(1,640,656,386)
Total	65,633	4,952,666	65,633	4,543,116



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	-	-	2,147,561	148,654,172
Total	-	-	2,147,561	148,654,172

6 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	702,710	53,026,497	827,571	57,284,465
Total	702,710	53,026,497	827,571	57,284,465

7 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	52,070	3,929,202	24,334	1,684,399
Total	52,070	3,929,202	24,334	1,684,399

8 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	8,512,040	642,318,538	6,568,785	454,691,298
Intercompany receivables (Net)	5,521,045	416,618,056	3,139,972	217,348,862
Provision for doubtful debts	(819,955)	(61,873,804)	(799,650)	(55,351,773)
Total	13,213,130	997,062,790	8,909,107	616,688,387

9 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	179,575	13,550,730	368,042	25,475,867
Total	179,575	13,550,730	368,042	25,475,867

10 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	172,024	12,980,931	65,996	4,568,243
Others	-	-	823	56,968
Total	172,024	12,980,931	66,819	4,625,211



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	35,884	2,707,807	171,646	11,881,336
Other Advances	-	-	867	60,014
Prepaid expenses	1,176,987	88,815,439	840,189	58,157,883
Total	1,212,871	91,523,246	1,012,702	70,099,233

12 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	8,022,064	605,344,949	8,022,064	555,287,270
Total	8,022,064	605,344,949	8,022,064	555,287,270

13 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(42,437,725)	(3,202,350,729)	(35,965,468)	(2,489,529,695)
Profit / (loss) for the year	(1,829,106)	(138,024,339)	(6,472,257)	(448,009,628)
Total	(44,266,831)	(3,340,375,068)	(42,437,725)	(2,937,539,323)

14 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Lease equalisation	-	-	58,090	4,020,990
Total	-	-	58,090	4,020,990

15 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	3,370,937	254,370,906	3,236,827	224,053,165
Provision for gratuity	6,245	471,248	290,623	20,116,924
Retention liability	188,379	14,215,079	251,762	17,426,966
Total	3,565,561	269,057,233	3,779,212	261,597,055



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from bank	37,000,000	2,792,020,000	37,000,000	2,561,140,000
Inter company loans taken (Net)	1,378,551	104,025,458	-	-
Total	38,378,551	2,896,045,458	37,000,000	2,561,140,000

17 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	16,875,519	1,273,426,664	13,498,833	934,389,220
Total	16,875,519	1,273,426,664	13,498,833	934,389,220

18 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	308,804	23,302,350	248,095	17,173,136
Interest accrued but not due on Inter Co. loan (Net)	111,229	8,393,340	22,755	1,575,101
Interest accrued but not due -others	5,449	411,182	17,793	1,231,631
Others	4,295	324,101	-	-
Total	429,777	32,430,973	288,643	19,979,868

19 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,231,646	168,400,007	2,212,015	153,115,678
Other Employee dues	1,422,941	107,375,128	2,516,065	174,162,019
Others	15	1,132	28,037	1,940,721
Total	3,654,602	275,776,267	4,756,117	329,218,418

20 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	246,900	18,631,074	315,902	21,866,736
Total	246,900	18,631,074	315,902	21,866,736



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

21 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	79,402,949	5,991,746,532	83,131,815	5,754,384,234
Total	79,402,949	5,991,746,532	83,131,815	5,754,384,234

22 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	2,486	187,594	15,846	1,096,860
Miscellaneous income	100,168	7,558,677	47,548	3,291,273
Total	102,654	7,746,271	63,394	4,388,133

23 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	55,237,143	4,168,194,811	50,812,014	3,517,207,609
Total	55,237,143	4,168,194,811	50,812,014	3,517,207,609

24 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	9,148,992	690,382,936	10,720,932	742,102,913
Contribution to provident and other funds	8,518	642,768	55,973	3,874,451
Staff welfare expenses	59,650	4,501,189	118,079	8,173,428
Total	9,217,160	695,526,893	10,894,984	754,150,792



25 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	6,132	462,721	20,573	1,424,063
Auditors remuneration	8,738	659,369	21,870	1,513,841
Communication expenses	238,749	18,016,000	303,659	21,019,276
CSR expenses	-	-	1,486	102,861
Electricity	1,240,532	93,610,545	1,250,748	86,576,777
Entertainment expenses	43,473	3,280,473	47,946	3,318,822
Exchange loss -Net	58,665	4,426,861	69,943	4,841,454
Insurance expenses	24,497	1,848,544	21,465	1,485,807
IT consumables	7,379	556,819	837	57,937
Legal and professional fees	6,863,339	517,907,561	11,979,749	829,238,226
Miscellaneous expenses	29,112	2,196,790	61,022	4,223,943
Printing and stationery	46,862	3,536,207	116,098	8,036,304
Provision for doubtful debts	20,304	1,532,140	545,382	37,751,342
Rates and Taxes	221,856	16,741,254	56,188	3,889,333
Recruitment expenses	40,732	3,073,637	53,614	3,711,161
Relocation Expense	12,273	926,121	4,420	305,952
Rent	1,560,458	117,752,161	1,576,182	109,103,318
Repairs and Maintenance Plant & Machinery	797,799	60,201,913	881,824	61,039,857
Repairs and Maintenance -Building	603	45,502	1,364	94,416
Seminars, trainings and conferences	28,168	2,125,557	19,740	1,366,403
Services rendered by agencies	162,550	12,266,023	504,260	34,904,877
Travelling and conveyance expenses	557,714	42,085,098	765,336	52,976,558
Total	11,969,935	903,251,296	18,303,706	1,266,982,528

26 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	1,439,231	108,604,371	1,399,086	96,844,733
Guarantee fees	147,808	11,153,592	151,540	10,489,599
Total	1,587,039	119,757,963	1,550,626	107,334,332



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LLP Identity No. AAB-7509

APPENDIX - 26

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Hungary) LLC** ("the subsidiary") registered in Hungary as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinod V
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	159,719	12,052,395	143,306	9,919,641
	Capital work-in-progress		2,370	178,840	39,068	2,704,287
	Financial assets					
	(i) Loans	2	56,959	4,298,126	-	-
	Other non-current assets	3	10,824	816,779	8,220	568,988
			229,872	17,346,140	190,594	13,192,916
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	4	326,101	24,607,581	407,633	28,216,356
	(ii) Cash and cash equivalent	5	549,379	41,456,139	353,840	24,492,805
	(iii) Other financial assets	6	3,739	282,145	4,551	315,020
	Other current assets	7	32,234	2,432,378	89,585	6,201,074
			911,453	68,778,243	855,609	59,225,255
	TOTAL ASSETS		1,141,325	86,124,383	1,046,203	72,418,171
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	870,623	65,697,212	870,623	60,264,524
	Other equity	9	(144,487)	(10,902,991)	(136,153)	(9,424,511)
	Total Equity		726,136	54,794,221	734,470	50,840,013
(2)	Non-current liabilities					
	Other non current liabilities (Deferred revenue)		3,907	294,822	-	-
			3,907	294,822	-	-
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	10	-	-	30,615	2,119,170
	(ii) Trade payables	11	395,332	29,831,753	267,786	18,536,147
	(iii) Other financial liabilities	12	3,129	236,114	-	-
	Other current liabilities	13	4,547	343,117	1,831	126,742
	Current tax liabilities (Net)		8,274	624,356	11,501	796,099
			411,282	31,035,340	311,733	21,578,158
	TOTAL EQUITY AND LIABILITIES		1,141,325	86,124,383	1,046,203	72,418,171

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications (Hungary) LLC

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	14	1,491,832	112,573,643	1,546,796	107,069,219
ii	Other Income	15	1,149	86,703	25,585	1,770,994
iii	Total income (i + ii)		1,492,981	112,660,346	1,572,381	108,840,213
iv	Expenses:					
	Network and transmission expenses	16	1,140,095	86,031,569	1,222,719	84,636,609
	Operating and other expenses	17	303,918	22,933,654	294,386	20,377,399
	Finance costs	18	5,665	427,481	6,694	463,359
	Depreciation and amortisation expenses		43,601	3,290,131	27,543	1,906,526
	Total expenses		1,493,279	112,682,835	1,551,342	107,383,893
v	Profit before taxes (iii - iv)		(298)	(22,489)	21,039	1,456,320
vi	Tax expenses					
	(i) Current tax expense/(benefit)		8,036	606,397	8,348	577,849
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		8,036	606,397	8,348	577,849
vii	Profit / (loss) for the year (v-vi)		(8,334)	(628,886)	12,691	878,471

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	507,177	38,271,576	448,332	31,033,541
(a)	507,177	38,271,576	448,332	31,033,541
Accumulated depreciation:				
Plant and machinery	347,458	26,219,181	305,026	21,113,900
(b)	347,458	26,219,181	305,026	21,113,900
Net block (a) - (b)	159,719	12,052,395	143,306	9,919,641

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	56,959	4,298,126	-	-
Total	56,959	4,298,126	-	-

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	10,824	816,779	8,220	568,988
Total	10,824	816,779	8,220	568,988

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	99,183	7,484,349	48,849	3,381,328
Intercompany receivables (Net)	226,918	17,123,232	358,784	24,835,028
Total	326,101	24,607,581	407,633	28,216,356

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	549,379	41,456,139	353,840	24,492,805
Total	549,379	41,456,139	353,840	24,492,805



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	-	-	2,541	175,888
Others	3,739	282,145	2,010	139,132
Total	3,739	282,145	4,551	315,020

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	22,772	1,718,375	26,136	1,809,134
Indirect tax receivable	9,462	714,003	63,449	4,391,940
Total	32,234	2,432,378	89,585	6,201,074

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	870,623	65,697,212	870,623	60,264,524
Total	870,623	65,697,212	870,623	60,264,524

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(136,153)	(10,274,105)	(148,844)	(10,302,982)
Profit / (loss) for the year	(8,334)	(628,886)	12,691	878,471
Total	(144,487)	(10,902,991)	(136,153)	(9,424,511)

10 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	-	-	30,615	2,119,170
Total	-	-	30,615	2,119,170



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	395,332	29,831,753	267,786	18,536,147
Total	395,332	29,831,753	267,786	18,536,147

12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	3,129	236,114	-	-
Total	3,129	236,114	-	-

13 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	4,547	343,117	1,831	126,742
Total	4,547	343,117	1,831	126,742

14 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	1,491,832	112,573,643	1,546,796	107,069,219
Total	1,491,832	112,573,643	1,546,796	107,069,219

15 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	935	70,555	3,073	212,713
Miscellaneous income	214	16,148	22,512	1,558,281
Total	1,149	86,703	25,585	1,770,994



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,140,095	86,031,569	1,222,719	84,636,609
Total	1,140,095	86,031,569	1,222,719	84,636,609

17 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	2,491	187,971	2,214	153,253
Auditors remuneration	7,900	596,134	12,100	837,562
Communication expenses	147	11,093	1,797	124,388
Electricity	6,161	464,909	4,840	335,025
Exchange loss -Net	80,086	6,043,290	51,654	3,575,490
Insurance expenses	4,749	358,360	2,763	191,255
Legal and professional fees	24,876	1,877,143	51,260	3,548,217
Miscellaneous expenses	2,212	166,918	4,092	283,249
Rates and Taxes	30,819	2,325,602	43,628	3,019,930
Repairs and Maintenance Plant & Machinery	38,188	2,881,666	107,836	7,464,408
Services rendered by agencies	99,716	7,524,569	4,170	288,647
Travelling and conveyance expenses	6,573	495,999	8,032	555,975
Total	303,918	22,933,654	294,386	20,377,399

18 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	5,326	401,900	5,807	401,961
Guarantee fees	339	25,581	887	61,398
Total	5,665	427,481	6,694	463,359



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APPENDIX - 49

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Transformation Services (Hungary) Kf** ("the subsidiary") registered in Hungary as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm Reg. No. 121750W / W-100010

Vinodkumar

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



Tata Communications Transformation Services (Hungary) Kf

BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			HUF	INR*	HUF	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Investments in subsidiaries	1	12,840,000	2,977,596	12,840,000	3,081,600
			12,840,000	2,977,596	12,840,000	3,081,600
(1)	Current assets					
	Financial assets					
	(i) Cash and cash equivalent	2	10,479,882	2,430,285	7,519,905	1,804,777
			10,479,882	2,430,285	7,519,905	1,804,777
	TOTAL ASSETS		23,319,882	5,407,881	20,359,905	4,886,377
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	3	30,270,000	7,019,613	22,650,000	5,436,000
	Other equity	4	(37,222,641)	(8,631,930)	(18,945,685)	(4,546,965)
	Total Equity		(6,952,641)	(1,612,317)	3,704,315	889,035
(2)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	5	30,272,523	7,020,198	16,655,590	3,997,342
			30,272,523	7,020,198	16,655,590	3,997,342
	TOTAL EQUITY AND LIABILITIES		23,319,882	5,407,881	20,359,905	4,886,377

*Exchange rate as at 31 March 2020 1 HUF = INR 0.23 (as at 31 March 2019 1 HUF = INR 0.24)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			HUF	INR*	HUF	INR*
i	Revenue from telecommunications services	6	-	-	-	-
ii	Other income		6	1	134,786	32,349
iii	Total income (i + ii)		6	1	134,786	32,349
iv	Expenses:	7				
	(i) Operating and other expenses		18,276,962	4,238,427	6,861,043	1,646,651
	Total expenses		18,276,962	4,238,427	6,861,043	1,646,651
v	Profit / (loss) before taxes (iii - iv)		(18,276,956)	(4,238,426)	(6,726,257)	(1,614,302)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(18,276,956)	(4,238,426)	(6,726,257)	(1,614,302)

*Exchange rate as at 31 March 2020 1 HUF = INR 0.23 (as at 31 March 2019 1 HUF = INR 0.24)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Investments in subsidiaries

Particulars	As at 31 March 2020		As at 31 March 2019	
	HUF	INR	HUF	INR
Investments in subsidiaries	12,840,000	2,977,596	12,840,000	3,081,600
Total	12,840,000	2,977,596	12,840,000	3,081,600

2 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	HUF	INR	HUF	INR
Balance with bank	10,479,882	2,430,285	7,519,905	1,804,777
Total	10,479,882	2,430,285	7,519,905	1,804,777

3 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	HUF	INR	HUF	INR
Equity share capital	30,270,000	7,019,613	22,650,000	5,436,000
Total	30,270,000	7,019,613	22,650,000	5,436,000

4 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	HUF	INR	HUF	INR
Surplus / (Deficit)				
Opening balance	(18,945,685)	(4,393,504)	(12,219,428)	(2,932,663)
Profit / (loss) for the year	(18,276,956)	(4,238,426)	(6,726,257)	(1,614,302)
Closing balance	(37,222,641)	(8,631,930)	(18,945,685)	(4,546,965)

5 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	HUF	INR	HUF	INR
Trade payable	30,272,523	7,020,198	16,655,590	3,997,342
Total	30,272,523	7,020,198	16,655,590	3,997,342



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	HUF	INR	HUF	INR
Interest income - others	6	1	7	2
Exchange Gain/(Loss) -Net	-	-	134,779	32,347
Total	6	1	134,786	32,349

7 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	HUF	INR	HUF	INR
Exchange (Gain)/Loss -Net	154,748	35,886	-	-
Legal and professional fees	17,705,521	4,105,910	6,357,569	1,525,817
Miscellaneous expenses	411,693	95,471	493,474	118,434
Rates and Taxes	5,000	1,160	10,000	2,400
Total	18,276,962	4,238,427	6,861,043	1,646,651



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APPENDIX - 27

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Ireland) Ltd.** ("the subsidiary") registered in Ireland as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Va
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	950,147	71,698,093	941,858	65,195,411
	Capital work-in-progress		7,721	582,627	7,833	542,200
	Financial assets					
	(i) Other financial assets	2	761	57,425	778	53,853
	Deferred tax assets (Net)		-	-	28,462	1,970,140
	Other non-current assets	3	16,154	1,218,981	12,650	875,633
			974,783	73,557,126	991,581	68,637,237
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	4	1,574,817	118,835,691	1,319,641	91,345,550
	(ii) Other financial assets	5	3,470	261,846	3,553	245,939
	Other current assets	6	88,675	6,691,416	56,686	3,923,805
			1,666,962	125,788,953	1,379,880	95,515,294
	TOTAL ASSETS		2,641,745	199,346,079	2,371,461	164,152,531
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	7	1	75	1	69
	Other equity	8	131,722	9,939,745	102,578	7,100,450
	Total Equity		131,723	9,939,820	102,579	7,100,519
(2)	Non-current liabilities					
	Deferred tax liabilities (Net)		820	61,877	-	-
	Other non current liabilities (Deferred revenue)		45,244	3,414,112	88,078	6,096,759
			46,064	3,475,989	88,078	6,096,759
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	9	468,416	35,346,671	183,746	12,718,898
	(ii) Trade payables	10	1,363,647	102,900,802	1,495,598	103,525,293
	(iii) Other financial liabilities	11	19,895	1,501,277	22,143	1,532,739
	Other current liabilities	12	605,224	45,670,203	473,003	32,741,268
	Current tax liabilities (Net)		6,776	511,317	6,314	437,055
			2,463,958	185,930,270	2,180,804	150,955,253
	TOTAL EQUITY AND LIABILITIES		2,641,745	199,346,079	2,371,461	164,152,531

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	13	7,203,547	543,579,657	7,055,820	488,403,860
ii	Other Income	14	8,907	672,122	11,239	777,963
iii	Total income (i + ii)		7,212,454	544,251,779	7,067,059	489,181,823
iv	Expenses:					
	Network and transmission expenses	15	6,078,987	458,720,359	5,825,188	403,219,513
	Employee benefits expenses	16	5,007	377,828	(274)	(18,966)
	Operating and other expenses	17	827,245	62,423,904	969,150	67,084,561
	Finance costs	18	10,771	812,780	23,054	1,595,798
	Depreciation and amortisation expenses		231,556	17,473,216	163,471	11,315,463
	Total expenses		7,153,566	539,808,087	6,980,589	483,196,369
v	Profit before taxes (iii - iv)		58,888	4,443,692	86,470	5,985,454
vi	Tax expenses					
	(i) Current tax expense/(benefit)		462	34,863	5,243	362,920
	(ii) Deferred tax expense/(benefit)		29,282	2,209,620	801	55,445
	Net tax expenses		29,744	2,244,483	6,044	418,365
vii	Profit / (loss) for the year (v-vi)		29,144	2,199,209	80,426	5,567,089

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,660,608	125,309,480	1,551,467	107,392,546
Computers	3,156	238,152	2,751	190,424
(a)	1,663,764	125,547,632	1,554,218	107,582,970
Accumulated depreciation:				
Plant and machinery	710,461	53,611,387	609,609	42,197,135
Computers	3,156	238,152	2,751	190,424
(b)	713,617	53,849,539	612,360	42,387,559
Net block (a) - (b)	950,147	71,698,093	941,858	65,195,411

2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	761	57,425	778	53,853
Total	761	57,425	778	53,853

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	16,154	1,218,981	12,650	875,633
Total	16,154	1,218,981	12,650	875,633

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	1,594,334	120,308,444	1,328,069	91,928,936
Provision for doubtful debts	(19,517)	(1,472,753)	(8,428)	(583,386)
Total	1,574,817	118,835,691	1,319,641	91,345,550



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	2,967	223,890	3,553	245,939
Others	503	37,956	-	-
Total	3,470	261,846	3,553	245,939

6 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	88,675	6,691,416	56,686	3,923,805
Total	88,675	6,691,416	56,686	3,923,805

7 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	1	75	1	69
Total	1	75	1	69

8 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	102,578	7,740,536	22,152	1,533,361
Profit / (loss) for the year	29,144	2,199,209	80,426	5,567,089
Total	131,722	9,939,745	102,578	7,100,450

9 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	468,416	35,346,671	183,746	12,718,898
Total	468,416	35,346,671	183,746	12,718,898



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	454,577	34,302,380	621,779	43,039,542
Inter Company - Payables (Net)	909,070	68,598,422	873,819	60,485,751
Total	1,363,647	102,900,802	1,495,598	103,525,293

11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	19,895	1,501,277	20,348	1,408,489
Others	-	-	1,795	124,250
Total	19,895	1,501,277	22,143	1,532,739

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	565,515	42,673,762	445,996	30,871,843
Other Statutory dues	39,709	2,996,441	27,007	1,869,425
Total	605,224	45,670,203	473,003	32,741,268

13 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	7,203,547	543,579,657	7,055,820	488,403,860
Total	7,203,547	543,579,657	7,055,820	488,403,860

14 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	8,563	646,164	11,228	777,202
Miscellaneous income	344	25,958	11	761
Total	8,907	672,122	11,239	777,963



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	6,078,987	458,720,359	5,825,188	403,219,513
Total	6,078,987	458,720,359	5,825,188	403,219,513

16 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Staff welfare expenses	5,007	377,828	(274)	(18,966)
Total	5,007	377,828	(274)	(18,966)

17 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	182,894	13,801,181	79,339	5,491,846
Auditors remuneration	6,900	520,674	12,100	837,562
Communication expenses	900	67,914	1,224	84,725
Electricity	21,010	1,585,415	19,760	1,367,787
Exchange loss -Net	72,992	5,507,976	182,094	12,604,547
Insurance expenses	6,956	524,900	3,915	270,996
Legal and professional fees	106,891	8,065,995	102,122	7,068,885
Miscellaneous expenses	66,618	5,026,990	71,202	4,928,601
Provision for doubtful debts	11,089	836,776	3,973	275,011
Repairs and Maintenance Plant & Machinery	324,893	24,516,426	468,706	32,443,829
Services rendered by agencies	26,102	1,969,657	24,715	1,710,772
Total	827,245	62,423,904	969,150	67,084,561

18 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	10,212	770,598	20,718	1,434,100
Guarantee fees	559	42,182	2,336	161,698
Total	10,771	812,780	23,054	1,595,798



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LLP Identity No. AAB-7509

APPENDIX - 9

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Italy) srl** ("the subsidiary") registered in Italy as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	497,172	37,516,599	572,248	39,611,006
	Capital work-in-progress		24,971	1,884,312	25,382	1,756,942
	Non current tax asset (Net)		132,493	9,997,922	393,979	27,271,226
	Other non-current assets	2	26,430	1,994,408	17,941	1,241,876
			681,066	51,393,241	1,009,550	69,881,050
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	3	1,667,801	125,852,263	2,777,518	192,259,795
	(ii) Cash and cash equivalent	4	37,772	2,850,275	-	-
	(iii) Other financial assets	5	9,360	706,306	7,733	535,278
	Other current assets	6	6,684,557	504,416,671	5,219,625	361,302,442
			8,399,490	633,825,515	8,004,876	554,097,515
	TOTAL ASSETS		9,080,556	685,218,756	9,014,426	623,978,565
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	7	6,871,073	518,491,169	6,597,490	456,678,258
	Other equity	8	(6,680,173)	(504,085,854)	(6,375,049)	(441,280,895)
	Total Equity		190,900	14,405,315	222,441	15,397,363
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	9	5,747,111	433,676,996	5,217,076	361,126,001
	(ii) Trade payables	10	2,546,082	192,127,348	3,023,701	209,300,583
	(iii) Other financial liabilities	11	98,259	7,414,624	38,785	2,684,698
	Other current liabilities	12	423,312	31,943,123	452,022	31,288,963
	Provisions	13	74,892	5,651,350	60,401	4,180,957
			8,889,656	670,813,441	8,791,985	608,581,202
	TOTAL EQUITY AND LIABILITIES		9,080,556	685,218,756	9,014,426	623,978,565

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	14	17,757,295	1,339,965,481	16,952,860	1,173,476,969
ii	Other Income	15	416,395	31,421,166	565,947	39,174,852
iii	Total income (i + ii)		18,173,690	1,371,386,647	17,518,807	1,212,651,821
iv	Expenses:					
	Network and transmission expenses	16	15,977,418	1,205,655,962	15,830,437	1,095,782,849
	Employee benefits expenses	17	693,199	52,308,796	750,146	51,925,106
	Operating and other expenses	18	1,192,496	89,985,747	712,593	49,325,690
	Finance costs	19	389,535	29,394,311	286,511	19,832,292
	Depreciation and amortisation expenses		180,769	13,640,829	148,289	10,264,565
	Total expenses		18,433,417	1,390,985,645	17,727,976	1,227,130,502
v	Profit before taxes (iii - iv)		(259,727)	(19,598,998)	(209,169)	(14,478,681)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		45,397	3,425,658	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		45,397	3,425,658	-	-
vii	Profit / (loss) for the year (v-vi)		(305,124)	(23,024,656)	(209,169)	(14,478,681)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Non-current assets	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,898,191	143,237,493	1,942,747	134,476,947
Computers	1,653	124,735	1,653	114,421
(a)	1,899,844	143,362,228	1,944,400	134,591,368
Accumulated depreciation:				
Plant and machinery	1,401,019	105,720,894	1,370,499	94,865,941
Computers	1,653	124,735	1,653	114,421
(b)	1,402,672	105,845,629	1,372,152	94,980,362
Net block (a) - (b)	497,172	37,516,599	572,248	39,611,006

2 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	26,430	1,994,408	17,941	1,241,876
Total	26,430	1,994,408	17,941	1,241,876

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	427,222	32,238,172	668,852	46,297,935
Intercompany receivables (Net)	1,287,614	97,163,352	2,164,302	149,812,984
Provision for doubtful debts	(47,035)	(3,549,261)	(55,636)	(3,851,124)
Total	1,667,801	125,852,263	2,777,518	192,259,795

4 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	37,772	2,850,275	-	-
Total	37,772	2,850,275	-	-

5 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	9,360	706,306	7,733	535,278
Total	9,360	706,306	7,733	535,278



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	10,814	816,024	35,261	2,440,766
Prepaid expenses	199,923	15,086,190	216,468	14,983,915
Indirect tax receivable	6,473,820	488,514,457	4,967,896	343,877,761
Total	6,684,557	504,416,671	5,219,625	361,302,442

7 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	6,871,073	518,491,169	6,597,490	456,678,258
Total	6,871,073	518,491,169	6,597,490	456,678,258

8 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(6,375,049)	(481,061,198)	(6,165,880)	(426,802,214)
Profit / (loss) for the year	(305,124)	(23,024,656)	(209,169)	(14,478,681)
Total	(6,680,173)	(504,085,854)	(6,375,049)	(441,280,895)

9 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	5,747,111	433,676,996	5,217,076	361,126,001
Total	5,747,111	433,676,996	5,217,076	361,126,001

10 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	2,546,082	192,127,348	3,023,701	209,300,583
Total	2,546,082	192,127,348	3,023,701	209,300,583



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	17,218	1,299,270	17,610	1,218,964
Interest accrued but not due on Inter Co. loan (Net)	81,041	6,115,354	21,175	1,465,734
Total	98,259	7,414,624	38,785	2,684,698

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	6,859	517,580	11,223	776,856
Other Employee dues	416,342	31,417,167	440,799	30,512,107
Others	111	8,376	-	-
Total	423,312	31,943,123	452,022	31,288,963

13 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	74,892	5,651,350	60,401	4,180,957
Total	74,892	5,651,350	60,401	4,180,957

14 Revenue from operations

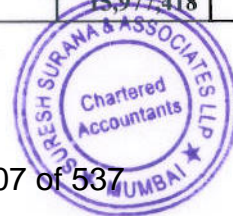
Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	17,757,295	1,339,965,481	16,952,860	1,173,476,969
Total	17,757,295	1,339,965,481	16,952,860	1,173,476,969

15 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	41,668	3,144,267	2,144	148,408
Exchange gain -Net	371,444	28,029,164	563,803	39,026,444
Miscellaneous income	3,283	247,735	-	-
Total	416,395	31,421,166	565,947	39,174,852

16 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	15,977,418	1,205,655,962	15,830,437	1,095,782,849
Total	15,977,418	1,205,655,962	15,830,437	1,095,782,849



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

17 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	691,051	52,146,708	747,947	51,772,891
Staff welfare expenses	2,148	162,088	2,199	152,215
Total	693,199	52,308,796	750,146	51,925,106

18 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	33,880	2,556,585	39,274	2,718,546
Auditors remuneration	30,000	2,263,800	50,000	3,461,000
Communication expenses	5,425	409,371	7,954	550,576
Electricity	27,408	2,068,208	28,136	1,947,574
Entertainment expenses	1,649	124,434	647	44,785
Insurance expenses	10,138	765,013	5,689	393,793
IT consumables	12	906	111	7,683
Legal and professional fees	336,958	25,426,851	141,865	9,819,895
Miscellaneous expenses	255,624	19,289,383	8,259	571,692
Printing and stationery	1,174	88,590	1,177	81,472
Provision for doubtful debts	(8,601)	(649,031)	4,610	319,104
Rates and Taxes	187,945	14,182,330	128,382	8,886,602
Repairs and Maintenance Plant & Machinery	249,043	18,792,785	207,584	14,368,964
Services rendered by agencies	33,656	2,539,682	42,129	2,916,169
Travelling and conveyance expenses	28,185	2,126,840	46,776	3,237,835
Total	1,192,496	89,985,747	712,593	49,325,690

19 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	361,224	27,257,963	265,926	18,407,398
Guarantee fees	28,311	2,136,348	20,585	1,424,894
Total	389,535	29,394,311	286,511	19,832,292



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APPENDIX - 36

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Japan) KK** ("the subsidiary") registered in Japan as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar V

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A) ASSETS						
(1) Non-current assets						
Property, plant and equipment	1		49,598,048	3,742,668,702	58,178,165	4,027,092,581
Capital work-in-progress			268,550	20,264,783	241,486	16,715,661
Right-of-use assets			15,029,067	1,134,093,396	-	-
Other intangible assets	2		27,287	2,059,077	42,880	2,968,153
Financial assets						
(i) Loans	3		19,831,794	1,496,507,175	18,387,591	1,272,789,049
(ii) Other financial assets	4		161,348	12,175,320	158,099	10,943,613
Other non-current assets	5		59,408	4,482,928	20,639	1,428,632
			84,975,502	6,412,251,381	77,028,860	5,331,937,689
(2) Current assets						
Financial assets						
(i) Trade receivables	6		2,691,734	203,118,248	2,526,553	174,887,999
(ii) Cash and cash equivalent	7		274,928	20,746,067	240,678	16,659,731
(iii) Other financial assets	8		269,017	20,300,023	127,795	8,845,970
Other current assets	9		1,137,195	85,812,735	1,244,599	86,151,143
			4,372,874	329,977,073	4,139,625	286,544,843
TOTAL ASSETS			89,348,376	6,742,228,454	81,168,485	5,618,482,532
(B) EQUITY AND LIABILITIES						
(1) Equity						
Equity share capital	10		3,628,039	273,771,823	3,628,039	251,132,860
Other equity	11		(2,604,319)	(196,521,910)	(3,354,189)	(232,176,964)
Total Equity			1,023,720	77,249,913	273,850	18,955,896
(2) Non-current liabilities						
Financial liabilities						
(i) Lease liabilities			12,057,822	909,883,248	-	-
Provisions	12		1,371,690	103,507,727	1,301,814	90,111,565
Deferred tax liabilities (Net)			2,681,379	202,336,859	3,762,417	260,434,505
Other non current liabilities (Deferred revenue)			52,985,842	3,998,311,637	60,112,636	4,160,996,664
			69,096,733	5,214,039,471	65,176,867	4,511,542,734
(3) Current liabilities						
Financial liabilities						
(i) Trade payables	13		4,566,783	344,609,445	4,809,040	332,881,749
(ii) Other financial liabilities	14		4,463	336,778	-	-
(iii) Lease liabilities			3,279,910	247,502,009	-	-
Other current liabilities	15		9,899,786	747,037,852	9,749,891	674,887,455
Provisions	16		71,689	5,409,652	68,771	4,760,329
Current tax liabilities (Net)			1,405,292	106,043,334	1,090,066	75,454,369
			19,227,923	1,450,939,070	15,717,768	1,087,983,902
TOTAL EQUITY AND LIABILITIES			89,348,376	6,742,228,454	81,168,485	5,618,482,532

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	17	31,954,439	2,411,281,967	35,267,766	2,441,234,763
ii	Other Income	18	567,683	42,837,359	203,045	14,054,775
iii	Total income (i + ii)		32,522,122	2,454,119,326	35,470,811	2,455,289,538
iv	Expenses:					
	Network and transmission expenses	19	15,087,987	1,138,539,499	16,909,101	1,170,447,971
	Employee benefits expenses	20	1,466,032	110,626,775	1,583,131	109,584,328
	Operating and other expenses	21	3,662,689	276,386,509	4,480,201	310,119,515
	Finance costs	22	66,853	5,044,727	63,519	4,396,785
	Depreciation and amortisation expenses		10,564,834	797,222,374	10,770,048	745,502,723
	Total expenses		30,848,395	2,327,819,884	33,806,000	2,340,051,322
v	Profit before taxes (iii - iv)		1,673,727	126,299,442	1,664,811	115,238,216
vi	Tax expenses					
	(i) Current tax expense/(benefit)		2,004,895	151,289,377	1,808,401	125,177,517
	(ii) Deferred tax expense/(benefit)		(1,081,038)	(81,575,127)	(568,515)	(39,352,608)
	Net tax expenses		923,857	69,714,250	1,239,886	85,824,909
vii	Profit / (loss) for the year (v-vi)		749,870	56,585,192	424,925	29,413,307

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Land	2,087,335	157,510,299	2,087,335	144,485,329
Building	3,639,635	274,646,857	3,639,635	251,935,535
Lease hold improvement	40,434	3,051,150	40,434	2,798,841
Cables	87,445,023	6,598,601,436	85,993,110	5,952,443,074
Plant and machinery	82,955,463	6,259,819,238	83,677,693	5,792,169,909
Furniture and fixtures	37,731	2,847,181	37,731	2,611,740
Computers	243,943	18,407,939	260,778	18,051,053
Office equipment	345,844	26,097,388	346,741	24,001,412
(a)	176,795,408	13,340,981,488	176,083,457	12,188,496,893
Accumulated depreciation:				
Land	-	-	-	-
Building	2,142,509	161,673,729	1,996,156	138,173,918
Lease hold improvement	40,434	3,051,150	40,434	2,798,841
Cables	56,259,192	4,245,318,628	50,463,017	3,493,050,037
Plant and machinery	68,283,706	5,152,688,455	64,966,172	4,496,958,426
Furniture and fixtures	20,583	1,553,193	16,973	1,174,871
Computers	243,943	18,407,939	259,698	17,976,296
Office equipment	206,993	15,619,692	162,842	11,271,923
(b)	127,197,360	9,598,312,786	117,905,292	8,161,404,312
Net block (a) - (b)	49,598,048	3,742,668,702	58,178,165	4,027,092,581

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	47,251	3,565,560	46,778	3,237,973
(a)	47,251	3,565,560	46,778	3,237,973
Accumulated amortisation:				
Computer software	19,964	1,506,483	3,898	269,820
(b)	19,964	1,506,483	3,898	269,820
Net block (a) - (b)	27,287	2,059,077	42,880	2,968,153

3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	19,831,794	1,496,507,175	18,387,591	1,272,789,049
Total	19,831,794	1,496,507,175	18,387,591	1,272,789,049



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	161,348	12,175,320	158,099	10,943,613
Total	161,348	12,175,320	158,099	10,943,613

5 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	59,408	4,482,928	20,639	1,428,632
Total	59,408	4,482,928	20,639	1,428,632

6 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	2,732,397	206,186,678	2,796,016	193,540,228
Provision for doubtful debts	(40,663)	(3,068,430)	(269,463)	(18,652,229)
Total	2,691,734	203,118,248	2,526,553	174,887,999

7 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	274,928	20,746,067	240,678	16,659,731
Total	274,928	20,746,067	240,678	16,659,731

8 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	269,017	20,300,023	126,078	8,727,119
Others	-	-	1,717	118,851
Total	269,017	20,300,023	127,795	8,845,970

9 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	381,543	28,791,235	297,158	20,569,277
Indirect tax receivable	755,652	57,021,500	947,441	65,581,866
Total	1,137,195	85,812,735	1,244,599	86,151,143



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	3,628,039	273,771,823	3,628,039	251,132,860
Total	3,628,039	273,771,823	3,628,039	251,132,860

11 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(3,354,189)	(253,107,102)	(3,779,114)	(261,590,271)
Profit / (loss) for the year	749,870	56,585,192	424,925	29,413,307
Total	(2,604,319)	(196,521,910)	(3,354,189)	(232,176,964)

12 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	1,371,690	103,507,727	1,301,814	90,111,565
Total	1,371,690	103,507,727	1,301,814	90,111,565

13 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	4,220,633	318,488,966	4,153,599	287,512,123
Inter Company - Payables (Net)	346,150	26,120,479	655,441	45,369,626
Total	4,566,783	344,609,445	4,809,040	332,881,749

14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	2,100	158,466	-	-
Others	2,363	178,312	-	-
Total	4,463	336,778	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	9,794,736	739,110,779	9,596,618	664,277,898
Other Employee dues	105,012	7,924,206	96,826	6,702,296
Other Statutory dues	-	-	56,447	3,907,261
Others	38	2,867	-	-
Total	9,899,786	747,037,852	9,749,891	674,887,455

16 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	71,689	5,409,652	68,771	4,760,329
Total	71,689	5,409,652	68,771	4,760,329

17 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	31,954,439	2,411,281,967	35,267,766	2,441,234,763
Total	31,954,439	2,411,281,967	35,267,766	2,441,234,763

18 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	-	-	1	69
Interest on loan to subsidiaries	553,866	41,794,728	199,004	13,775,057
Miscellaneous income	13,817	1,042,631	4,040	279,649
Total	567,683	42,837,359	203,045	14,054,775

19 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	15,087,987	1,138,539,499	16,909,101	1,170,447,971
Total	15,087,987	1,138,539,499	16,909,101	1,170,447,971



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,460,825	110,233,855	1,579,060	109,302,533
Staff welfare expenses	5,207	392,920	4,071	281,795
Total	1,466,032	110,626,775	1,583,131	109,584,328

21 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Communication expenses	35,994	2,716,107	33,279	2,303,572
Donations	-	-	3,238	224,134
Electricity	1,661,462	125,373,923	1,587,374	109,878,028
Entertainment expenses	2,130	160,730	1,682	116,428
Exchange loss -Net	353,070	26,642,662	55,800	3,862,476
Insurance expenses	90,922	6,860,974	73,197	5,066,696
IT consumables	3,071	231,738	912	63,129
Legal and professional fees	217,342	16,400,627	215,485	14,915,872
Miscellaneous expenses	104,279	7,868,888	112,264	7,770,918
Printing and stationery	6,876	518,863	9,649	667,904
Provision for doubtful debts	(228,801)	(17,265,323)	197,364	13,661,536
Rates and Taxes	415,341	31,341,632	385,679	26,696,700
Recruitment expenses	-	-	43,119	2,984,697
Rent	107,655	8,123,646	276,684	19,152,066
Repairs and Maintenance Plant & Machinery	713,373	53,831,127	962,736	66,640,586
Repairs and Maintenance -Building	25,175	1,899,706	355,318	24,595,112
Security charges	3,959	298,746	-	-
Seminars, trainings and conferences	1,212	91,458	1,834	126,949
Services rendered by agencies	118,580	8,948,047	124,674	8,629,934
Travelling and conveyance expenses	31,049	2,342,958	39,913	2,762,778
Total	3,662,689	276,386,509	4,480,201	310,119,515

22 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	66,853	5,044,727	63,519	4,396,785
Total	66,853	5,044,727	63,519	4,396,785



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APPENDIX - 17

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **ITXC IP Holdings SARL** ("the subsidiary") registered in Luxembourg as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar V

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	134,059	10,116,092	160,347	11,099,220
Financial assets					
(i) Loans	2	10,402,735	784,990,383	9,948,660	688,646,245
		10,536,794	795,106,475	10,109,007	699,745,465
(2) Current assets					
Financial assets					
(i) Trade receivables	3	210,439	15,879,727	214,076	14,818,341
(ii) Other financial assets	4	229,084	17,286,679	209,831	14,524,502
Other current assets	5	13,716	1,035,009	10,733	742,938
		453,239	34,201,415	434,640	30,085,781
TOTAL ASSETS		10,990,033	829,307,890	10,543,647	729,831,246
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	6	16,247	1,225,999	16,247	1,124,617
Other equity	7	(246,410)	(18,594,099)	690,226	47,777,444
Total Equity		(230,163)	(17,368,100)	706,473	48,902,061
-2 Current liabilities					
Financial liabilities					
(i) Borrowings	8	11,172,520	843,078,359	9,790,066	677,668,369
(ii) Trade payables	9	34,988	2,640,194	37,962	2,627,730
Other current liabilities	10	389	29,354	-	-
Current tax liabilities (Net)		12,299	928,083	9,146	633,086
		11,220,196	846,675,990	9,837,174	680,929,185
TOTAL EQUITY AND LIABILITIES		10,990,033	829,307,890	10,543,647	729,831,246

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	11	766,495	57,839,713	1,039,670	71,965,957
ii	Other Income	12	451,246	34,051,023	2,769,705	191,718,980
iii	Total income (i + ii)		1,217,741	91,890,736	3,809,375	263,684,937
iv	Expenses:					
	Network and transmission expenses	13	444,140	33,514,804	6,947	480,871
	Operating and other expenses	14	292,073	22,039,830	1,004,581	69,537,096
	Finance costs	15	1,382,454	104,319,979	-	-
	Depreciation and amortisation expenses		26,288	1,983,692	23,294	1,612,411
	Total expenses		2,144,955	161,858,305	1,034,822	71,630,378
v	Profit before taxes (iii - iv)		(927,214)	(69,967,569)	2,774,553	192,054,559
vi	Tax expenses					
	(i) Current tax expense/(benefit)		9,422	710,984	(2,256)	(156,160)
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		9,422	710,984	(2,256)	(156,160)
vii	Profit / (loss) for the year (v-vi)		(936,636)	(70,678,553)	2,776,809	192,210,719

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	210,303	15,869,464	210,303	14,557,174
(a)	210,303	15,869,464	210,303	14,557,174
Accumulated depreciation:				
Plant and machinery	76,244	5,753,372	49,956	3,457,954
(b)	76,244	5,753,372	49,956	3,457,954
Net block (a) - (b)	134,059	10,116,092	160,347	11,099,220

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	10,402,735	784,990,383	9,948,660	688,646,245
Total	10,402,735	784,990,383	9,948,660	688,646,245

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	16,320	1,231,507	9,719	672,749
Intercompany receivables (Net)	194,459	14,673,876	204,357	14,145,592
Provision for doubtful debts	(340)	(25,656)	-	-
Total	210,439	15,879,727	214,076	14,818,341

4 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	229,084	17,286,679	209,831	14,524,502
Total	229,084	17,286,679	209,831	14,524,502

5 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Indirect tax receivable	13,716	1,035,009	10,733	742,938
Total	13,716	1,035,009	10,733	742,938



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	16,247	1,225,999	16,247	1,124,617
Total	16,247	1,225,999	16,247	1,124,617

7 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	690,226	52,084,454	(2,086,583)	(144,433,275)
Profit / (loss) for the year	(936,636)	(70,678,553)	2,776,809	192,210,719
Total	(246,410)	(18,594,099)	690,226	47,777,444

8 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	11,172,520	843,078,359	9,790,066	677,668,369
Total	11,172,520	843,078,359	9,790,066	677,668,369

9 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	34,988	2,640,194	37,318	2,583,152
Inter Company - Payables (Net)	-	-	644	44,578
Total	34,988	2,640,194	37,962	2,627,730

10 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	389	29,354	-	-
Total	389	29,354	-	-

11 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	766,495	57,839,713	1,039,670	71,965,957
Total	766,495	57,839,713	1,039,670	71,965,957



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

12 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	451,246	34,051,023	2,769,705	191,718,980
Total	451,246	34,051,023	2,769,705	191,718,980

13 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	444,140	33,514,804	6,947	480,871
Total	444,140	33,514,804	6,947	480,871

14 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Auditors remuneration	328	24,751	346	23,950
Communication expenses	314	23,694	72	4,984
Electricity	8,310	627,073	8,623	596,884
Exchange loss -Net	235,807	17,793,996	936,470	64,822,453
Legal and professional fees	42,251	3,188,260	54,596	3,779,135
Miscellaneous expenses	375	28,299	1,108	76,695
Provision for doubtful debts	340	25,656	-	-
Rates and Taxes	393	29,656	(29)	(2,007)
Repairs and Maintenance Plant & Machinery	3,330	251,282	3,395	235,002
Services rendered by agencies	625	47,163	-	-
Total	292,073	22,039,830	1,004,581	69,537,096

15 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	1,382,454	104,319,979	-	-
Total	1,382,454	104,319,979	-	-



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APPENDIX - 32

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Malaysia) Sdn Bhd** ("the subsidiary") registered in Malaysia as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar V
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	910,196	68,683,390	1,172,019	81,127,155
Capital work-in-progress		17,300	1,305,458	23,620	1,634,976
Other intangible assets	2	9,167	691,742	14,167	980,640
Financial assets					
(i) Other financial assets	3	8,102	611,377	8,574	593,492
Deferred tax assets (Net)		221,256	16,695,978	4,466	309,137
Other non-current assets	4	21,079	1,590,621	122,424	8,474,189
		1,187,100	89,578,566	1,345,270	93,119,589
(2) Current assets					
Financial assets					
(i) Trade receivables	5	1,915,268	144,526,123	2,678,013	185,372,060
(ii) Cash and cash equivalent	6	467,992	35,314,676	340,666	23,580,901
(iii) Other financial assets	7	18,525	1,397,896	4,973	344,231
Other current assets	8	229,591	17,324,937	308,740	21,370,983
		2,631,376	198,563,632	3,332,392	230,668,175
TOTAL ASSETS		3,818,476	288,142,198	4,677,662	323,787,764
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	9	47,560	3,588,878	47,560	3,292,103
Other equity	10	464,018	35,014,796	355,885	24,634,361
Total Equity		511,578	38,603,674	403,445	27,926,464
(2) Non-current liabilities					
Other non current liabilities (Deferred revenue)		2,097	158,240	4,679	323,880
		2,097	158,240	4,679	323,880
(3) Current liabilities					
Financial liabilities					
(i) Borrowings	11	1,141,968	86,172,905	1,247,032	86,319,555
(ii) Trade payables	12	1,905,177	143,764,656	2,816,091	194,929,819
(iii) Other financial liabilities	13	25,771	1,944,680	19,563	1,354,151
Other current liabilities	14	74,207	5,599,661	174,423	12,073,560
Provisions	15	1,847	139,375	8,093	560,197
Current tax liabilities (Net)		155,831	11,759,007	4,336	300,138
		3,304,801	249,380,284	4,269,538	295,537,420
TOTAL EQUITY AND LIABILITIES		3,818,476	288,142,198	4,677,662	323,787,764

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	16	7,426,510	560,404,445	9,789,826	677,651,756
ii	Other Income	17	6,114	461,363	23,275	1,611,095
iii	Total income (i + ii)		7,432,624	560,865,808	9,813,101	679,262,851
iv	Expenses:					
	Network and transmission expenses	18	5,730,827	432,448,205	7,594,105	525,663,948
	Employee benefits expenses	19	266,937	20,143,066	457,330	31,656,383
	Operating and other expenses	20	950,885	71,753,785	1,186,186	82,107,792
	Finance costs	21	51,328	3,873,211	41,598	2,879,414
	Depreciation and amortisation expenses		356,091	26,870,627	313,207	21,680,189
	Total expenses		7,356,068	555,088,894	9,592,426	663,987,726
v	Profit before exceptional items and taxes (iii - iv)		76,556	5,776,914	220,675	15,275,125
vi	Exceptional items:					
	Staff cost optimisation		-	-	(129,817)	(8,985,933)
vii	Profit before taxes (v - vi)		76,556	5,776,914	90,858	6,289,192
viii	Tax expenses					
	(i) Current tax expense/(benefit)		185,213	13,976,173	44,011	3,046,441
	(ii) Deferred tax expense/(benefit)		(216,790)	(16,358,973)	10,496	726,533
	Net tax expenses		(31,577)	(2,382,800)	54,507	3,772,974
ix	Profit / (loss) for the year (vii-viii)		108,133	8,159,714	36,351	2,516,218

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,961,268	147,997,283	1,871,999	129,579,771
(a)	1,961,268	147,997,283	1,871,999	129,579,771
Accumulated depreciation:				
Plant and machinery	1,051,072	79,313,893	699,980	48,452,616
(b)	1,051,072	79,313,893	699,980	48,452,616
Net block (a) - (b)	910,196	68,683,390	1,172,019	81,127,155

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	15,000	1,131,900	15,000	1,038,300
(a)	15,000	1,131,900	15,000	1,038,300
Accumulated amortisation:				
Computer software	5,833	440,158	833	57,660
(b)	5,833	440,158	833	57,660
Net block (a) - (b)	9,167	691,742	14,167	980,640

3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	8,102	611,377	8,574	593,492
Total	8,102	611,377	8,574	593,492

4 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	21,079	1,590,621	122,424	8,474,189
Total	21,079	1,590,621	122,424	8,474,189

5 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	1,499,789	113,174,078	1,397,018	96,701,586
Intercompany receivables (Net)	608,731	45,934,841	1,357,005	93,931,886
Provision for doubtful debts	(193,252)	(14,582,796)	(76,010)	(5,261,412)
Total	1,915,268	144,526,123	2,678,013	185,372,060



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	467,992	35,314,676	340,666	23,580,901
Total	467,992	35,314,676	340,666	23,580,901

7 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	5,118	386,204	5,118	354,268
Others	13,407	1,011,692	(145)	(10,037)
Total	18,525	1,397,896	4,973	344,231

8 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	210,743	15,902,667	201,630	13,956,829
Indirect tax receivable	18,848	1,422,270	107,110	7,414,154
Total	229,591	17,324,937	308,740	21,370,983

9 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	47,560	3,588,878	47,560	3,292,103
Total	47,560	3,588,878	47,560	3,292,103

10 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	355,885	26,855,082	319,534	22,118,143
Profit / (loss) for the year	108,133	8,159,714	36,351	2,516,218
Total	464,018	35,014,796	355,885	24,634,361

11 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	1,141,968	86,172,905	1,247,032	86,319,555
Total	1,141,968	86,172,905	1,247,032	86,319,555



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

12 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	1,905,177	143,764,656	2,816,091	194,929,819
Total	1,905,177	143,764,656	2,816,091	194,929,819

13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	25,771	1,944,680	17,623	1,219,864
Others	-	-	1,940	134,287
Total	25,771	1,944,680	19,563	1,354,151

14 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	24,410	1,841,979	27,759	1,921,478
Other Employee dues	49,797	3,757,682	146,664	10,152,082
Total	74,207	5,599,661	174,423	12,073,560

15 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	1,847	139,375	8,093	560,197
Total	1,847	139,375	8,093	560,197

16 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	7,426,510	560,404,445	9,789,826	677,651,756
Total	7,426,510	560,404,445	9,789,826	677,651,756

17 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	43	3,245	669	46,308
Miscellaneous income	6,071	458,118	22,606	1,564,787
Total	6,114	461,363	23,275	1,611,095



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

18 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	5,668,427	427,739,501	7,493,265	518,683,803
Rent of satellite channels	62,400	4,708,704	100,840	6,980,145
Total	5,730,827	432,448,205	7,594,105	525,663,948

19 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	216,541	16,340,184	401,468	27,789,615
Contribution to provident and other funds	34,546	2,606,841	47,408	3,281,582
Staff welfare expenses	15,850	1,196,041	8,454	585,186
Total	266,937	20,143,066	457,330	31,656,383

20 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	(525)	(39,617)	525	36,341
Auditors remuneration	3,382	255,206	2,839	196,516
Communication expenses	10,779	813,383	10,161	703,344
Directors fees	2,891	218,155	2,952	204,337
Entertainment expenses	16,458	1,241,921	24,234	1,677,477
Exchange loss -Net	134,778	10,170,348	269,006	18,620,595
Insurance expenses	18,940	1,429,212	12,553	868,919
IT consumables	496	37,428	1,759	121,758
Legal and professional fees	18,484	1,394,803	48,641	3,366,930
Miscellaneous expenses	51,344	3,874,422	114,802	7,946,593
Printing and stationery	1,867	140,884	1,651	114,282
Provision for doubtful debts	117,242	8,847,081	53,885	3,729,920
Rates and Taxes	339,664	25,631,045	258,234	17,874,957
Recruitment expenses	4,149	313,084	4,229	292,731
Rent	28,300	2,135,518	124,290	8,603,354
Repairs and Maintenance Plant & Machinery	167,274	12,622,496	199,922	13,838,601
Services rendered by agencies	15,535	1,172,271	35,934	2,487,351
Travelling and conveyance expenses	19,827	1,496,145	20,569	1,423,786
Total	950,885	71,753,785	1,186,186	82,107,792

21 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	42,376	3,197,693	34,927	2,417,647
Guarantee fees	8,952	675,518	6,671	461,767
Total	51,328	3,873,211	41,598	2,879,414



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APPENDIX - 18

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Netherlands) BV** ("the subsidiary") registered in Netherlands as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.




The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	2,799,897	211,280,229	2,475,183	171,332,167
Capital work-in-progress		306,686	23,142,526	597,163	41,335,623
Right-of-use assets		394,449	29,765,122	-	-
Other intangible assets	2	1,140,632	86,072,091	1,287,879	89,146,984
Intangible assets under development		333,962	25,200,773	152,447	10,552,381
Investments in subsidiaries & associates	3	329,382,025	24,855,167,606	321,493,991	22,253,814,057
Financial assets					
(i) Loans	4	747,479,273	56,404,785,941	656,851,933	45,467,290,802
(ii) Other financial assets	5	448	33,806	458	31,703
Deferred tax assets (Net)		2,355,829	177,770,856	142,281	9,848,691
Non current tax asset (Net)		-	-	2,990,701	207,016,323
Other non-current assets	6	1,141,075	86,105,520	2,451,786	169,712,627
		1,085,334,276	81,899,324,470	988,443,822	68,420,081,358
(2) Current assets					
Financial assets					
(i) Trade receivables	7	3,406,158	257,028,683	41,729,519	2,888,517,305
(ii) Cash and cash equivalent	8	3,767,291	284,279,779	3,634,921	251,609,232
(iv) Other financial assets	9	17,325,873	1,307,410,377	17,141,211	1,186,514,625
Other current assets	10	3,366,446	254,032,016	2,330,947	161,348,151
		27,865,768	2,102,750,855	64,836,598	4,487,989,313
(3) Assets Classified as held for sale		13,455	1,015,314	-	-
TOTAL ASSETS		1,113,213,499	84,003,090,639	1,053,280,420	72,908,070,671
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	11	179,800,561	13,567,750,333	179,800,561	12,445,794,832
Other equity	12	(77,103,871)	(5,818,258,102)	(70,450,871)	(4,876,609,292)
Total Equity		102,696,690	7,749,492,231	109,349,690	7,569,185,540
(2) Non-current liabilities					
Financial liabilities					
(i) Borrowings	13	805,000,000	60,745,300,000	855,000,000	59,183,100,000
(ii) Other financial liabilities	14	4,431,212	334,379,258	1,521,921	105,347,372
(iii) Lease liabilities		203,250	15,337,245	-	-
Provisions	15	14,669	1,106,923	-	-
Other non current liabilities (Deferred revenue)		173,948	13,126,116	262,181	18,148,169
		809,823,079	61,109,249,542	856,784,102	59,306,595,541
(3) Current liabilities					
Financial liabilities					
(i) Borrowings	16	33,046,340	2,493,676,816	11,948,772	827,093,998
(ii) Trade payables	17	9,593,742	723,943,772	5,847,632	404,773,087
(iii) Other financial liabilities	18	157,214,152	11,863,379,910	69,106,423	4,783,546,600
(iv) Lease liabilities		205,932	15,539,629	-	-
Other current liabilities	19	353,264	26,657,301	221,583	15,337,975
Provisions	20	47,336	3,571,975	22,218	1,537,930
Current tax liabilities (Net)		232,964	17,579,463	-	-
		200,693,730	15,144,348,866	87,146,628	6,032,289,590
TOTAL EQUITY AND LIABILITIES		1,113,213,499	84,003,090,639	1,053,280,420	72,908,070,671

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	21	215,167,984	16,236,576,073	203,031,800	14,053,861,196
ii	Other Income	22	39,946,741	3,014,381,076	39,069,156	2,704,366,978
iii	Total income (i + ii)		255,114,725	19,250,957,149	242,100,956	16,758,228,174
iv	Expenses:					
	Network and transmission expenses	23	200,495,159	15,129,364,698	185,839,273	12,863,794,477
	Employee benefits expenses	24	1,484,389	112,011,994	701,914	48,586,487
	Operating and other expenses	25	9,117,026	687,970,779	12,450,888	861,850,467
	Finance costs	26	38,516,675	2,906,468,295	37,542,688	2,598,704,864
	Depreciation and amortisation expenses		1,111,864	83,901,257	1,143,187	79,131,404
	Total expenses		250,725,113	18,919,717,023	237,677,950	16,452,067,699
v	Profit before taxes (iii -iv)		4,389,612	331,240,126	4,423,006	306,160,475
vi	Tax expenses					
	(i) Current tax expense/(benefit)		3,613,467	272,672,220	1,208,582	83,658,046
	(ii) Deferred tax expense/(benefit)		215,406	16,254,537	(102,829)	(7,117,823)
	Net tax expenses		3,828,873	288,926,757	1,105,753	76,540,223
vii	Profit / (loss) for the year (v-vi)		560,739	42,313,369	3,317,253	229,620,252

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	21,973	1,658,083	21,973	1,520,971
Cables	554,908	41,873,358	3,283,860	227,308,789
Plant and machinery	7,878,610	594,519,911	8,086,837	559,770,857
Furniture and fixtures	10,380	783,275	7,154	495,200
Computers	734,810	55,448,763	314,220	21,750,308
Office equipment	62,643	4,727,041	62,643	4,336,148
(a)	9,263,324	699,010,431	11,776,687	815,182,273
Accumulated depreciation:				
Lease hold improvement	21,973	1,658,083	21,973	1,520,971
Cables	213,397	16,102,938	2,712,903	187,787,146
Plant and machinery	5,829,463	439,891,278	6,213,820	430,120,620
Furniture and fixtures	9,803	739,734	5,711	395,315
Computers	350,993	26,485,932	314,047	21,738,333
Office equipment	37,798	2,852,237	33,050	2,287,721
(b)	6,463,427	487,730,202	9,301,504	643,850,106
Net block (a) - (b)	2,799,897	211,280,229	2,475,183	171,332,167

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	2,053,811	154,980,578	1,764,234	122,120,277
(a)	2,053,811	154,980,578	1,764,234	122,120,277
Accumulated amortisation:				
Computer software	913,179	68,908,487	476,355	32,973,293
(b)	913,179	68,908,487	476,355	32,973,293
Net block (a) - (b)	1,140,632	86,072,091	1,287,879	89,146,984

3 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	334,032,770	25,206,112,824	326,144,736	22,575,738,626
Impairment of investment in subsidiaries	(4,650,745)	(350,945,218)	(4,650,745)	(321,924,569)
Total	329,382,025	24,855,167,606	321,493,991	22,253,814,057



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	747,479,273	56,404,785,941	656,851,933	45,467,290,802
Total	747,479,273	56,404,785,941	656,851,933	45,467,290,802

5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	448	33,806	458	31,703
Total	448	33,806	458	31,703

6 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	1,140,810	86,085,523	2,451,521	169,694,284
Others	265	19,997	265	18,343
Total	1,141,075	86,105,520	2,451,786	169,712,627

7 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	3,799,610	286,718,571	2,478,102	171,534,220
Intercompany receivables (Net)	-	-	39,506,094	2,734,611,827
Provision for doubtful debts	(393,452)	(29,689,888)	(254,677)	(17,628,742)
Total	3,406,158	257,028,683	41,729,519	2,888,517,305

8 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	3,767,291	284,279,779	3,634,921	251,609,232
Total	3,767,291	284,279,779	3,634,921	251,609,232



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

9 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	17,303,554	1,305,726,185	15,073,011	1,043,353,821
Others	22,319	1,684,192	2,068,200	143,160,804
Total	17,325,873	1,307,410,377	17,141,211	1,186,514,625

10 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	6,417	484,227	3,415	236,386
Prepaid expenses	2,556,780	192,934,619	1,830,822	126,729,499
Indirect tax receivable	803,249	60,613,170	496,710	34,382,266
Total	3,366,446	254,032,016	2,330,947	161,348,151

11 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	179,800,561	13,567,750,333	179,800,561	12,445,794,832
Total	179,800,561	13,567,750,333	179,800,561	12,445,794,832

12 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(69,973,741)	(5,280,218,496)	(73,290,994)	(5,073,202,605)
Profit / (loss) for the year	560,739	42,313,369	3,317,253	229,620,252
Closing balance	(69,413,002)	(5,237,905,127)	(69,973,741)	(4,843,582,353)
OCI - Reserves derivatives	(7,690,869)	(580,352,975)	(477,130)	(33,026,939)
Total	(77,103,871)	(5,818,258,102)	(70,450,871)	(4,876,609,292)

13 Non-current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from banks	805,000,000	60,745,300,000	855,000,000	59,183,100,000
Total	805,000,000	60,745,300,000	855,000,000	59,183,100,000



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

14 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Derivative liabilities	4,431,212	334,379,258	1,521,921	105,347,372
Total	4,431,212	334,379,258	1,521,921	105,347,372

15 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Retention liability	14,669	1,106,923	-	-
Total	14,669	1,106,923	-	-

16 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from bank	33,046,340	2,493,676,816	11,948,772	827,093,998
Total	33,046,340	2,493,676,816	11,948,772	827,093,998

17 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	5,404,219	407,802,366	5,847,632	404,773,087
Inter Company - Payables (Net)	4,189,523	316,141,406	-	-
Total	9,593,742	723,943,772	5,847,632	404,773,087

18 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Current portion of long term loans	150,000,000	11,319,000,000	67,500,000	4,672,350,000
Deposit from customers and contractors	31,058	2,343,637	21,558	1,492,245
Interest accrued but not due -others	1,276,228	96,304,165	1,584,865	109,704,355
Derivative liabilities	5,906,866	445,732,108	-	-
Total	157,214,152	11,863,379,910	69,106,423	4,783,546,600



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

19 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	153,146	11,556,397	166,561	11,529,352
Other Employee dues	185,527	13,999,867	55,022	3,808,623
Others	14,591	1,101,037	-	-
Total	353,264	26,657,301	221,583	15,337,975

20 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	47,336	3,571,975	22,218	1,537,930
Total	47,336	3,571,975	22,218	1,537,930

21 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	215,167,984	16,236,576,073	203,031,800	14,053,861,196
Total	215,167,984	16,236,576,073	203,031,800	14,053,861,196

22 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	39,824,611	3,005,165,146	39,025,393	2,701,337,703
Profit on sale of fixed assets	51,113	3,856,987	-	-
Miscellaneous income	71,017	5,358,943	43,763	3,029,275
Total	39,946,741	3,014,381,076	39,069,156	2,704,366,978

23 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	196,931,159	14,860,425,258	182,275,273	12,617,094,397
Rent of satellite channels	3,564,000	268,939,440	3,564,000	246,700,080
Total	200,495,159	15,129,364,698	185,839,273	12,863,794,477



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

24 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,455,483	109,830,747	686,186	47,497,795
Staff welfare expenses	28,906	2,181,247	15,728	1,088,692
Total	1,484,389	112,011,994	701,914	48,586,487

25 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	15,193	1,146,464	10,156	702,998
Auditors remuneration	110,329	8,325,426	185,062	12,809,992
Communication expenses	17,034	1,285,386	12,395	857,982
Electricity	77,169	5,823,173	94,539	6,543,990
Exchange loss -Net	848,598	64,035,205	849,585	58,808,274
Insurance expenses	12,783	964,605	8,357	578,472
IT consumables	-	-	142	9,829
Legal and professional fees	766,902	57,870,425	3,489,935	241,573,301
Miscellaneous expenses	83,512	6,301,811	502,103	34,755,568
Printing and stationery	4,108	309,990	4,822	333,779
Provision for doubtful debts	138,775	10,471,962	(196,812)	(13,623,327)
Rates and Taxes	6,360	479,926	2,907	201,223
Recruitment expenses	21,757	1,641,783	369	25,542
Relocation Expense	35,162	2,653,325	13,741	951,152
Rent	164,751	12,432,110	175,462	12,145,480
Repairs and Maintenance Plant & Machinery	1,792,244	135,242,732	2,455,022	169,936,623
Repairs and Maintenance -Building	12,952	977,358	277	19,174
Security charges	522	39,390	301	20,835
Seminars, trainings and conferences	884	66,707	(12,000)	(830,640)
Services rendered by agencies	4,867,855	367,328,338	4,842,191	335,176,461
Travelling and conveyance expenses	140,136	10,574,663	12,334	853,759
Total	9,117,026	687,970,779	12,450,888	861,850,467

26 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	37,925,931	2,861,890,753	36,848,066	2,550,623,129
Guarantee fees	590,744	44,577,542	694,622	48,081,735
Total	38,516,675	2,906,468,295	37,542,688	2,598,704,864



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APPENDIX - 41

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications MOVE B.V** ("the subsidiary") registered in Netherlands as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			EURO	INR*	EURO	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	320,759	26,539,995	2,232,089	173,257,873
	Other intangible assets	2	1,109,423	91,795,023	29,492	2,289,210
			1,430,182	118,335,018	2,261,581	175,547,083
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	3	19,310,800	1,597,799,344	20,225,613	1,569,940,397
	(ii) Cash and cash equivalent	4	915,541	75,752,988	88,466	6,866,855
	Current tax assets (Net)		-	-	179,140	13,905,098
	Other current assets	5	91,610	7,579,924	518,766	40,267,343
			20,317,951	1,681,132,256	21,011,985	1,630,979,693
	TOTAL ASSETS		21,748,133	1,799,467,274	23,273,566	1,806,526,776
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	6	33,684	2,787,056	33,684	2,614,599
	Other equity	7	21,453,553	1,775,093,362	21,389,450	1,660,279,054
	Total Equity		21,487,237	1,777,880,418	21,423,134	1,662,893,653
(2)	Non-current liabilities					
	Deferred tax liabilities (Net)		-	-	9,519	738,878
			-	-	9,519	738,878
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	8	11,639	963,025	1,015,000	78,785,721
	(ii) Trade payables	9	192,558	15,932,486	684,702	53,147,528
	(iii) Other financial liabilities	10	26,426	2,186,520	141,211	10,960,996
	(iv) Other current liabilities	11	30,273	2,504,825	-	-
			260,896	21,586,856	1,840,913	142,894,245
	TOTAL EQUITY AND LIABILITIES		21,748,133	1,799,467,274	23,273,566	1,806,526,776

*Exchange rate as at 31 March 2020 1 EURO = 82.74 INR (as at 31 March 2019 1 EURO = INR 77.62)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			EURO	INR*	EURO	INR*
i	Revenue from operations	12	2,891,848	239,275,060	1,489,063	115,583,155
ii	Other Income	13	-	-	13,839,340	1,074,228,946
iii	Total income (i + ii)		2,891,848	239,275,060	15,328,403	1,189,812,101
iv	Expenses:					
	Network and transmission expenses	14	202,235	16,733,173	531,389	41,247,158
	Operating and other expenses	15	1,608,725	133,107,886	268,438	20,836,534
	Finance costs	16	59,152	4,894,309	18,648	1,447,484
	Depreciation and amortisation expenses		964,152	79,775,122	592,956	46,026,075
	Total expenses		2,834,264	234,510,490	1,411,431	109,557,251
v	Profit / (loss) before taxes (iii - iv)		57,584	4,764,570	13,916,972	1,080,254,850
vi	Tax expenses					
	(i) Current tax expense		3,000	248,224	-	-
	(ii) Deferred tax expense/(benefit)		(9,519)	(787,614)	-	-
	Net tax expenses		(6,519)	(539,390)	-	-
vii	Profit / (loss) for the year (v-vi)		64,103	5,303,960	13,916,972	1,080,254,850

*Exchange rate as at 31 March 2020 1 EURO = 82.74 INR (as at 31 March 2019 1 EURO = INR 77.62)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Gross block:				
Cables	-	-	662,281	51,407,178
Plant and machinery	3,177,209	262,886,181	9,130,785	708,744,315
(a)	3,177,209	262,886,181	9,793,066	760,151,493
Accumulated depreciation:				
Cables	-	-	662,281	51,407,178
Plant and machinery	2,856,450	236,346,186	6,898,696	535,486,442
(b)	2,856,450	236,346,186	7,560,977	586,893,620
Net block (a) - (b)	320,759	26,539,995	2,232,089	173,257,873

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	USD	INR
Gross block:				
Computer software	7,615,228	630,093,331	866,618	67,268,102
(a)	7,615,228	630,093,331	866,618	67,268,102
Accumulated amortisation:				
Computer software	6,505,805	538,298,308	837,126	64,978,892
(b)	6,505,805	538,298,308	837,126	64,978,892
Net block (a) - (b)	1,109,423	91,795,023	29,492	2,289,210

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Intercompany receivables	19,310,800	1,597,799,344	20,225,613	1,569,940,397
Total	19,310,800	1,597,799,344	20,225,613	1,569,940,397

4 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Balance with bank	915,541	75,752,988	88,466	6,866,855
Total	915,541	75,752,988	88,466	6,866,855

5 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Prepaid expenses	91,610	7,579,924	393,752	30,563,581
Indirect tax receivable	-	-	125,014	9,703,762
Total	91,610	7,579,924	518,766	40,267,343



6 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Equity share capital	33,684	2,787,056	33,684	2,614,599
Total	33,684	2,787,056	33,684	2,614,599

7 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Surplus / (Deficit)				
Opening balance	6,753,304	558,776,680	(7,163,668)	(556,053,939)
Profit for the year	64,103	5,303,960	13,916,972	1,080,254,850
Closing balance	6,817,407	564,080,640	6,753,304	524,200,911
Share premium	14,636,146	1,211,012,722	14,636,146	1,136,078,143
Total	21,453,553	1,775,093,362	21,389,450	1,660,279,054

8 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	USD	INR
Inter company loans taken	11,639	963,025	1,015,000	78,785,721
Total	11,639	963,025	1,015,000	78,785,721

9 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Trade payable	192,558	15,932,486	684,702	53,147,528
Total	192,558	15,932,486	684,702	53,147,528

10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Interest accrued but not due	21,913	1,813,109	10,833	840,873
Others	4,513	373,411	130,378	10,120,123
Total	26,426	2,186,520	141,211	10,960,996

11 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Deferred revenue and advance from customers	4,747	392,773	-	-
Statutory dues	25,526	2,112,053	-	-
Total	30,273	2,504,826	-	-



12 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Data and voice revenue	2,891,848	239,275,060	1,489,063	115,583,155
Total	2,891,848	239,275,060	1,489,063	115,583,155

13 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Net gain on sale of investments	-	-	13,839,340	1,074,228,946
Total	-	-	13,839,340	1,074,228,946

14 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	202,235	16,733,173	531,389	41,247,158
Total	202,235	16,733,173	531,389	41,247,158

15 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Advertising And Publicity	1,212	100,282	-	-
Auditors's remuneration	50,820	4,204,909	-	-
Communication expenses	3,132	259,146	710	55,111
Electricity charges	25,008	2,069,193	-	-
Exchange loss -Net	43,753	3,620,177	5,485	425,753
IT consumables	-	-	(25,975)	(2,016,216)
Legal and professional fees	109,314	9,044,775	49,324	3,828,598
Miscellaneous expenses	56,017	4,634,916	13,864	1,076,146
Insurance expenses	17,774	1,470,643	8,887	689,820
Repairs and Maintenance Plant & Machinery	1,296,363	107,262,669	204,824	15,898,725
Seminars, trainings and conferences	5,332	441,176	11,319	878,596
Total	1,608,725	133,107,886	268,438	20,836,534

16 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Interest expenses	54,229	4,486,974	18,648	1,447,484
Guarantee fees	4,923	407,335	-	-
Total	59,152	4,894,309	18,648	1,447,484



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APPENDIX - 42

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications MOVE Nederland B.V.** ("the subsidiary") registered in Nederland as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm Reg. No. 121750W / W-100010

Vinodkumar V.V.
(Vinodkumar Varma)
PARTNER
Membership No. 105545
Place Mumbai
Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			EURO	INR*	EURO	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	126,501	10,466,849	174,347	13,533,058
	Capital work-in-progress		2,862	236,805	61,625	4,783,419
	Goodwill		-	-	15,000	1,164,321
	Other intangible assets	2	181,719	15,035,654	-	-
	Intangible assets under development		304,954	25,232,269	-	-
	Financial assets					
	(i) Other financial assets	3	65,630	5,430,307	-	-
			681,666	56,401,884	250,972	19,480,798
(2)	Current assets					
	(i) Trade receivables	4	639,363	52,901,681	1,524,222	118,312,246
	(ii) Cash and cash equivalent	5	347,838	28,780,544	1,649,619	128,045,736
	(iii) Other financial assets	6	-	-	65,630	5,094,292
	Other current assets	7	332,713	27,529,083	273,798	21,252,584
			1,319,914	109,211,308	3,513,269	272,704,858
	TOTAL ASSETS		2,001,580	165,613,192	3,764,241	292,185,656
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	18,000	1,489,342	18,000	1,397,185
	Other equity	9	(5,794,766)	(479,466,066)	(5,967,510)	(463,206,480)
	Total Equity		(5,776,766)	(477,976,724)	(5,949,510)	(461,809,295)
(2)	Non-current liabilities					
	Provisions	10	101,520	8,399,890	76,590	5,945,023
	Other non current liabilities (Deferred revenue)		5,000	413,706	-	-
			106,520	8,813,596	76,590	5,945,023
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	11	3,430,609	283,852,808	3,003,000	233,097,064
	(ii) Trade payables	12	3,469,031	287,031,892	5,376,205	417,308,558
	(iii) Other financial liabilities	13	83,395	6,900,205	77,935	6,049,424
	Other current liabilities	14	688,791	56,991,415	1,180,021	91,594,882
			7,671,826	634,776,320	9,637,161	748,049,928
	TOTAL EQUITY AND LIABILITIES		2,001,580	165,613,192	3,764,241	292,185,656

*Exchange rate as at 31 March 2020 1 EURO = 82.74 INR (as at 31 March 2019 1 EURO = INR 77.62)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			EURO	INR*	EURO	INR*
i	Revenue from operations	15	20,169,548	1,668,853,210	8,656,321	671,915,755
ii	Other Income	16	798	66,028	44,190	3,430,090
iii	Total income (i + ii)		20,170,346	1,668,919,238	8,700,511	675,345,845
iv	Expenses:					
	Network and transmission expenses	17	6,442,971	533,099,345	2,416,163	187,545,955
	Employee benefits expenses	18	5,784,198	478,591,657	3,307,199	256,709,417
	Operating and other expenses	19	7,476,927	618,650,137	2,665,181	206,875,079
	Finance costs	20	186,224	15,408,403	53,192	4,128,838
	Depreciation and amortisation expenses		107,282	8,876,645	45,472	3,529,600
	Total expenses		19,997,602	1,654,626,187	8,487,207	658,788,889
v	Profit before taxes (iii-iv)		172,744	14,293,051	213,304	16,556,956
vi	Tax expenses					
	Current tax expense/(benefit)		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit/(loss) for the year (v-vi)		172,744	14,293,051	213,304	16,556,956

*Exchange rate as at 31 March 2020 1 EURO = 82.74 INR (as at 31 March 2019 1 EURO = INR 77.62)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Gross block:				
Lease hold improvement	-	-	76,589	5,944,945
Plant & machinery	411,096	34,014,589	-	-
Furniture and fixtures	-	-	341,479	26,506,078
(a)	411,096	34,014,589	418,068	32,451,023
Accumulated depreciation:				
Lease hold improvement	-	-	-	-
Plant & machinery	284,595	23,547,740	-	-
Furniture and fixtures	-	-	243,721	18,917,965
(b)	284,595	23,547,740	243,721	18,917,965
Net block (a) - (b)	126,501	10,466,849	174,347	13,533,058

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	233,127	19,289,215	-	-
(a)	233,127	19,289,215	-	-
Accumulated amortisation:				
Computer software	51,408	4,253,561	-	-
(b)	51,408	4,253,561	-	-
Net block (a) - (b)	181,719	15,035,654	-	-

3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Vendor deposits	65,630	5,430,307	-	-
Total	65,630	5,430,307	-	-

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Trade receivables	998,152	82,588,324	1,977,809	153,520,304
Intercompany receivables	(87,973)	(7,278,994)	-	-
Provision for doubtful debts	(270,816)	(22,407,649)	(453,587)	(35,208,058)
Total	639,363	52,901,681	1,524,222	118,312,246

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Balance with bank	347,838	28,780,544	1,649,619	128,045,736
Total	347,838	28,780,544	1,649,619	128,045,736

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Security Deposit	-	-	65,630	5,094,292
Total	-	-	65,630	5,094,292



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Prepaid expenses	332,713	27,529,083	54,470	4,228,038
Indirect tax receivable	-	-	219,328	17,024,546
Total	332,713	27,529,083	273,798	21,252,584

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Equity share capital	18,000	1,489,342	18,000	1,397,185
Total	18,000	1,489,342	18,000	1,397,185

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Surplus / (Deficit)				
Opening balance	(5,967,510)	(493,759,117)	(6,180,814)	(479,763,436)
Profit/ (loss) for the year	172,744	14,293,051	213,304	16,556,956
Total	(5,794,766)	(479,466,066)	(5,967,510)	(463,206,480)

10 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Asset retirement obligation and others	79,640	6,589,512	76,590	5,945,023
Retention liability	21,880	1,810,378	-	-
Total	101,520	8,399,890	76,590	5,945,023

11 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Inter company loans taken	3,430,609	283,852,808	3,003,000	233,097,064
Total	3,430,609	283,852,808	3,003,000	233,097,064



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

12 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Trade payable	3,469,031	287,031,892	2,093,977	162,537,426
Inter Company - Payables	-	-	3,282,228	254,771,132
Total	3,469,031	287,031,892	5,376,205	417,308,558

13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Deposit from customers and contractors	-	-	25,000	1,940,535
Interest accrued but not due	83,395	6,900,205	52,935	4,108,889
Total	83,395	6,900,205	77,935	6,049,424

14 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Deferred revenue and advance from	23	1,903	426,207	33,082,784
Other Statutory dues	194,691	16,108,973	-	-
Other Employee dues	494,077	40,880,539	753,814	58,512,098
Total	688,791	56,991,415	1,180,021	91,594,882

15 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Data and voice revenue	20,169,548	1,668,853,210	8,656,321	671,915,755
Total	20,169,548	1,668,853,210	8,656,321	671,915,755

16 Other income

Particulars	Current year 2018-19		Previous year 2018-19	
	EURO	INR	USD	INR
Miscellaneous income	798	66,028	44,190	3,430,090
Total	798	66,028	44,190	3,430,090



17 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	6,442,971	533,099,345	2,416,163	187,545,955
Total	6,442,971	533,099,345	2,416,163	187,545,955

18 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	5,725,730	473,753,943	3,276,337	254,313,865
Staff welfare expenses	58,468	4,837,714	30,862	2,395,552
Total	5,784,198	478,591,657	3,307,199	256,709,417

19 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Advertising and publicity	3,685	304,901	38,141	2,960,558
Auditors remuneration	28,000	2,316,754	-	-
Communication expenses	6,507	538,397	(25,097)	(1,948,064)
Entertainment expenses	22,631	1,872,517	21,435	1,663,815
Exchange loss -Net	14,623	1,209,925	29,465	2,287,115
Insurance expenses	53,596	4,434,599	16,455	1,277,260
IT consumables	13,681	1,131,983	73,536	5,707,967
Legal and professional fees	6,167,826	510,333,510	1,801,265	139,816,711
Miscellaneous expenses	87,231	7,217,602	47,545	3,690,509
Provision for doubtful debts	147,587	12,211,530	111,840	8,681,177
Recruitment expenses	20,000	1,654,825	60,000	4,657,284
Rates & taxes	13,037	1,078,697	-	-
Rent	215,441	17,825,853	84,573	6,564,675
Repairs and Maintenance Plant & Machinery	524,394	43,389,005	56,602	4,393,526
Repairs and Maintenance -Building	4,404	364,392	4,658	361,560
Seminars, trainings and conferences	57,764	4,779,464	38,702	3,004,103
Services rendered by agencies	(101,412)	(8,390,954)	60,000	4,657,284
Travelling and conveyance expenses	197,932	16,377,137	246,061	19,099,599
Total	7,476,927	618,650,137	2,665,181	206,875,079

20 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Interest expenses	172,145	14,243,489	53,192	4,128,838
Guarantee fees	14,079	1,164,914	-	-
Total	186,224	15,408,403	53,192	4,128,838



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APPENDIX - 43

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

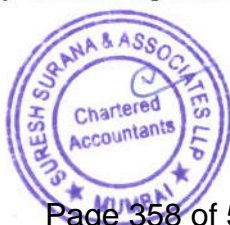
On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications MuCoSO B.V.** ("the subsidiary") registered in Netherland as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.




The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			EURO	INR*	EURO	INR*
(A)	ASSETS					
(1)	Current assets					
	Financial assets					
	(i) Trade receivables	1	1,034	85,554	3,526	273,693
	(ii) Cash and cash equivalent	2	24,690	2,042,881	8,353	648,372
			25,724	2,128,435	11,879	922,065
	TOTAL ASSETS		25,724	2,128,435	11,879	922,065
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	3	18,000	1,489,342	18,000	1,397,185
	Other equity	4	(608)	(50,306)	(18,390)	(1,427,457)
	Total Equity		17,392	1,439,036	(390)	(30,272)
(2)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	5	1,150	95,152	11,951	927,653
	(ii) Other financial liabilities	6	41	3,392	-	-
	Other current liabilities	7	1,211	100,200	318	24,684
	Current tax liabilities (Net)		5,930	490,655	-	-
			8,332	689,399	12,269	952,337
	TOTAL EQUITY AND LIABILITIES		25,724	2,128,435	11,879	922,065

*Exchange rate as at 31 March 2020 1 EURO = 82.74 INR (As at 31 March 2019 1 EURO = 77.62 INR)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			EURO	INR*	EURO	INR*
i	Revenue from operations	8	15,064	1,246,414	9,944	771,867
ii	Other Income	9	23,769	1,966,676	2	155
iii	Total income (i + ii)		38,833	3,213,090	9,946	772,022
iv	Expenses:					
	Network and transmission expenses	10	-	-	365	28,332
	Operating and other expenses	11	14,963	1,238,057	9,276	720,015
	Finance costs	12	158	13,073	-	-
	Total expenses		15,121	1,251,130	9,641	748,347
v	Profit before taxes (iii - iv)		23,712	1,961,960	305	23,675
vi	Tax expenses					
	(i) Current tax expense/(benefit)		5,930	490,655	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		5,930	490,655	-	-
vii	Profit for the year (v-vi)		17,782	1,471,305	305	23,675

*Exchange rate as at 31 March 2020 1 EURO = 82.74 INR (As at 31 March 2019 1 EURO = 77.62 INR)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Intercompany receivables	1,034	85,554	3,526	273,693
Total	1,034	85,554	3,526	273,693

2 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Balance with bank	24,690	2,042,881	8,353	648,372
Total	24,690	2,042,881	8,353	648,372

3 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Equity share capital	18,000	1,489,342	18,000	1,397,185
Total	18,000	1,489,342	18,000	1,397,185

4 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Surplus / (Deficit)				
Opening balance	(18,390)	(1,521,611)	(18,695)	(1,451,132)
Profit for the year	17,782	1,471,305	305	23,675
Closing balance	(608)	(50,306)	(18,390)	(1,427,457)
Total	(608)	(50,306)	(18,390)	(1,427,457)

5 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Trade payable	1,150	95,152	11,951	927,653
Total	1,150	95,152	11,951	927,653

6 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due	41	3,392	-	-
Total	41	3,392	-	-



7 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	EURO	INR	EURO	INR
Other Statutory dues	1,211	100,200	318	24,684
Total	1,211	100,200	318	24,684

8 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Data and voice revenue	15,064	1,246,414	9,944	771,867
Total	15,064	1,246,414	9,944	771,867

9 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Exchange gain -Net	10	827	2	155
Miscellaneous income	23,759	1,965,849	-	-
Total	23,769	1,966,676	2	155

10 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	-	-	365	28,332
Total	-	-	365	28,332

11 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Legal and professional fees	14,299	1,183,117	8,466	657,143
Miscellaneous expenses	664	54,940	810	62,872
Total	14,963	1,238,057	9,276	720,015

12 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	EURO	INR	EURO	INR
Guarantee fees	13	1,076	-	-
Interest expenses	145	11,997	-	-
Total	158	13,073	-	-



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APPENDIX - 31

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (New Zealand) Limited** ("the subsidiary") registered in New Zealand as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	21,350	1,611,071	57,652	3,990,671
	Financial assets					
	(i) Loans	2	61,266	4,623,132	-	-
	Deferred tax assets (Net)		16,792	1,267,124	11,938	826,348
	Other non-current assets	3	1,059	79,912	2,893	200,253
			100,467	7,581,239	72,483	5,017,272
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	4	66,325	5,004,884	134,470	9,308,014
	(ii) Cash and cash equivalent	5	58,385	4,405,732	61,543	4,260,006
	(iii) Other financial assets	6	1,218	91,911	232	16,059
	Other current assets	7	11,528	869,903	28,004	1,938,437
			137,456	10,372,430	224,249	15,522,516
	TOTAL ASSETS		237,923	17,953,669	296,732	20,539,788
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	100	7,546	100	6,922
	Other equity	9	81,398	6,142,292	87,726	6,072,392
	Total Equity		81,498	6,149,838	87,826	6,079,314
(2)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	10	-	-	68,016	4,708,068
	(ii) Trade payables	11	144,929	10,936,343	137,400	9,510,828
	(iii) Other financial liabilities	12	-	-	400	27,688
	Other current liabilities	13	632	47,691	2,212	153,115
	Current tax liabilities (Net)		10,864	819,797	878	60,775
			156,425	11,803,831	208,906	14,460,474
	TOTAL EQUITY AND LIABILITIES		237,923	17,953,669	296,732	20,539,788

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications (New Zealand) Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	14	406,557	30,678,791	443,621	30,707,446
ii	Other Income	15	587	44,295	667	46,170
iii	Total income (i + ii)		407,144	30,723,086	444,288	30,753,616
iv	Expenses:					
	Network and transmission expenses	16	315,832	23,832,683	364,972	25,263,362
	Operating and other expenses	17	60,050	4,531,374	59,501	4,118,661
	Finance costs	18	855	64,518	490	33,918
	Depreciation and amortisation expenses		36,302	2,739,349	26,992	1,868,386
	Total expenses		413,039	31,167,924	451,955	31,284,327
v	Profit before taxes (iii - iv)		(5,895)	(444,838)	(7,667)	(530,711)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		5,287	398,957	4,216	291,832
	(ii) Deferred tax expense/(benefit)		(4,854)	(366,283)	(5,133)	(355,306)
	Net tax expenses		433	32,674	(917)	(63,474)
vii	Profit / (loss) for the year (v-vi)		(6,328)	(477,512)	(6,750)	(467,237)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	193,069	14,568,987	193,069	13,364,236
(a)	193,069	14,568,987	193,069	13,364,236
Accumulated depreciation:				
Plant and machinery	171,719	12,957,916	135,417	9,373,565
(b)	171,719	12,957,916	135,417	9,373,565
Net block (a) - (b)	21,350	1,611,071	57,652	3,990,671

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	61,266	4,623,132	-	-
Total	61,266	4,623,132	-	-

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	1,059	79,912	2,893	200,253
Total	1,059	79,912	2,893	200,253

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	71,316	5,381,505	37,689	2,608,833
Intercompany receivables (Net)	-	-	96,781	6,699,181
Provision for doubtful debts	(4,991)	(376,621)	-	-
Total	66,325	5,004,884	134,470	9,308,014



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	58,385	4,405,732	61,543	4,260,006
Total	58,385	4,405,732	61,543	4,260,006

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	397	29,958	-	-
Others	821	61,953	232	16,059
Total	1,218	91,911	232	16,059

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	9,797	739,282	10,399	719,819
Indirect tax receivable	1,731	130,621	17,605	1,218,618
Total	11,528	869,903	28,004	1,938,437

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	100	7,546	100	6,922
Total	100	7,546	100	6,922

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	87,726	6,619,804	94,476	6,539,629
Profit / (loss) for the year	(6,328)	(477,512)	(6,750)	(467,237)
Total	81,398	6,142,292	87,726	6,072,392



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	-	-	68,016	4,708,068
Total	-	-	68,016	4,708,068

11 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	40,706	3,071,675	137,400	9,510,828
Inter Company - Payables (Net)	104,223	7,864,668	-	-
Total	144,929	10,936,343	137,400	9,510,828

12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	-	-	400	27,688
Total	-	-	400	27,688

13 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	632	47,691	2,212	153,115
Total	632	47,691	2,212	153,115

14 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	406,557	30,678,791	443,621	30,707,446
Total	406,557	30,678,791	443,621	30,707,446



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	587	44,295	667	46,170
Total	587	44,295	667	46,170

16 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	315,832	23,832,683	364,972	25,263,362
Total	315,832	23,832,683	364,972	25,263,362

17 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Communication expenses	31	2,339	49	3,392
Directors fees	8,095	610,849	11,110	769,034
Electricity	1,554	117,265	1,965	136,017
Exchange loss -Net	22,151	1,671,514	6,549	453,322
Insurance expenses	5,670	427,858	5,961	412,620
Legal and professional fees	11,505	868,167	27,913	1,932,138
Miscellaneous expenses	2,503	188,878	2,845	196,933
Provision for doubtful debts	4,991	376,621	(542)	(37,517)
Repairs and Maintenance Plant & Machinery	2,468	186,235	2,796	193,539
Services rendered by agencies	1,082	81,648	854	59,114
Travelling and conveyance expenses	-	-	1	69
Total	60,050	4,531,374	59,501	4,118,661

18 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	603	45,502	490	33,918
Guarantee fees	252	19,016	-	-
Total	855	64,518	490	33,918



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APPENDIX - 11

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Nordic) AS** ("the subsidiary") registered in Norway as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.




The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	315,251	23,788,841	298,651	20,672,623
Capital work-in-progress		1,250	94,325	1,780	123,212
Right-of-use assets		70,033	5,284,690	-	-
Financial assets					
(ii) Loans	2	1,629,384	122,953,317	989,064	68,463,010
(iii) Other financial assets	3	5,066	382,280	5,181	358,629
Deferred tax assets (Net)		91,952	6,938,698	118,667	8,214,130
Non current tax asset (Net)		-	-	72	4,984
Other non-current assets	4	3,058	230,757	17,579	1,216,818
		2,115,994	159,672,908	1,430,994	99,053,406
(2) Current assets					
Financial assets					
(i) Trade receivables	5	160,814	12,135,024	365,478	25,298,387
(ii) Cash and cash equivalent	6	222,929	16,822,222	83,137	5,754,743
(iii) Other financial assets	7	41,954	3,165,849	25,598	1,771,894
Other current assets	8	59,052	4,456,064	130,112	9,006,353
		484,749	36,579,159	604,325	41,831,377
TOTAL ASSETS		2,600,743	196,252,067	2,035,319	140,884,783
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	9	16,708	1,260,786	16,708	1,156,528
Other equity	10	391,368	29,532,629	331,371	22,937,503
Total Equity		408,076	30,793,415	348,079	24,094,031
(2) Non-current liabilities					
Financial liabilities					
(i) Lease liabilities		13,574	1,024,294	-	-
Other non current liabilities (Deferred revenue)		131,156	9,897,032	129,635	8,973,335
		144,730	10,921,326	129,635	8,973,335
(3) Current liabilities					
Financial liabilities					
(i) Trade payables	11	1,753,192	132,295,869	1,135,222	78,580,066
(ii) Lease liabilities		36,809	2,777,607	-	-
Other current liabilities	12	212,457	16,032,005	356,469	24,674,784
Provisions	13	45,479	3,431,845	65,914	4,562,567
		2,047,937	154,537,326	1,557,605	107,817,417
TOTAL EQUITY AND LIABILITIES		2,600,743	196,252,067	2,035,319	140,884,783

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	14	5,266,753	397,429,181	4,813,445	333,186,663
ii	Other Income	15	135,826	10,249,430	45,250	3,132,205
iii	Total income (i + ii)		5,402,579	407,678,611	4,858,695	336,318,868
iv	Expenses:					
	Network and transmission expenses	16	4,446,827	335,557,565	3,513,290	243,189,934
	Employee benefits expenses	17	285,588	21,550,470	507,942	35,159,745
	Operating and other expenses	18	507,724	38,312,854	703,388	48,688,515
	Finance costs	19	60	4,528	1,403	97,116
	Depreciation and amortisation expenses		75,596	5,704,474	56,240	3,892,933
	Total expenses		5,315,795	401,129,891	4,782,263	331,028,243
vii	Profit before taxes (v - vi)		86,784	6,548,720	76,432	5,290,625
viii	Tax expenses					
	(i) Current tax expense/(benefit)	72		5,433	-	-
	(ii) Deferred tax expense/(benefit)		26,715	2,015,914	(125,894)	(8,714,383)
	Net tax expenses		26,787	2,021,347	(125,894)	(8,714,383)
ix	Profit / (loss) for the year (vii-viii)		59,997	4,527,373	202,326	14,005,008

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	560,402	42,287,935	512,494	35,474,835
(a)	560,402	42,287,935	512,494	35,474,835
Accumulated depreciation:				
Plant and machinery	245,151	18,499,094	213,843	14,802,212
(b)	245,151	18,499,094	213,843	14,802,212
Net block (a) - (b)	315,251	23,788,841	298,651	20,672,623

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	1,629,384	122,953,317	989,064	68,463,010
Total	1,629,384	122,953,317	989,064	68,463,010

3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	5,066	382,280	5,181	358,629
Total	5,066	382,280	5,181	358,629

4 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	3,058	230,757	17,579	1,216,818
Total	3,058	230,757	17,579	1,216,818

5 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	164,755	12,432,412	366,813	25,390,796
Provision for doubtful debts	(3,941)	(297,388)	(1,335)	(92,409)
Total	160,814	12,135,024	365,478	25,298,387



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	222,929	16,822,222	83,137	5,754,743
Total	222,929	16,822,222	83,137	5,754,743

7 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	33,044	2,493,500	24,782	1,715,410
Others	8,910	672,349	816	56,484
Total	41,954	3,165,849	25,598	1,771,894

8 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	8,066	608,660	2,459	170,212
Prepaid expenses	50,986	3,847,404	127,653	8,836,141
Total	59,052	4,456,064	130,112	9,006,353

9 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	16,708	1,260,786	16,708	1,156,528
Total	16,708	1,260,786	16,708	1,156,528

10 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(812,476)	(61,309,439)	(1,014,802)	(70,244,594)
Profit / (loss) for the year	59,997	4,527,373	202,326	14,005,008
Closing balance	(752,479)	(56,782,066)	(812,476)	(56,239,586)
Share premium	1,143,847	86,314,695	1,143,847	79,177,089
Total	391,368	29,532,629	331,371	22,937,503



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	771,719	58,233,916	289,352	20,028,945
Inter Company - Payables (Net)	981,473	74,061,953	845,870	58,551,121
Total	1,753,192	132,295,869	1,135,222	78,580,066

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	36,477	2,752,554	60,728	4,203,592
Other Employee dues	74,143	5,594,831	127,662	8,836,764
Other Statutory dues	101,837	7,684,620	168,079	11,634,428
Total	212,457	16,032,005	356,469	24,674,784

13 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	45,479	3,431,845	65,914	4,562,567
Total	45,479	3,431,845	65,914	4,562,567

14 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	5,266,753	397,429,181	4,813,445	333,186,663
Total	5,266,753	397,429,181	4,813,445	333,186,663

15 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	62,414	4,709,760	45,250	3,132,205
Exchange gain -Net	73,412	5,539,670	-	-
Total	135,826	10,249,430	45,250	3,132,205



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	4,446,827	335,557,565	3,513,290	243,189,934
Total	4,446,827	335,557,565	3,513,290	243,189,934

17 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	285,390	21,535,529	507,122	35,102,985
Staff welfare expenses	198	14,941	820	56,760
Total	285,588	21,550,470	507,942	35,159,745

18 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Auditors remuneration	29,100	2,195,886	48,400	3,350,248
Communication expenses	3,148	237,548	2,319	160,521
Exchange loss -Net	-	-	139,446	9,652,452
Insurance expenses	3,401	256,639	2,289	158,445
Legal and professional fees	23,382	1,764,406	62,381	4,318,013
Miscellaneous expenses	8,594	648,503	7,972	551,819
Printing and stationery	1,094	82,553	92	6,368
Provision for doubtful debts	2,606	196,649	(2,677)	(185,302)
Rates and Taxes	48,402	3,652,415	57,890	4,007,146
Rent	(1)	(75)	-	-
Repairs and Maintenance Plant & Machinery	345,981	26,107,726	350,650	24,271,993
Seminars, trainings and conferences	62	4,679	-	-
Services rendered by agencies	19,108	1,441,890	17,000	1,176,740
Travelling and conveyance expenses	22,847	1,724,035	17,626	1,220,072
Total	507,724	38,312,854	703,388	48,688,515

19 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	60	4,528	1,403	97,116
Total	60	4,528	1,403	97,116



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APPENDIX - 15

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Poland) SPZOO** ("the subsidiary") registered in Poland as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	586,331	44,244,538	485,604	33,613,509
	Capital work-in-progress		-	-	83,042	5,748,167
	Financial assets					
	(i) Other financial assets	2	988	74,554	1,069	73,996
	Deferred tax assets (Net)		45,345	3,421,734	18,016	1,247,068
	Non current tax asset (Net)		199,894	15,084,001	275,206	19,049,759
	Other non-current assets	3	34,230	2,582,996	15,831	1,095,822
			866,788	65,407,823	878,768	60,828,321
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	4	457,112	34,493,672	689,489	47,726,429
	(ii) Cash and cash equivalent	5	231,455	17,465,594	142,312	9,850,837
	(iii) Other financial assets	6	4,382	330,666	19,419	1,344,183
	Other current assets	7	42,715	3,223,273	47,235	3,269,607
			735,664	55,513,205	898,455	62,191,056
	TOTAL ASSETS		1,602,452	120,921,028	1,777,223	123,019,377
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	473,029	35,694,768	473,029	32,743,067
	Other equity	9	(344,088)	(25,964,881)	(166,752)	(11,542,572)
	Total Equity		128,941	9,729,887	306,277	21,200,495
(2)	Non-current liabilities					
	Other non current liabilities (Deferred revenue)		5,617	423,859	14,447	1,000,021
			5,617	423,859	14,447	1,000,021
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	10	602,430	45,459,368	224,952	15,571,177
	(ii) Trade payables	11	715,660	54,003,704	1,020,208	70,618,798
	(iii) Other financial liabilities	12	41,080	3,099,897	31,741	2,197,112
	Other current liabilities	13	104,620	7,894,625	163,229	11,298,712
	Provisions	14	4,104	309,688	16,369	1,133,062
			1,467,894	110,767,282	1,456,499	100,818,861
	TOTAL EQUITY AND LIABILITIES		1,602,452	120,921,028	1,777,223	123,019,377

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	15	4,816,342	363,441,167	8,208,858	568,217,151
ii	Other Income	16	500	37,730	29,542	2,044,897
iii	Total income (i + ii)		4,816,842	363,478,897	8,238,400	570,262,048
iv	Expenses:					
	Network and transmission expenses	17	3,842,735	289,972,783	7,002,855	484,737,623
	Employee benefits expenses	18	357,167	26,951,822	569,976	39,453,739
	Operating and other expenses	19	395,898	29,874,462	487,469	33,742,601
	Finance costs	20	18,141	1,368,920	194	13,429
	Depreciation and amortisation expenses		166,395	12,556,167	106,121	7,345,696
	Total expenses		4,780,336	360,724,154	8,166,615	565,293,088
vii	Profit before taxes (v - vi)		36,506	2,754,743	71,785	4,968,960
viii	Tax expenses					
	(i) Current tax expense/(benefit)		241,171	18,198,764	198,208	13,719,958
	(ii) Deferred tax expense/(benefit)		(27,329)	(2,062,246)	7,130	493,539
	Net tax expenses		213,842	16,136,518	205,338	14,213,497
ix	Profit / (loss) for the year (vii-viii)		(177,336)	(13,381,775)	(133,553)	(9,244,537)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,452,549	109,609,348	1,219,533	84,416,074
(a)	1,452,549	109,609,348	1,219,533	84,416,074
Accumulated depreciation:				
Plant and machinery	866,218	65,364,810	733,929	50,802,565
(b)	866,218	65,364,810	733,929	50,802,565
Net block (a) - (b)	586,331	44,244,538	485,604	33,613,509

2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	988	74,554	1,069	73,996
Total	988	74,554	1,069	73,996

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	34,230	2,582,996	15,831	1,095,822
Total	34,230	2,582,996	15,831	1,095,822

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	521,309	39,337,977	703,641	48,706,030
Intercompany receivables (Net)	85,606	6,459,829	-	-
Provision for doubtful debts	(149,803)	(11,304,134)	(14,152)	(979,601)
Total	457,112	34,493,672	689,489	47,726,429

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	231,455	17,465,594	142,312	9,850,837
Total	231,455	17,465,594	142,312	9,850,837



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	-	-	17,141	1,186,500
Others	4,382	330,666	2,278	157,683
Total	4,382	330,666	19,419	1,344,183

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	6,296	475,096	8,754	605,952
Prepaid expenses	36,277	2,737,462	38,373	2,656,179
Others	142	10,715	108	7,476
Total	42,715	3,223,273	47,235	3,269,607

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	473,029	35,694,768	473,029	32,743,067
Total	473,029	35,694,768	473,029	32,743,067

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(166,752)	(12,583,106)	(33,199)	(2,298,035)
Profit / (loss) for the year	(177,336)	(13,381,775)	(133,553)	(9,244,537)
Total	(344,088)	(25,964,881)	(166,752)	(11,542,572)

10 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	602,430	45,459,368	224,952	15,571,177
Total	602,430	45,459,368	224,952	15,571,177



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	715,660	54,003,704	775,680	53,692,570
Inter Company - Payables (Net)	-	-	244,528	16,926,228
Total	715,660	54,003,704	1,020,208	70,618,798

12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	30,823	2,325,904	31,741	2,197,112
Interest accrued but not due on Inter Co. loan (Net)	10,257	773,993	-	-
Total	41,080	3,099,897	31,741	2,197,112

13 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	15,165	1,144,351	14,648	1,013,935
Other Employee dues	54,072	4,080,273	73,880	5,113,974
Other Statutory dues	35,383	2,670,001	74,701	5,170,803
Total	104,620	7,894,625	163,229	11,298,712

14 Current liabilities - provisions

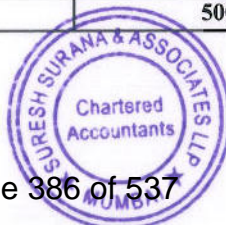
Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	4,104	309,688	16,369	1,133,062
Total	4,104	309,688	16,369	1,133,062

15 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	4,816,342	363,441,167	8,208,858	568,217,151
Total	4,816,342	363,441,167	8,208,858	568,217,151

16 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	436	32,901	27,990	1,937,468
Miscellaneous income	64	4,829	1,552	107,429
Total	500	37,730	29,542	2,044,897



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

17 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	3,842,735	289,972,783	7,002,855	484,737,623
Total	3,842,735	289,972,783	7,002,855	484,737,623

18 Employee benefit expenses

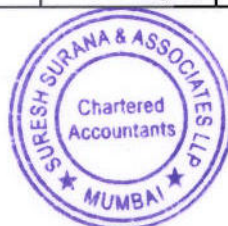
Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	349,974	26,409,038	565,482	39,142,664
Staff welfare expenses	7,193	542,784	4,494	311,075
Total	357,167	26,951,822	569,976	39,453,739

19 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Auditors remuneration	50,000	3,773,000	15,000	1,038,300
Communication expenses	5,444	410,804	5,504	380,987
Electricity	963	72,668	(1,274)	(88,186)
Entertainment expenses	2,136	161,183	174	12,044
Exchange loss -Net	7,578	571,836	148,767	10,297,652
Insurance expenses	4,079	307,801	2,792	193,262
IT consumables	1,151	86,854	(5,576)	(385,971)
Legal and professional fees	49,237	3,715,424	166,412	11,519,039
Miscellaneous expenses	8,827	666,085	10,916	755,603
Printing and stationery	7,961	600,737	(4,948)	(342,501)
Provision for doubtful debts	135,651	10,236,224	9,106	630,317
Rates and Taxes	1,030	77,724	8,651	598,822
Rent	15,064	1,136,729	14,409	997,391
Repairs and Maintenance Plant & Machinery	77,820	5,872,297	39,822	2,756,479
Repairs and Maintenance -Building	1,552	117,114	1,758	121,689
Security charges	(457)	(34,485)	320	22,150
Seminars, trainings and conferences	1,037	78,252	5,286	365,897
Services rendered by agencies	16,280	1,228,489	27,996	1,937,883
Travelling and conveyance expenses	10,545	795,726	42,354	2,931,744
Total	395,898	29,874,462	487,469	33,742,601

20 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	17,447	1,316,551	194	13,429
Guarantee fees	694	52,369	-	-
Total	18,141	1,368,920	194	13,429



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APPENDIX - 21

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Portugal) Instalacao De Redes LDA** ("the subsidiary") registered in Portugal as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	4,044,314	305,183,936	4,917,998	340,423,824
	Capital work-in-progress		-	-	42,326	2,929,806
	Financial assets					
	(i) Loans	2	13,766	1,038,782	-	-
	Deferred tax assets (Net)		-	-	37,931	2,625,584
	Non current tax asset (Net)		11,858	894,805	-	-
	Other non-current assets	3	1,484	111,983	3,021	209,114
			4,071,422	307,229,506	5,001,276	346,188,328
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	4	634,896	47,909,252	909,307	62,942,231
	(ii) Cash and cash equivalent	5	252,898	19,083,683	169,586	11,738,743
	(iii) Other financial assets	6	19,592	1,478,413	1,631	112,898
	Other current assets	7	1,147,391	86,582,125	1,123,867	77,794,073
			2,054,777	155,053,473	2,204,391	152,587,945
	TOTAL ASSETS		6,126,199	462,282,979	7,205,667	498,776,273
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	60,714,551	4,581,520,018	60,714,551	4,202,661,220
	Other equity	9	(60,650,724)	(4,576,703,631)	(61,167,684)	(4,234,027,085)
	Total Equity		63,827	4,816,387	(453,133)	(31,365,865)
(2)	Non-current liabilities					
	Provisions	10	533,010	40,220,935	506,741	35,076,612
	Other non current liabilities (Deferred revenue)		4,010,934	302,665,080	4,672,464	323,427,958
			4,543,944	342,886,015	5,179,205	358,504,570
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	11	-	-	841,642	58,258,459
	(ii) Trade payables	12	619,021	46,711,325	644,999	44,646,831
	(iii) Other financial liabilities	13	115,478	8,713,970	149,323	10,336,139
	Other current liabilities	14	773,515	58,369,442	825,053	57,110,169
	Provisions	15	10,414	785,840	15,639	1,082,532
	Current tax liabilities (Net)		-	-	2,939	203,438
			1,518,428	114,580,577	2,479,595	171,637,568
	TOTAL EQUITY AND LIABILITIES		6,126,199	462,282,979	7,205,667	498,776,273

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	16	4,094,859	308,998,060	4,126,490	285,635,638
ii	Other Income	17	68,846	5,195,120	208,241	14,414,442
iii	Total income (i + ii)		4,163,705	314,193,180	4,334,731	300,050,080
iv	Expenses:					
	Network and transmission expenses	18	566,166	42,722,886	391,843	27,123,372
	Employee benefits expenses	19	525,498	39,654,079	725,406	50,212,604
	Operating and other expenses	20	1,236,123	93,277,840	1,267,425	87,731,157
	Finance costs	21	94,978	7,167,040	102,783	7,114,639
	Depreciation and amortisation expenses		1,066,462	80,475,223	1,140,719	78,960,569
	Total expenses		3,489,227	263,297,068	3,628,176	251,142,341
v	Profit before taxes (iii - iv)		674,478	50,896,112	706,555	48,907,739
vi	Tax expenses					
	(i) Current tax expense/(benefit)		119,588	9,024,110	346,207	23,964,449
	(ii) Deferred tax expense/(benefit)		37,930	2,862,198	(13,837)	(957,797)
	Net tax expenses		157,518	11,886,308	332,370	23,006,652
vii	Profit / (loss) for the year (v-vi)		516,960	39,009,804	374,185	25,901,087

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Land	65,449	4,938,782	65,449	4,530,380
Building	132,958	10,033,011	132,958	9,203,353
Cables	5,005,300	377,699,938	4,965,825	343,734,407
Plant and machinery	10,586,301	798,842,273	10,356,263	716,860,525
Furniture and fixtures	18,598	1,403,405	15,668	1,084,539
Computers	28,518	2,151,968	29,830	2,064,833
Office equipment	146,149	11,028,404	146,149	10,116,434
(a)	15,983,273	1,206,097,781	15,712,142	1,087,594,471
Accumulated depreciation:				
Land	-	-	-	-
Building	92,229	6,959,600	76,993	5,329,455
Cables	3,463,951	261,389,742	3,113,723	215,531,906
Plant and machinery	8,276,208	624,522,656	7,513,812	520,106,067
Furniture and fixtures	11,020	831,569	9,084	628,794
Computers	28,518	2,151,968	29,830	2,064,833
Office equipment	67,033	5,058,310	50,702	3,509,592
(b)	11,938,959	900,913,845	10,794,144	747,170,647
Net block (a) - (b)	4,044,314	305,183,936	4,917,998	340,423,824

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	13,766	1,038,782	-	-
Total	13,766	1,038,782	-	-

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	1,484	111,983	3,021	209,114
Total	1,484	111,983	3,021	209,114

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	1,312,046	99,006,991	1,213,062	83,968,152
Intercompany receivables (Net)	-	-	356,181	24,654,849
Provision for doubtful debts	(677,150)	(51,097,739)	(659,936)	(45,680,770)
Total	634,896	47,909,252	909,307	62,942,231



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	252,898	19,083,683	169,586	11,738,743
Total	252,898	19,083,683	169,586	11,738,743

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	17,521	1,322,135	-	-
Others	2,071	156,278	1,631	112,898
Total	19,592	1,478,413	1,631	112,898

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	1,565	118,095	7,532	521,365
Prepaid expenses	12,284	926,951	15,951	1,104,128
Indirect tax receivable	1,133,542	85,537,079	1,100,384	76,168,580
Total	1,147,391	86,582,125	1,123,867	77,794,073

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	60,714,551	4,581,520,018	60,714,551	4,202,661,220
Total	60,714,551	4,581,520,018	60,714,551	4,202,661,220

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(61,167,684)	(4,615,713,435)	(61,541,869)	(4,259,928,172)
Profit / (loss) for the year	516,960	39,009,804	374,185	25,901,087
Total	(60,650,724)	(4,576,703,631)	(61,167,684)	(4,234,027,085)

10 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	533,010	40,220,935	506,741	35,076,612
Total	533,010	40,220,935	506,741	35,076,612



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	-	-	841,642	58,258,459
Total	-	-	841,642	58,258,459

12 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	551,924	41,648,185	644,999	44,646,831
Inter Company - Payables (Net)	67,097	5,063,140	-	-
Total	619,021	46,711,325	644,999	44,646,831

13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	115,478	8,713,970	117,966	8,165,607
Interest accrued but not due on Inter Co. loan (Net)	-	-	31,357	2,170,532
Total	115,478	8,713,970	149,323	10,336,139

14 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	752,849	56,809,986	777,272	53,802,768
Other Employee dues	20,666	1,559,456	47,781	3,307,401
Total	773,515	58,369,442	825,053	57,110,169

15 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	10,414	785,840	15,639	1,082,532
Total	10,414	785,840	15,639	1,082,532

16 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	4,094,859	308,998,060	4,126,490	285,635,638
Total	4,094,859	308,998,060	4,126,490	285,635,638



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

17 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	27,980	2,111,371	3,054	211,398
Exchange gain -Net	40,460	3,053,112	161,073	11,149,473
Miscellaneous income	406	30,637	44,114	3,053,571
Total	68,846	5,195,120	208,241	14,414,442

18 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	566,166	42,722,886	391,843	27,123,372
Total	566,166	42,722,886	391,843	27,123,372

19 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	521,084	39,320,999	569,721	39,436,088
Staff welfare expenses	4,414	333,080	155,685	10,776,516
Total	525,498	39,654,079	725,406	50,212,604

20 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	(315)	(23,770)	49	3,392
Auditors remuneration	21,500	1,622,390	32,500	2,249,650
Communication expenses	10,233	772,182	13,158	910,797
Electricity	274,457	20,710,525	332,750	23,032,955
Insurance expenses	20,409	1,540,063	18,743	1,297,390
IT consumables	7	528	-	-
Legal and professional fees	55,977	4,224,024	121,209	8,390,087
Miscellaneous expenses	17,799	1,343,112	-	-
Printing and stationery	(9,378)	(707,664)	5,074	351,222
Provision for doubtful debts	17,215	1,299,044	(5,060)	(350,253)
Rates and Taxes	44,429	3,352,612	54,262	3,756,016
Rent	298,181	22,500,738	220,787	15,282,876
Repairs and Maintenance Plant & Machinery	410,797	30,998,742	406,932	28,167,833
Repairs and Maintenance -Building	33,283	2,511,535	17,483	1,210,173
Seminars, trainings and conferences	9,734	734,528	31	2,146
Services rendered by agencies	12,762	963,021	14,865	1,028,955
Travelling and conveyance expenses	19,033	1,436,230	34,642	2,397,918
Total	1,236,123	93,277,840	1,267,425	87,731,157

21 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	89,742	6,771,931	96,456	6,676,684
Guarantee fees	5,236	395,109	6,327	437,955
Total	94,978	7,167,040	102,783	7,114,639



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LLP Identity No. AAB-7509

APPENDIX - 22

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Portugal) Unipessoal LDA** ("the subsidiary") registered in Portugal as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar V

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Investments in subsidiaries & associates	1	956,205	72,155,229	956,205	66,188,510
	Financial assets					
	(i) Loans	2	469,078	35,396,626	459,590	31,812,820
	Non current tax asset (Net)		-	-	9,852	681,955
			1,425,283	107,551,855	1,425,647	98,683,285
(2)	Current assets					
	Financial assets					
	(i) Cash and cash equivalent	3	2,514	189,706	9,669	669,288
	(ii) Other financial assets	4	10,308	777,842	9,850	681,817
	Other current assets	5	132	9,961	135	9,345
			12,954	977,509	19,654	1,360,450
	TOTAL ASSETS		1,438,237	108,529,364	1,445,301	100,043,735
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	6	1,393,444	105,149,284	1,393,444	96,454,194
	Other equity	7	40,553	3,060,130	49,107	3,399,186
	Total Equity		1,433,997	108,209,414	1,442,551	99,853,380
(2)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	8	3,000	226,380	2,750	190,355
	Current tax liabilities (Net)		1,240	93,570	-	-
			4,240	319,950	2,750	190,355
	TOTAL EQUITY AND LIABILITIES		1,438,237	108,529,364	1,445,301	100,043,735

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	9	-	-	-	-
ii	Other Income		20,459	1,543,836	19,857	1,374,502
iii	Total income (i + ii)		20,459	1,543,836	19,857	1,374,502
iv	Expenses:	10				
	Operating and other expenses		15,344	1,157,857	49,597	3,433,106
	Total expenses		15,344	1,157,857	49,597	3,433,106
v	Profit before taxes (iii - iv)		5,115	385,979	(29,740)	(2,058,604)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		13,669	1,031,463	3,210	222,196
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		13,669	1,031,463	3,210	222,196
vii	Profit / (loss) for the year (v-vi)		(8,554)	(645,484)	(32,950)	(2,280,800)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	956,205	72,155,229	956,205	66,188,510
Total	956,205	72,155,229	956,205	66,188,510

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	469,078	35,396,626	459,590	31,812,820
Total	469,078	35,396,626	459,590	31,812,820

3 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	2,514	189,706	9,669	669,288
Total	2,514	189,706	9,669	669,288

4 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	10,308	777,842	9,850	681,817
Total	10,308	777,842	9,850	681,817

5 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Indirect tax receivable	132	9,961	135	9,345
Total	132	9,961	135	9,345

6 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	1,393,444	105,149,284	1,393,444	96,454,194
Total	1,393,444	105,149,284	1,393,444	96,454,194



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

7 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	49,107	3,705,614	82,057	5,679,986
Profit / (loss) for the year	(8,554)	(645,484)	(32,950)	(2,280,800)
Total	40,553	3,060,130	49,107	3,399,186

8 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	3,000	226,380	2,750	190,355
Total	3,000	226,380	2,750	190,355

9 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	20,459	1,543,836	19,857	1,374,502
Total	20,459	1,543,836	19,857	1,374,502

10 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Exchange loss -Net	10,658	804,253	45,502	3,149,648
Legal and professional fees	3,250	245,245	2,750	190,355
Miscellaneous expenses	1,348	101,719	1,254	86,804
Rates and Taxes	88	6,640	91	6,299
Total	15,344	1,157,857	49,597	3,433,106



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APPENDIX - 23

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Russia) LLC** ("the subsidiary") registered in Russia as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	181,497	13,695,763	199,753	13,826,903
	Capital work-in-progress		12,443	938,949	11,790	816,104
	Other non-current assets	2	1,121	84,591	386	26,719
			195,061	14,719,303	211,929	14,669,726
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	3	3,123,614	235,707,912	3,372,301	233,430,675
	(ii) Cash and cash equivalent	4	115,481	8,714,196	42,020	2,908,624
	(iii) Other financial assets	5	16,560	1,249,618	39,126	2,708,302
	Other current assets	6	460,693	34,763,894	420,016	29,073,508
			3,716,348	280,435,620	3,873,463	268,121,109
	TOTAL ASSETS		3,911,409	295,154,923	4,085,392	282,790,835
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	7	87,254	6,584,187	87,254	6,039,722
	Other equity	8	3,198,976	241,394,727	3,337,537	231,024,312
	Total Equity		3,286,230	247,978,914	3,424,791	237,064,034
(2)	Non-current liabilities					
	Deferred tax liabilities (Net)		1,286	97,042	3,569	247,046
	Other non current liabilities (Deferred revenue)		-	-	7,402	512,366
			1,286	97,042	10,971	759,412
(3)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	9	445,245	33,598,188	440,198	30,470,506
	(ii) Other financial liabilities	10	10,717	808,705	36,247	2,509,017
	Other current liabilities	11	7,256	547,538	17,703	1,225,402
	Provisions	12	31,965	2,412,079	26,772	1,853,158
	Current tax liabilities (Net)		128,710	9,712,457	128,710	8,909,306
			623,893	47,078,967	649,630	44,967,389
	TOTAL EQUITY AND LIABILITIES		3,911,409	295,154,923	4,085,392	282,790,835

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	13	928,965	70,099,699	1,095,606	75,837,847
ii	Other Income	14	60,806	4,588,420	-	-
iii	Total income (i + ii)		989,771	74,688,119	1,095,606	75,837,847
iv	Expenses:					
	Network and transmission expenses	15	343,631	25,930,395	436,508	30,215,084
	Employee benefits expenses	16	137,497	10,375,524	103,422	7,158,871
	Operating and other expenses	17	607,723	45,858,779	590,932	40,904,311
	Depreciation and amortisation expenses		41,764	3,151,511	36,441	2,522,446
	Total expenses		1,130,615	85,316,209	1,167,303	80,800,712
v	Profit before exceptional items and taxes (iii - iv)		(140,844)	(10,628,090)	(71,697)	(4,962,865)
vi	Exceptional items:					
	Staff cost optimisation		-	-	35,756	2,475,030
vii	Profit before taxes (v - vi)		(140,844)	(10,628,090)	(35,941)	(2,487,835)
viii	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	74,165	5,133,701
	(ii) Deferred tax expense/(benefit)		(2,283)	(172,275)	313,475	21,698,740
	Net tax expenses		(2,283)	(172,275)	387,640	26,832,441
ix	Profit / (loss) for the year (vii-viii)		(138,561)	(10,455,815)	(423,581)	(29,320,276)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,146,705	86,530,359	1,123,198	77,747,766
Computers	1,925	145,261	1,925	133,249
(a)	1,148,630	86,675,620	1,125,123	77,881,015
Accumulated depreciation:				
Plant and machinery	965,208	72,834,596	923,445	63,920,863
Computers	1,925	145,261	1,925	133,249
(b)	967,133	72,979,857	925,370	64,054,112
Net block (a) - (b)	181,497	13,695,763	199,753	13,826,903

2 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	1,121	84,591	386	26,719
Total	1,121	84,591	386	26,719

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	34,818	2,627,366	29,974	2,074,800
Intercompany receivables (Net)	3,088,796	233,080,546	3,342,327	231,355,875
Total	3,123,614	235,707,912	3,372,301	233,430,675

4 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	115,481	8,714,196	42,020	2,908,624
Total	115,481	8,714,196	42,020	2,908,624



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	16,560	1,249,618	16,560	1,146,283
Others	-	-	22,566	1,562,019
Total	16,560	1,249,618	39,126	2,708,302

6 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	-	-	2,284	158,098
Prepaid expenses	13,387	1,010,183	17,125	1,185,393
Indirect tax receivable	447,275	33,751,372	400,607	27,730,017
Others	31	2,339	-	-
Total	460,693	34,763,894	420,016	29,073,508

7 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	87,254	6,584,187	87,254	6,039,722
Total	87,254	6,584,187	87,254	6,039,722

8 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	3,337,537	251,850,542	3,761,118	260,344,588
Profit / (loss) for the year	(138,561)	(10,455,815)	(423,581)	(29,320,276)
Total	3,198,976	241,394,727	3,337,537	231,024,312



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

9 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	445,245	33,598,188	440,198	30,470,506
Total	445,245	33,598,188	440,198	30,470,506

10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	10,717	808,705	36,247	2,509,017
Total	10,717	808,705	36,247	2,509,017

11 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	-	-	3,999	276,811
Other Employee dues	7,256	547,538	13,704	948,591
Total	7,256	547,538	17,703	1,225,402

12 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	31,965	2,412,079	26,772	1,853,158
Total	31,965	2,412,079	26,772	1,853,158

13 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	928,965	70,099,699	1,095,606	75,837,847
Total	928,965	70,099,699	1,095,606	75,837,847



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

14 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Exchange gain -Net	18,638	1,406,423	-	-
Miscellaneous income	42,168	3,181,997	-	-
Total	60,806	4,588,420	-	-

15 Network and transmission expenses

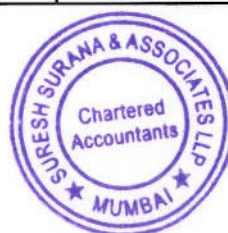
Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	343,631	25,930,395	436,508	30,215,084
Total	343,631	25,930,395	436,508	30,215,084

16 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	137,367	10,365,714	103,422	7,158,871
Staff welfare expenses	130	9,810	-	-
Total	137,497	10,375,524	103,422	7,158,871

17 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	953	71,913	773	53,507
Auditors remuneration	37,500	2,829,750	50,000	3,461,000
Communication expenses	2,813	212,269	4,273	295,777
Donations	-	-	745	51,569
Entertainment expenses	-	-	919	63,613
Exchange loss -Net	-	-	18,507	1,281,055
Insurance expenses	9,317	703,061	11,311	782,947
Legal and professional fees	162,766	12,282,322	191,568	13,260,337
Miscellaneous expenses	163,832	12,362,764	53,923	3,732,550
Printing and stationery	1,791	135,149	5,461	378,010
Rates and Taxes	112,719	8,505,776	122,443	8,475,504
Rent	97,680	7,370,933	100,348	6,946,089
Repairs and Maintenance Plant & Machinery	12,309	928,837	23,234	1,608,257
Seminars, trainings and conferences	-	-	11	761
Services rendered by agencies	358	27,015	293	20,281
Travelling and conveyance expenses	5,685	428,990	7,123	493,054
Total	607,723	45,858,779	590,932	40,904,311



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LLP Identity No. AAB-7509

APPENDIX - 16

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Services (International) Pte. Ltd.** ("the subsidiary") registered in Singapore as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vatwew
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A) ASSETS						
(1) Non-current assets						
Property, plant and equipment	1		2,673,916	201,773,701	3,087,604	213,723,948
Capital work-in-progress			100,183	7,559,809	105,426	7,297,588
Other intangible assets	2		6,755	509,733	12,687	878,194
Intangible assets under development			124,946	9,428,425	-	-
Financial assets						
(i) Loans	3		54,545	4,115,966	1,423,775	98,553,706
Other non-current assets	4		137,028	10,340,133	90,066	6,234,369
			3,097,373	233,727,767	4,719,558	326,687,805
(2) Current assets						
Financial assets						
(i) Trade receivables	5		1,195,794	90,234,615	1,011,821	70,038,250
(ii) Cash and cash equivalent	6		-	-	35,094	2,429,207
(iii) Other financial assets	7		8,420	635,373	6,669	461,628
Other current assets	8		167,165	12,614,271	258,705	17,907,560
			1,371,379	103,484,259	1,312,289	90,836,645
TOTAL ASSETS			4,468,752	337,212,026	6,031,847	417,524,450
(B) EQUITY AND LIABILITIES						
(1) Equity						
Equity share capital	9		344,869	26,023,815	344,869	23,871,832
Other equity	10		3,353,032	253,019,795	2,511,536	173,848,523
Total Equity			3,697,901	279,043,610	2,856,405	197,720,355
(2) Non-current liabilities						
Provisions	11		-	-	398,422	27,578,771
			-	-	398,422	27,578,771
(3) Current liabilities						
Financial liabilities						
(i) Borrowings	12		4,301	324,553	-	-
(ii) Trade payables	13		500,277	37,750,902	513,868	35,569,943
(iii) Other financial liabilities	14		1,061	80,063	-	-
Other current liabilities	15		265,212	20,012,898	2,035,342	140,886,373
Provisions	16		-	-	121,604	8,417,429
Current tax liabilities (Net)			-	-	106,206	7,351,579
			770,851	58,168,416	2,777,020	192,225,324
TOTAL EQUITY AND LIABILITIES			4,468,752	337,212,026	6,031,847	417,524,450

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	17	5,301,714	400,067,338	6,248,945	432,551,973
ii	Other Income	18	25,793	1,946,340	26,028	1,801,658
iii	Total income (i + ii)		5,327,507	402,013,678	6,274,973	434,353,631
iv	Expenses:					
	Network and transmission expenses	19	2,569	193,857	26,743	1,851,150
	Employee benefits expenses	20	1,603,944	121,033,613	2,565,315	177,571,105
	Operating and other expenses	21	1,676,044	126,474,281	1,994,209	138,039,144
	Finance costs	22	-	-	276	19,105
	Depreciation and amortisation expenses		1,305,459	98,509,936	1,017,940	70,461,807
	Total expenses		4,588,016	346,211,687	5,604,483	387,942,311
v	Profit before exceptional items and taxes (iii - iv)		739,491	55,801,991	670,490	46,411,320
vi	Exceptional items:					
	Staff cost optimisation		-	-	(294,581)	(20,390,897)
vii	Profit before taxes (v - vi)		739,491	55,801,991	375,909	26,020,423
viii	Tax expenses					
	(i) Current tax expense/(benefit)		(102,005)	(7,697,297)	64,116	4,438,110
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		(102,005)	(7,697,297)	64,116	4,438,110
ix	Profit / (loss) for the year (vii-viii)		841,496	63,499,288	311,793	21,582,313

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	33,020	2,491,689	33,020	2,285,644
Plant and machinery	6,673,733	503,599,892	5,837,092	404,043,508
Computers	98,360	7,422,246	100,173	6,933,975
Office equipment	34,684	2,617,255	-	-
(a)	6,839,797	516,131,082	5,970,285	413,263,127
Accumulated depreciation:				
Lease hold improvement	33,020	2,491,689	33,020	2,285,644
Plant and machinery	4,029,362	304,055,657	2,751,435	190,454,331
Computers	98,360	7,422,246	98,226	6,799,204
Office equipment	5,139	387,789	-	-
(b)	4,165,881	314,357,381	2,882,681	199,539,179
Net block (a) - (b)	2,673,916	201,773,701	3,087,604	213,723,948

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	25,082	1,892,688	24,796	1,716,379
(a)	25,082	1,892,688	24,796	1,716,379
Accumulated amortisation:				
Computer software	18,327	1,382,955	12,109	838,185
(b)	18,327	1,382,955	12,109	838,185
Net block (a) - (b)	6,755	509,733	12,687	878,194

3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	54,545	4,115,966	1,423,775	98,553,706
Total	54,545	4,115,966	1,423,775	98,553,706

4 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	137,028	10,340,133	90,066	6,234,369
Total	137,028	10,340,133	90,066	6,234,369



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	33,533	2,530,400	3,844	266,082
Intercompany receivables (Net)	1,162,261	87,704,215	1,007,977	69,772,168
Total	1,195,794	90,234,615	1,011,821	70,038,250

6 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	-	-	35,094	2,429,207
Total	-	-	35,094	2,429,207

7 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	8,420	635,373	6,665	461,351
Others	-	-	4	277
Total	8,420	635,373	6,669	461,628

8 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	-	-	44,256	3,063,400
Prepaid expenses	167,165	12,614,271	214,449	14,844,160
Total	167,165	12,614,271	258,705	17,907,560

9 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	344,869	26,023,815	344,869	23,871,832
Total	344,869	26,023,815	344,869	23,871,832

10 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	2,511,536	189,520,507	2,199,743	152,266,210
Profit / (loss) for the year	841,496	63,499,288	311,793	21,582,313
Total	3,353,032	253,019,795	2,511,536	173,848,523



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Retention liability	-	-	398,422	27,578,771
Total	-	-	398,422	27,578,771

12 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from bank	4,301	324,553	-	-
Total	4,301	324,553	-	-

13 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	500,277	37,750,902	513,868	35,569,943
Total	500,277	37,750,902	513,868	35,569,943

14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	1,061	80,063	-	-
Total	1,061	80,063	-	-

15 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Other Employee dues	207,304	15,643,160	1,937,532	134,115,965
Other Statutory dues	57,908	4,369,738	97,806	6,770,131
Others	-	-	4	277
Total	265,212	20,012,898	2,035,342	140,886,373

16 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	-	-	121,604	8,417,429
Total	-	-	121,604	8,417,429



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

17 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	38,337	2,892,910	14,347	993,099
Management consultancy Services	5,263,377	397,174,428	6,234,598	431,558,874
Total	5,301,714	400,067,338	6,248,945	432,551,973

18 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	25,539	1,927,173	26,028	1,801,658
Miscellaneous income	254	19,167	-	-
Total	25,793	1,946,340	26,028	1,801,658

19 Network and transmission expenses

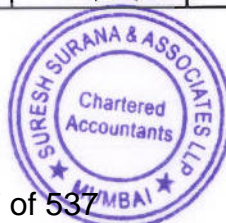
Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	2,569	193,857	26,743	1,851,150
Total	2,569	193,857	26,743	1,851,150

20 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,586,714	119,733,438	2,547,858	176,362,731
Contribution to provident and other funds	13,092	987,922	14,458	1,000,783
Staff welfare expenses	4,138	312,253	2,999	207,591
Total	1,603,944	121,033,613	2,565,315	177,571,105

21 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	-	-	25,018	1,731,746
Auditors remuneration	3,695	278,825	2,660	184,125
Communication expenses	4,368	329,609	15,766	1,091,323
Entertainment expenses	(17)	(1,283)	2,183	151,107
Exchange loss -Net	253,630	19,138,920	255,690	17,698,862
Legal and professional fees	21,684	1,636,275	18,714	1,295,383
Miscellaneous expenses	54,143	4,085,631	19,953	1,381,143
Printing and stationery	85	6,414	285	19,728
Rates and Taxes	215	16,224	222	15,367
Recruitment expenses	-	-	260	17,997
Repairs and Maintenance Plant & Machinery	295,392	22,290,280	325,382	22,522,942
Seminars, trainings and conferences	7,775	586,702	-	-
Services rendered by agencies	986,151	74,414,954	975,494	67,523,695
Travelling and conveyance expenses	48,923	3,691,730	352,582	24,405,726
Total	1,676,044	126,474,281	1,994,209	138,039,144



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

22 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	-	-	276	19,105
Total	-	-	276	19,105



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LLP Identity No. AAB-7509

APPENDIX - 50

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

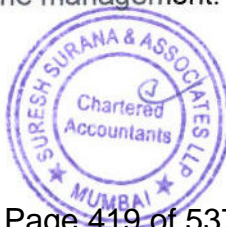
On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Transformation Services Pte. Ltd.** ("the subsidiary") registered in Singapore as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	26,042	1,965,129	-	-
	Capital work-in-progress		9,352	705,702	68,371	4,732,647
	Right-of-use assets		73,481	5,544,876	-	-
	Investments in subsidiaries	2	166,589	12,570,806	140,260	9,708,765
	Deferred tax assets (Net)		1,836,913	138,613,455	-	-
	Other non-current assets	3	2,368,846	178,753,119	-	-
			4,481,223	338,153,087	208,631	14,441,412
(2)	Current assets					
(a)	Financial assets					
	(i) Trade receivables	4	2,751,874	207,656,412	601,379	41,627,463
	(ii) Cash and cash equivalent	5	300,949	22,709,612	454,904	31,488,436
	(iii) Other financial assets	6	37,974	2,865,518	35,506	2,457,694
(b)	Other current assets	7	1,364,023	102,929,176	17,455	1,208,225
			4,454,820	336,160,718	1,109,243	76,781,818
	TOTAL ASSETS		8,936,043	674,313,805	1,317,874	91,223,230
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	170,000	12,828,200	170,000	11,767,400
	Other equity	9	(6,030,031)	(455,026,141)	(134,560)	(9,314,212)
	Total Equity		(5,860,031)	(442,197,941)	35,440	2,453,188
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Lease liabilities		33,758	2,547,379	-	-
	Provisions (Net of Advance Tax)		50,302	3,795,789	26	1,793
			84,060	6,343,168	26	1,793
(2)	Current liabilities					
(a)	Financial liabilities					
	(i) Borrowings	10	8,733,723	659,046,738	-	-
	(ii) Lease liabilities		39,834	3,005,874	-	-
	(iii) Trade payables	11	5,151,046	388,697,932	1,211,787	83,879,871
(b)	Other current liabilities	12	300,285	22,659,506	70,621	4,888,378
(c)	Provisions	13	487,126	36,758,528	-	-
			14,712,014	1,110,168,578	1,282,408	88,768,249
	TOTAL EQUITY AND LIABILITIES		8,936,043	674,313,805	1,317,874	91,223,230

*Exchange rate as at 31 March 2020 1 USD = 75.46 INR (31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR*	USD	INR*
i	Revenue from operations	14	4,324,301	326,311,753	1,340,101	92,761,786
ii	Other Income		-	-	-	-
iii	Total income (i + ii)		4,324,301	326,311,753	1,340,101	92,761,786
iv	Expenses:					
	(i) Network and transmission expenses		-	-	-	-
	(ii) Employee benefits expenses	15	5,845,658	441,113,352	-	-
	(i) Operating and other expenses	16	5,840,798	440,746,619	1,556,023	107,707,882
	(ii) Finance costs	17	76,077	5,740,770	13,336	923,106
	(v) Depreciation and amortisation expenses		220,909	16,669,793	-	-
	Total expenses		11,983,442	904,270,534	1,569,358	108,630,988
v	Profit / (loss) before taxes (iii - iv)		(7,659,141)	(577,958,781)	(229,257)	(15,869,202)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		73,243	5,526,917	9,311	644,507
	(ii) Deferred tax expense/(benefit)		(1,836,913)	(138,613,455)	-	-
	Net tax expenses		(1,763,670)	(133,086,538)	9,311	644,507
vii	Profit / (loss) for the year (v-vi)		(5,895,471)	(444,872,243)	(238,568)	(16,513,709)

*Exchange rate as at 31 March 2020 1 USD = 75.46 INR (31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	5,483	413,747	-	-
Computers	210,453	15,880,783	-	-
Office equipment	24,335	1,836,319	-	-
(a)	240,271	18,130,849	-	-
Accumulated depreciation:				
Plant and machinery	513	38,711	-	-
Computers	210,453	15,880,783	-	-
Office equipment	3,263	246,226	-	-
(b)	214,229	16,165,720	-	-
Net block (a) - (b)	26,042	1,965,129	-	-

2 Investments in subsidiaries

Particulars	As at 31 March 2019		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	166,589	12,570,806	140,260	9,708,765
Total	166,589	12,570,806	140,260	9,708,765

3 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	2,268,846	171,207,119	-	-
Advance for Investment	100,000	7,546,000	-	-
Total	2,368,846	178,753,119	-	-

4 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	2,759,186	208,208,176	594,240	41,133,318
Intercompany receivables	-	-	7,139	494,145
Provision for doubtful debts	(7,312)	(551,764)	-	-
Total	2,751,874	207,656,412	601,379	41,627,463



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	300,949	22,709,612	454,904	31,488,436
Total	300,949	22,709,612	454,904	31,488,436

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	23,850	1,799,721	21,381	1,480,014
Others	14,124	1,065,797	14,124	977,680
Total	37,974	2,865,518	35,506	2,457,694

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	65,419	4,936,518	3,706	256,529
Advances to employees	670,549	50,599,628	-	-
Prepaid expenses	628,055	47,393,030	13,749	951,696
Total	1,364,023	102,929,176	17,455	1,208,225

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	170,000	12,828,200	170,000	11,767,400
Total	170,000	12,828,200	170,000	11,767,400

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(134,560)	(10,153,898)	104,009	7,199,497
Profit / (loss) for the year	(5,895,471)	(444,872,243)	(238,568)	(16,513,709)
Closing balance	(6,030,031)	(455,026,141)	(134,560)	(9,314,212)
Total	(6,030,031)	(455,026,141)	(134,560)	(9,314,212)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Loan from bank	8,733,723	659,046,738	-	-
Total	8,733,723	659,046,738	-	-

11 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	513,486	38,747,654	1,211,787	83,879,871
Inter Company - Payables	4,637,560	349,950,278	-	-
Total	5,151,046	388,697,932	1,211,787	83,879,871

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Other Employee dues	-	-	27,390	1,895,925
Statutory dues	300,229	22,655,280	42,506	2,942,260
Others	56	4,226	725	50,193
Total	300,285	22,659,506	70,621	4,888,378

13 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	487,126	36,758,528	-	-
Total	487,126	36,758,528	-	-

14 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	4,324,301	326,311,753	1,340,101	92,761,786
Total	4,324,301	326,311,753	1,340,101	92,761,786



15 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	5,698,751	430,027,750	-	-
Staff welfare expenses	146,907	11,085,602	-	-
Total	5,845,658	441,113,352	-	-

16 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	5,731	432,461	1,574	108,979
Auditors remuneration	28,528	2,152,723	2,839	196,493
Communication expenses	23,829	1,798,136	6,860	474,828
Donations	(430)	(32,448)	-	-
Electricity	3,305	249,395	-	-
Entertainment expenses	3,718	280,560	15	1,045
Exchange loss -Net	848,985	64,064,408	6,650	460,303
Insurance expenses	2	151	212	14,686
IT consumables	6,470	488,226	-	-
Legal and professional fees	562,997	42,483,754	87,357	6,046,861
Miscellaneous expenses	18,858	1,423,028	13,336	923,147
Printing and stationery	14,759	1,113,714	6,983	483,381
Provision for doubtful debts	7,312	551,764	-	-
Rates and Taxes	2,002	151,071	-	-
Recruitment expenses	117,227	8,845,949	13,316	921,724
Relocation Expense	183,294	13,831,365	-	-
Rent	192,309	14,511,637	79,302	5,489,280
Repairs and Maintenance - Plant & Machinery	22,947	1,731,581	717	49,636
Repairs and Maintenance -Building	2,698	203,591	367	25,413
Seminars, trainings and conferences	2,531	190,989	230	15,942
Services rendered by agencies	3,543,785	267,414,016	1,290,015	89,294,825
Travelling and conveyance expenses	249,941	18,860,548	46,249	3,201,339
Total	5,840,798	440,746,619	1,556,023	107,707,882

17 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	16,989	1,281,990	10	693
Guarantee fees	59,088	4,458,780	13,326	922,413
Total	76,077	5,740,770	13,336	923,106



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APPENDIX - 19

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **VSNL SNOSPV PTD Ltd.** ("the subsidiary") registered in Singapore as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Investments in subsidiaries & associates	1	-	-	-	-
	Financial assets					
	(i) Loans	2	-	-	-	-
	Non current tax asset (Net)		-	-	40,962	2,835,390
			-	-	40,962	2,835,390
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	3	11,705	883,259	-	-
	(ii) Cash and cash equivalent	4	2,744	207,062	2,035	140,863
	Other current assets	5	-	-	948	65,621
			14,449	1,090,321	2,983	206,484
	TOTAL ASSETS		14,449	1,090,321	43,945	3,041,874
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	6	25,449,333	1,920,406,668	25,449,333	1,761,602,830
	Other equity	7	(27,017,861)	(2,038,767,791)	(26,936,343)	(1,864,533,661)
	Total Equity		(1,568,528)	(118,361,123)	(1,487,010)	(102,930,831)
(2)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	8	1,320,416	99,638,591	1,208,416	83,646,556
	(ii) Trade payables	9	262,561	19,812,853	322,539	22,326,149
			1,582,977	119,451,444	1,530,955	105,972,705
	TOTAL EQUITY AND LIABILITIES		14,449	1,090,321	43,945	3,041,874

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	10	-	-	-	-
ii	Other Income		1	75	24,772,257	1,714,735,629
iii	Total income (i + ii)		1	75	24,772,257	1,714,735,629
iv	Expenses:					
	Operating and other expenses	11	26,715	2,015,913	108,150	7,486,142
	Finance costs	12	13,842	1,044,517	9,392	650,114
	Depreciation and amortisation expenses		-	-	-	-
	Total expenses		40,557	3,060,430	117,542	8,136,256
v	Profit before taxes (iii - iv)		(40,556)	(3,060,355)	24,654,715	1,706,599,373
vi	Tax expenses					
	(i) Current tax expense/(benefit)		40,962	3,090,993	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		40,962	3,090,993	-	-
vii	Profit / (loss) for the year (v-vi)		(81,518)	(6,151,348)	24,654,715	1,706,599,373

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	237,005,751	17,884,453,970	237,005,751	16,405,538,060
Impairment of investment in subsidiaries	(237,005,751)	(17,884,453,970)	(237,005,751)	(16,405,538,060)
Total	-	-	-	-

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	27,359,693	2,064,562,434	27,359,693	1,893,837,949
Allowances for loan receivables	(27,359,693)	(2,064,562,434)	(27,359,693)	(1,893,837,949)
Total	-	-	-	-

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	11,705	883,259	-	-
Total	11,705	883,259	-	-

4 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	2,744	207,062	2,035	140,863
Total	2,744	207,062	2,035	140,863

5 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	-	-	948	65,621
Total	-	-	948	65,621



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	25,449,333	1,920,406,668	25,449,333	1,761,602,830
Total	25,449,333	1,920,406,668	25,449,333	1,761,602,830

7 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(26,936,343)	(2,032,616,443)	(49,190,674)	(3,404,978,454)
Profit / (loss) for the year	(81,518)	(6,151,348)	24,654,715	1,706,599,373
Proposed Dividend	-	-	(2,400,384)	(166,154,580)
Total	(27,017,861)	(2,038,767,791)	(26,936,343)	(1,864,533,661)

8 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	1,320,416	99,638,591	1,208,416	83,646,556
Total	1,320,416	99,638,591	1,208,416	83,646,556

9 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	26,200	1,977,052	87,511	6,057,511
Inter Company - Payables (Net)	236,361	17,835,801	235,028	16,268,638
Total	262,561	19,812,853	322,539	22,326,149



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	1	75	217	15,021
Exchange gain -Net	-	-	17,661	1,222,494
Miscellaneous income	-	-	24,754,379	1,713,498,114
Total	1	75	24,772,257	1,714,735,629

11 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Auditors remuneration	2,238	168,879	8,187	566,704
Communication expenses	40	3,018	-	-
Exchange loss -Net	3,022	228,040	-	-
Legal and professional fees	19,998	1,509,049	98,782	6,837,690
Miscellaneous expenses	1,417	106,927	1,181	81,748
Total	26,715	2,015,913	108,150	7,486,142

12 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Guarantee fees	13,842	1,044,517	9,392	650,114
Total	13,842	1,044,517	9,392	650,114



APPENDIX - 38

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communication SVCS Pte. Ltd.** ("the subsidiary") registered in Singapore as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020	
			USD	INR*
(A) ASSETS				
(1) Non-current assets				
Property, plant and equipment	1	-	-	-
Other intangible assets	2	-	-	-
Financial assets				
(i) Loans	3	51,860,028	3,913,357,713	
Deferred tax assets (Net)		5,906	445,667	
			51,865,934	3,913,803,380
(2) Current assets				
Financial assets				
(i) Trade receivables	4	6,376,471	481,168,501	
(ii) Cash and cash equivalent	5	148,099	11,175,551	
(iii) Other financial assets	6	1,036,207	78,192,180	
Other current assets	7	11,477	866,055	
			7,572,254	571,402,287
TOTAL ASSETS			59,438,188	4,485,205,667
(B) EQUITY AND LIABILITIES				
(1) Equity				
Equity share capital	8	10,611,000	800,706,060	
Other equity	9	28,621,979	2,159,814,536	
Total Equity			39,232,979	2,960,520,596
(2) Non-current liabilities				
Provisions	10	1,472	111,077	
			1,472	111,077
(3) Current liabilities				
Financial liabilities				
(i) Trade payables	11	2,407,603	181,677,722	
(ii) Other financial liabilities	12	16,075,553	1,213,061,230	
Other current liabilities	13	28,088	2,119,520	
Provisions	14	28,291	2,134,839	
Current tax liabilities (Net)		1,664,202	125,580,683	
			20,203,737	1,524,573,994
TOTAL EQUITY AND LIABILITIES			59,438,188	4,485,205,667

*Exchange rate as at 31 March 2020 1 USD = INR 75.46



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20	
			USD	INR
A	CONTINUED OPERATIONS			
i	Revenue from telecommunications services	15	12,512,616	944,202,003
ii	Other Income	16	939,334	70,882,144
iii	Total income (i + ii)		13,451,950	1,015,084,147
iv	Expenses:			
	Network and transmission expenses	17	3,033,617	228,916,739
	Employee benefits expenses	18	89,984	6,790,192
	Operating and other expenses	19	627,674	47,364,280
	Finance costs	20	-	-
	Depreciation and amortisation expenses		-	-
	Total expenses		3,751,275	283,071,211
v	Profit before taxes (iii - iv)		9,700,675	732,012,936
vi	Tax expenses			
	(i) Current tax expense/(benefit)		1,654,981	124,884,866
	(ii) Deferred tax expense/(benefit)		(5,906)	(445,667)
	Net tax expenses		1,649,075	124,439,199
vii	Profit / (loss) for the year (v-vi)		8,051,600	607,573,737

*Exchange rate as at 31 March 2020 1 USD = INR 75.46



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020	
	USD	INR
Gross block:		
Plant and machinery	95,980	7,242,651
Computers	62	4,679
(a)	96,042	7,247,330
Accumulated depreciation:		
Plant and machinery	95,980	7,242,651
Computers	62	4,679
(b)	96,042	7,247,330
Net block (a) - (b)	-	-

2 Other intangible assets

Particulars	As at 31 March 2020	
	USD	INR
Gross block:		
Computer software	216,166	16,311,886
Customer relationship	49,200,000	3,712,632,000
(a)	49,416,166	3,728,943,886
Accumulated amortisation:		
Computer software	216,166	16,311,886
Customer relationship	49,200,000	3,712,632,000
(b)	49,416,166	3,728,943,886
Net block (a) - (b)	-	-

3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020	
	USD	INR
Inter company loans given (Net)	51,860,028	3,913,357,713
Total	51,860,028	3,913,357,713

4 Trade receivables

Particulars	As at 31 March 2020	
	USD	INR
Trade receivables	6,684,738	504,430,329
Provision for doubtful debts	(308,267)	(23,261,828)
Total	6,376,471	481,168,501



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Cash and cash equivalents

Particulars	As at 31 March 2020	
	USD	INR
Balance with bank	148,099	11,175,551
Total	148,099	11,175,551

6 Current assets - other financial assets

Particulars	As at 31 March 2020	
	USD	INR
Interest Receivable on Inter Co. Loan (Net)	1,036,207	78,192,180
Total	1,036,207	78,192,180

7 Current assets - other assets

Particulars	As at 31 March 2020	
	USD	INR
Prepaid expenses	4,393	331,496
Indirect tax receivable	7,084	534,559
Total	11,477	866,055

8 Equity share capital

Particulars	As at 31 March 2020	
	USD	INR
Equity share capital	10,611,000	800,706,060
Total	10,611,000	800,706,060

9 Other Equity

Particulars	As at 31 March 2020	
	USD	INR
Surplus / (Deficit)		
Transfer from former entity	20,570,379	1,552,240,799
Profit / (loss) for the year	8,051,600	607,573,737
Total	28,621,979	2,159,814,536



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Non-current liabilities - provisions

Particulars	As at 31 March 2020	
	USD	INR
Retention liability	1,472	111,077
Total	1,472	111,077

11 Current liabilities - Trade payables

Particulars	As at 31 March 2020	
	USD	INR
Trade payable	815,038	61,502,767
Inter Company - Payables (Net)	1,592,565	120,174,955
Total	2,407,603	181,677,722

12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020	
	USD	INR
Deposit from customers and contractors	61,447	4,636,791
Others	16,014,106	1,208,424,439
Total	16,075,553	1,213,061,230

13 Current liabilities - other current liabilities

Particulars	As at 31 March 2020	
	USD	INR
Other Employee dues	27,985	2,111,748
Others	103	7,772
Total	28,088	2,119,520

14 Current liabilities - provisions

Particulars	As at 31 March 2020	
	USD	INR
Leave entitlement	28,291	2,134,839
Total	28,291	2,134,839



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Revenue from operations

Particulars	Current year 2019-20	
	USD	INR
Data and voice revenue	12,512,616	944,202,003
Total	12,512,616	944,202,003

16 Other income

Particulars	Current year 2019-20	
	USD	INR
Interest income - others	5,135	387,487
Interest on loan to subsidiaries	934,199	70,494,657
Total	939,334	70,882,144

17 Network and transmission expenses

Particulars	Current year 2019-20	
	USD	INR
Charges for use of transmission facilities	3,033,617	228,916,739
Total	3,033,617	228,916,739

18 Employee benefit expenses

Particulars	Current year 2019-20	
	USD	INR
Salaries, bonus and allowances	88,253	6,659,571
Contribution to provident and other funds	1,731	130,621
Total	89,984	6,790,192

19 Operating and other expenses

Particulars	Current year 2019-20	
	USD	INR
Advertising and publicity	11,992	904,916
Auditors remuneration	848	63,990
Exchange loss -Net	29,726	2,243,124
Legal and professional fees	83,093	6,270,198
Miscellaneous expenses	73,607	5,554,384
Provision for doubtful debts	6,450	486,717
Repairs and Maintenance Plant & Machinery	363,052	27,395,904
Services rendered by agencies	58,906	4,445,047
Total	627,674	47,364,280



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APPENDIX - 40

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications MOVE Singapore Pte. Ltd** ("the subsidiary") registered in Singapore as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			SGD	INR*	SGD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	15,818	837,222	168,589	8,607,914
			15,818	837,222	168,589	8,607,914
(2)	Current assets					
	Financial assets					
	(i) Cash and cash equivalent	2	338,124	17,896,359	68,612	3,503,231
	Other current assets	3	-	-	4,530	231,295
			338,124	17,896,359	73,142	3,734,526
	TOTAL ASSETS		353,942	18,733,581	241,731	12,342,440
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	4	50,000	2,646,420	50,000	2,552,929
	Other equity	5	(104,026)	(5,505,929)	(91,589)	(4,676,402)
	Total Equity		(54,026)	(2,859,509)	(41,589)	(2,123,473)
(2)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	6	397,408	21,034,166	282,663	14,432,368
	(ii) Other current liabilities	7	-	-	657	33,545
	Current tax liabilities (Net)		10,560	558,924	-	-
			407,968	21,593,090	283,320	14,465,913
	TOTAL EQUITY AND LIABILITIES		353,942	18,733,581	241,731	12,342,440

*Exchange rate as at 31 March 2020 | SGD = 52.93 INR (as at 31 March 2019 | SGD = INR 51.06)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			SGD	INR*	SGD	INR*
i	Revenue from operations	8	389,783	20,630,587	316,074	16,138,286
			389,783	20,630,587	316,074	16,138,286
ii	Expenses:					
	Network and transmission expenses	9	144,798	7,663,925	107,235	5,475,266
	Operating and other expenses	10	83,122	4,399,515	47,471	2,423,800
	Finance costs	11	104	5,504	657	33,545
	Depreciation and amortisation expenses		152,775	8,086,135	152,565	7,789,751
	Total expenses		380,799	20,155,079	307,928	15,722,362
iii	Profit before taxes (i-ii)		8,984	475,508	8,146	415,924
iv	Tax expenses					
	(i) Current tax expense		21,421	1,133,779	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		21,421	1,133,779	-	-
v	Profit/(loss) for the year (iii-iv)		(12,437)	(658,271)	8,146	415,924

*Exchange rate as at 31 March 2020 1 SGD = 52.93 INR (as at 31 March 2019 1 SGD = INR 51.06)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	SGD	INR	SGD	INR
Gross block:				
Plant and machinery	47,387	2,508,118	494,087	25,227,376
(a)	47,387	2,508,118	494,087	25,227,376
Accumulated depreciation:				
Plant and machinery	31,569	1,670,896	325,498	16,619,462
(b)	31,569	1,670,896	325,498	16,619,462
Net block (a) - (b)	15,818	837,222	168,589	8,607,914

2 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	SGD	INR	SGD	INR
Balance with bank	338,124	17,896,359	68,612	3,503,231
Total	338,124	17,896,359	68,612	3,503,231

3 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	SGD	INR	SGD	INR
Prepaid expenses	-	-	4,530	231,295
Total	-	-	4,530	231,295

4 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	SGD	INR	SGD	INR
Equity share capital	50,000	2,646,420	50,000	2,552,929
Total	50,000	2,646,420	50,000	2,552,929

5 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	SGD	INR	SGD	INR
Surplus / (Deficit)				
Opening balance	(91,589)	(4,847,658)	(99,735)	(5,092,326)
Profit/(loss) for the year	(12,437)	(658,271)	8,146	415,924
Total	(104,026)	(5,505,929)	(91,589)	(4,676,402)

6 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	SGD	INR	SGD	INR
Trade payable	10,099	534,524	26,298	1,342,738
Inter Company - Payables	387,309	20,499,642	256,365	13,089,630
Total	397,408	21,034,166	282,663	14,432,368



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

7 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	SGD	INR	SGD	INR
Interest accrued but not due	-	-	657	33,545
Total	-	-	657	33,545

8 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	SGD	INR	SGD	INR
Data and voice revenue	389,783	20,630,587	316,074	16,138,286
Total	389,783	20,630,587	316,074	16,138,286

9 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	SGD	INR	SGD	INR
Charges for use of transmission facilities	144,798	7,663,925	107,235	5,475,266
Total	144,798	7,663,925	107,235	5,475,266

10 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	SGD	INR	SGD	INR
Auditors Remuneration	(2,855)	(151,111)	-	-
Exchange loss -Net	5,963	315,612	1,186	60,555
Legal and professional fees	3,843	203,404	38,719	1,976,937
Miscellaneous expenses	8,185	433,220	7,566	386,308
Electricity expenses	67,986	3,598,390	-	-
Total	83,122	4,399,515	47,471	2,423,800

11 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	SGD	INR	SGD	INR
Interest expenses	92	4,869	657	33,545
Guarantee fees	12	635	-	-
Total	104	5,504	657	33,545



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APPENDIX - 47

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Nexus Connexion (SA) Pty Ltd** ("the subsidiary") registered in South Africa as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.




The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			ZAR	INR*	ZAR	INR*
(A)	ASSETS					
(1)	Current assets					
	Financial assets					
	(i) Cash and cash equivalent	1	2,991	12,622	4,164	19,862
			2,991	12,622	4,164	19,862
	TOTAL ASSETS		2,991	12,622	4,164	19,862
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	2	10,000	42,200	10,000	47,700
	Other equity	3	(218,083)	(920,310)	(147,246)	(702,364)
	Total Equity		(208,083)	(878,110)	(137,246)	(654,664)
(2)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	4	211,074	890,732	141,410	674,526
			211,074	890,732	141,410	674,526
	TOTAL EQUITY AND LIABILITIES		2,991	12,622	4,164	19,862

*Exchange rate as at 31 March 2020 1 ZAR = INR 4.22 (as at 31 March 2019 1 ZAR = INR 4.77)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			ZAR	INR*	ZAR	INR*
i	Revenue from telecommunications services		-	-	-	-
ii	Other Income		-	-	-	-
iii	Total income (i + ii)		-	-	-	-
iv	Expenses:					
	(i) Operating and other expenses	5	70,837	298,932	(19,651)	(93,736)
	Total expenses		70,837	298,932	(19,651)	(93,736)
v	Profit/(loss) before taxes (iii - iv)		(70,837)	(298,932)	19,651	93,736
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(70,837)	(298,932)	19,651	93,736

*Exchange rate as at 31 March 2020 1 ZAR = INR 4.22 (as at 31 March 2019 1 ZAR = INR 4.77)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Balance with bank	2,991	12,622	4,164	19,862
Total	2,991	12,622	4,164	19,862

2 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Equity share capital	10,000	42,200	10,000	47,700
Total	10,000	42,200	10,000	47,700

3 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Surplus / (Deficit)				
Opening balance	(277,246)	(1,169,978)	(296,897)	(1,416,199)
Profit / (loss) for the year	(70,837)	(298,932)	19,651	93,735
Closing balance	(348,083)	(1,468,910)	(277,246)	(1,322,464)
Share premium	130,000	548,600	130,000	620,100
Total	(218,083)	(920,310)	(147,246)	(702,364)

4 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Trade payable	47,774	201,606	141,410	674,526
Payable to holding company	163,300	689,126	-	-
Total	211,074	890,732	141,410	674,526

5 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	ZAR	INR	ZAR	INR
Auditors remuneration	28,750	121,325	-	-
Legal and professional fees	40,915	172,661	(22,350)	(106,610)
Miscellaneous expenses	1,172	4,946	2,699	12,874
Total	70,837	298,932	(19,651)	(93,736)



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APPENDIX - 51

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **SEPCO Communications (Pty) Limited** ("the subsidiary") registered in South Africa as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinod Kumar Varma
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



SEPCO Communications (Pty) Limited

BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			ZAR	INR*	ZAR	INR*
(A)	ASSETS					
(1)	Current assets					
	Financial assets					
	(i) Cash and cash equivalent	1	5,305,582	22,389,556	6,589,934	31,433,985
			5,305,582	22,389,556	6,589,934	31,433,985
	TOTAL ASSETS		5,305,582	22,389,556	6,589,934	31,433,985
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	2	1,000	4,220	1,000	4,770
	Other equity	3	4,985,225	21,037,650	5,359,732	25,565,922
	Total Equity		4,986,225	21,041,870	5,360,732	25,570,692
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Borrowings	4	223,676	943,913	223,676	1,066,935
			223,676	943,913	223,676	1,066,935
(3)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	5	95,681	403,774	1,005,526	4,796,359
			95,681	403,774	1,005,526	4,796,359
	TOTAL EQUITY AND LIABILITIES		5,305,582	22,389,556	6,589,934	31,433,985

*Exchange rate as at 31 March 2020 1 ZAR = INR 4.22 (as at 31 March 2019 1 ZAR = INR 4.77)



SEPCO Communications (Pty) Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			ZAR	INR*	ZAR	INR*
i	Revenue from telecommunications services		-	-	-	-
ii	Other Income		-	-	-	-
iii	Total income (i + ii)		-	-	-	-
iv	Expenses:					
	(i) Operating and other expenses	6	374,507	1,580,420	969,113	4,622,669
	Total expenses		374,507	1,580,420	969,113	4,622,669
v	Profit before taxes (iii -iv)		(374,507)	(1,580,420)	(969,113)	(4,622,669)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(374,507)	(1,580,420)	(969,113)	(4,622,669)

*Exchange rate as at 31 March 2020 1 ZAR = INR 4.22 (as at 31 March 2019 1 ZAR = INR 4.77)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Balance with bank	5,305,582	22,389,556	6,589,934	31,433,985
Total	5,305,582	22,389,556	6,589,934	31,433,985

2 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Equity share capital	1,000	4,220	1,000	4,770
Total	1,000	4,220	1,000	4,770

3 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Surplus / (Deficit)				
Opening balance	(515,226,466)	(2,174,255,687)	(514,257,353)	(2,453,007,574)
Profit / (loss) for the year	(374,507)	(1,580,420)	(969,113)	(4,622,669)
Closing balance	(515,600,973)	(2,175,836,106)	(515,226,466)	(2,457,630,243)
Share premium	515,380,336	2,174,905,018	515,380,336	2,458,364,203
Preference share capital	5,205,862	21,968,738	5,205,862	24,831,962
Total	4,985,225	21,037,650	5,359,732	25,565,922

4 Non-current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Unsecured borrowings - Inter company loans taken	223,676	943,913	223,676	1,066,935
Total	223,676	943,913	223,676	1,066,935

5 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Trade payables	95,681	403,774	1,005,526	4,796,359
Total	95,681	403,774	1,005,526	4,796,359

6 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	ZAR	INR	ZAR	INR
Miscellaneous expenses	13,265	55,978	2,087	9,955
Legal and professional fees	88,324	372,727	34,500	164,565
Rates and Taxes	272,918	1,151,714	932,526	4,448,149
Total	374,507	1,580,420	969,113	4,622,669



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APPENDIX - 48

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Transformation Services South Africa (Pty) Ltd** ("the subsidiary") registered in South Africa as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



Tata Communications Transformation Services South Africa (Pty) Ltd

BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			ZAR	INR*	ZAR	INR*
(A) ASSETS						
(1) Current assets						
(a) Financial assets						
(i) Cash and cash equivalent	1		2,503,475	10,572,001	452,697	2,159,364
(b) Other current assets	2		1,260	5,321	1,260	6,010
			2,504,735	10,577,322	453,957	2,165,374
TOTAL ASSETS			2,504,735	10,577,322	453,957	2,165,374
(B) EQUITY AND LIABILITIES						
(1) Equity						
Equity share capital	3		655,550	2,768,342	655,550	3,126,974
Other equity	4		(255,708)	(1,079,838)	(484,233)	(2,309,794)
Total Equity			399,842	1,688,504	171,317	817,180
(2) Current liabilities						
Financial liabilities						
(i) Trade payables	5		2,104,894	8,888,818	282,640	1,348,194
			2,104,894	8,888,818	282,640	1,348,194
TOTAL EQUITY AND LIABILITIES			2,504,735	10,577,322	453,957	2,165,374

*Exchange rate as at 31 March 2020 1 ZAR = INR 4.22 (as at 31 March 2019 1 ZAR = INR 4.77)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			ZAR	INR*	ZAR	INR*
i	Revenue from operations	6	2,207,925	9,323,913	-	-
ii	Other Income	7	26,492	111,873	6,626	31,605
iii	Total income (i + ii)		2,234,417	9,435,786	6,626	31,605
iv	Expenses:					
	Operating and other expenses	8	2,005,892	8,470,741	398,709	1,901,842
	Total expenses		2,005,892	8,470,741	398,709	1,901,842
v	Profit / (loss) before taxes (iii - iv)		228,525	965,045	(392,083)	(1,870,237)
vi	Tax expenses					
	Current tax expense		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		228,525	965,045	(392,083)	(1,870,237)

*Exchange rate as at 31 March 2020 1 ZAR = INR 4.22 (as at 31 March 2019 1 ZAR = INR 4.77)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Balance with bank	2,503,475	10,572,001	452,697	2,159,364
Total	2,503,475	10,572,001	452,697	2,159,364

2 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Indirect tax receivable	1,260	5,321	1,260	6,010
Total	1,260	5,321	1,260	6,010

3 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Equity share capital	655,550	2,768,342	655,550	3,126,974
Total	655,550	2,768,342	655,550	3,126,974

4 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Surplus / (Deficit)				
Opening balance	(484,233)	(2,044,883)	(92,150)	(439,557)
Profit / (loss) for the year	228,525	965,045	(392,083)	(1,870,237)
Closing balance	(255,708)	(1,079,838)	(484,233)	(2,309,794)

5 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	ZAR	INR	ZAR	INR
Trade payable	2,049,640	8,655,487	227,387	1,084,636
Inter Company - Payables	55,253	233,331	55,253	263,558
Total	2,104,894	8,888,818	282,640	1,348,194



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	ZAR	INR	ZAR	INR
Data and voice revenue	2,207,925	9,323,913	-	-
Total	2,207,925	9,323,913	-	-

7 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	ZAR	INR	ZAR	INR
Interest income - others	781	3,296	6,414	30,595
Exchange Gain/(Loss) -Net	25,711	108,577	212	1,010
Total	26,492	111,873	6,626	31,605

8 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	ZAR	INR	ZAR	INR
Advertising and publicity	(94,369)	(398,513)	115,026	548,673
Auditors remuneration	12,000	50,675	22,000	104,940
Legal and professional fees	358,811	1,515,234	266,742	1,272,359
Miscellaneous expenses	6,761	28,552	5,325	25,402
Rent	-	-	(10,384)	(49,532)
Services rendered by agencies	1,722,688	7,274,793	-	-
Total	2,005,892	8,470,741	398,709	1,901,842



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APPENDIX - 35

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (South Korea) Limited** ("the subsidiary") registered in South Korea as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	254,335	19,192,119	55,183	3,819,767
Deferred tax assets (Net)		25,335	1,911,779	21,019	1,454,935
Other non-current assets	2	51,324	3,872,909	46,995	3,252,994
		330,994	24,976,807	123,197	8,527,696
(2) Current assets					
Financial assets					
(i) Trade receivables	3	331,737	25,032,874	104,039	7,201,580
(ii) Cash and cash equivalent	4	323,413	24,404,745	309,474	21,421,790
(iii) Other financial assets	5	1,179	88,967	-	-
Other current assets	6	43,726	3,299,564	24,475	1,694,160
		700,055	52,826,150	437,988	30,317,530
TOTAL ASSETS		1,031,049	77,802,957	561,185	38,845,226
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	7	260,825	19,681,855	260,825	18,054,307
Other equity	8	23,995	1,810,661	7,202	498,524
Total Equity		284,820	21,492,516	268,027	18,552,831
(2) Non-current liabilities					
Other non current liabilities (Deferred revenue)		2,078	156,806	3,750	259,575
		2,078	156,806	3,750	259,575
(3) Current liabilities					
Financial liabilities					
(i) Trade payables	9	631,486	47,651,933	192,434	13,320,281
(ii) Other financial liabilities	10	2,799	211,213	1,484	102,722
Other current liabilities	11	95,804	7,229,370	82,275	5,695,075
Provisions	12	5,645	425,972	3,519	243,585
Current tax liabilities (Net)		8,417	635,147	9,696	671,157
		744,151	56,153,635	289,408	20,032,820
TOTAL EQUITY AND LIABILITIES		1,031,049	77,802,957	561,185	38,845,226

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	13	1,525,719	115,130,756	613,753	42,483,983
iii	Total income (i + ii)		1,525,719	115,130,756	613,753	42,483,983
iv	Expenses:					
	Network and transmission expenses	14	1,058,093	79,843,698	231,786	16,044,227
	Employee benefits expenses	15	196,343	14,816,043	231,908	16,052,671
	Operating and other expenses	16	228,931	17,275,134	141,678	9,806,951
	Depreciation and amortisation expenses		24,106	1,819,039	2,586	179,003
	Total expenses		1,507,473	113,753,914	607,958	42,082,852
v	Profit before exceptional items and taxes (iii - iv)		18,246	1,376,842	5,795	401,131
vi	Exceptional items:					
	Staff cost optimisation		-	-	10,764	745,084
vii	Profit before taxes (v - vi)		18,246	1,376,842	16,559	1,146,215
viii	Tax expenses					
	(i) Current tax expense/(benefit)		5,769	435,329	16,465	1,139,707
	(ii) Deferred tax expense/(benefit)		(4,316)	(325,685)	(21,019)	(1,454,935)
	Net tax expenses		1,453	109,644	(4,554)	(315,228)
ix	Profit / (loss) for the year (vii-viii)		16,793	1,267,198	21,113	1,461,443

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	281,026	21,206,222	57,769	3,998,770
Computers	1,385	104,512	1,385	95,870
(a)	282,411	21,310,734	59,154	4,094,640
Accumulated depreciation:				
Plant and machinery	26,691	2,014,103	2,586	179,003
Computers	1,385	104,512	1,385	95,870
(b)	28,076	2,118,615	3,971	274,873
Net block (a) - (b)	254,335	19,192,119	55,183	3,819,767

2 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	51,324	3,872,909	46,995	3,252,994
Total	51,324	3,872,909	46,995	3,252,994

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	331,793	25,037,100	104,039	7,201,580
Provision for doubtful debts	(56)	(4,226)	-	-
Total	331,737	25,032,874	104,039	7,201,580

4 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	323,413	24,404,745	309,474	21,421,790
Total	323,413	24,404,745	309,474	21,421,790

5 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	1,179	88,967	-	-
Total	1,179	88,967	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	43,648	3,293,678	24,475	1,694,160
Others	78	5,886	-	-
Total	43,726	3,299,564	24,475	1,694,160

7 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	260,825	19,681,855	260,825	18,054,307
Total	260,825	19,681,855	260,825	18,054,307

8 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	7,202	543,463	(13,911)	(962,919)
Profit / (loss) for the year	16,793	1,267,198	21,113	1,461,443
Total	23,995	1,810,661	7,202	498,524

9 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	321,779	24,281,443	148,550	10,282,631
Inter Company - Payables (Net)	309,707	23,370,490	43,884	3,037,650
Total	631,486	47,651,933	192,434	13,320,281

10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	2,799	211,213	1,484	102,722
Total	2,799	211,213	1,484	102,722



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	9,751	735,810	8,187	566,704
Other Employee dues	40,371	3,046,396	57,741	3,996,832
Other Statutory dues	45,682	3,447,164	16,273	1,126,417
Others	-	-	74	5,122
Total	95,804	7,229,370	82,275	5,695,075

12 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	5,645	425,972	3,519	243,585
Total	5,645	425,972	3,519	243,585

13 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	1,525,719	115,130,756	613,753	42,483,983
Total	1,525,719	115,130,756	613,753	42,483,983

14 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,058,093	79,843,698	231,786	16,044,227
Total	1,058,093	79,843,698	231,786	16,044,227

15 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	196,048	14,793,782	231,647	16,034,605
Staff welfare expenses	295	22,261	261	18,066
Total	196,343	14,816,043	231,908	16,052,671



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	9,000	679,140	-	-
Communication expenses	1,782	134,470	2,034	140,793
Entertainment expenses	3,137	236,718	4,888	338,347
Exchange loss -Net	41,833	3,156,718	19,850	1,374,017
Insurance expenses	3,747	282,749	5,200	359,944
IT consumables	720	54,331	752	52,053
Legal and professional fees	76,709	5,788,461	73,572	5,092,654
Miscellaneous expenses	48,261	3,641,776	23,554	1,630,408
Printing and stationery	51	3,848	181	12,529
Provision for doubtful debts	56	4,226	-	-
Recruitment expenses	19,461	1,468,527	-	-
Repairs and Maintenance Plant & Machinery	14,403	1,086,850	3,739	258,814
Seminars, trainings and conferences	-	-	404	27,965
Services rendered by agencies	5,500	415,030	-	-
Travelling and conveyance expenses	4,271	322,290	7,504	519,427
Total	228,931	17,275,134	141,678	9,806,951



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APPENDIX - 10

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Spain) SL** ("the subsidiary") registered in Spain as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	5,055,159	381,462,297	5,323,669	368,504,369
	Capital work-in-progress		3,013	227,361	357,744	24,763,040
	Right-of-use assets		396,635	29,930,077	-	-
	Other intangible assets	2	5,837	440,460	10,840	750,345
	Financial assets					
	(i) Loans	3	11,915,470	899,141,366	10,732,599	742,910,503
	(ii) Other financial assets	4	19,087	1,440,305	188,868	13,073,443
	Non current tax asset (Net)		173,395	13,084,387	162,154	11,224,300
	Other non-current assets	5	27,307	2,060,586	29,839	2,065,456
			17,595,903	1,327,786,839	16,805,713	1,163,291,456
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	6	4,060,561	306,409,933	2,571,016	177,965,728
	(ii) Cash and cash equivalent	7	51,739	3,904,225	79,138	5,477,932
	(iii) Other financial assets	8	100,140	7,556,564	87,086	6,028,093
	Other current assets	9	1,607,487	121,300,969	1,535,205	106,266,889
			5,819,927	439,171,691	4,272,445	295,738,642
	TOTAL ASSETS		23,415,830	1,766,958,530	21,078,158	1,459,030,098
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	10	537,610	40,568,051	537,610	37,213,364
	Other equity	11	17,079,861	1,288,846,308	15,032,760	1,040,567,647
	Total Equity		17,617,471	1,329,414,359	15,570,370	1,077,781,011
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Lease liabilities		299,067	22,567,596	-	-
	Provisions	12	719,969	54,328,861	692,022	47,901,763
	Other non current liabilities (Deferred revenue)		311,912	23,536,880	167,857	11,619,062
			1,330,948	100,433,337	859,879	59,520,825
(3)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	13	3,718,067	280,565,336	4,056,830	280,813,773
	(ii) Other financial liabilities	14	15,158	1,143,823	13,457	931,494
	(iii) Lease liabilities		88,193	6,655,044	-	-
	Other current liabilities	15	590,564	44,563,959	524,529	36,307,898
	Provisions	16	55,429	4,182,672	53,093	3,675,097
			4,467,411	337,110,834	4,647,909	321,728,262
	TOTAL EQUITY AND LIABILITIES		23,415,830	1,766,958,530	21,078,158	1,459,030,098

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	17	20,080,052	1,515,240,724	16,325,107	1,130,023,907
ii	Other Income	18	1,276,871	96,352,686	1,464,500	101,372,689
iii	Total income (i + ii)		21,356,923	1,611,593,410	17,789,607	1,231,396,596
iv	Expenses:					
	Network and transmission expenses	19	8,350,630	630,138,540	8,594,951	594,942,508
	Employee benefits expenses	20	2,661,879	200,865,390	2,675,480	185,196,726
	Operating and other expenses	21	6,312,985	476,377,850	2,645,292	183,107,111
	Finance costs	22	56,441	4,259,038	87,591	6,063,049
	Depreciation and amortisation expenses		1,573,508	118,736,914	1,780,071	123,216,515
	Total expenses		18,955,443	1,430,377,732	15,783,385	1,092,525,909
v	Profit before exceptional items and taxes (iii - iv)		2,401,480	181,215,678	2,006,222	138,870,687
vi	Exceptional items:					
	Staff cost optimisation		(238,866)	(18,024,828)	(21,341)	(1,477,224)
vii	Profit before taxes (v - vi)		2,162,614	163,190,850	1,984,881	137,393,463
viii	Tax expenses					
	(i) Current tax expense/(benefit)		115,513	8,716,611	347,925	24,083,369
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		115,513	8,716,611	347,925	24,083,369
ix	Profit / (loss) for the year (vii-viii)		2,047,101	154,474,239	1,636,956	113,310,094

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Land	115,191	8,692,313	115,191	7,973,521
Building	701,401	52,927,719	701,401	48,550,977
Lease hold improvement	355,725	26,843,009	355,725	24,623,285
Cables	8,496,167	641,120,762	8,376,331	579,809,632
Plant and machinery	13,131,627	990,912,573	12,227,840	846,411,085
Furniture and fixtures	77,874	5,876,372	59,068	4,088,687
Computers	46,939	3,542,017	35,764	2,475,584
Office equipment	154,151	11,632,234	152,864	10,581,246
(a)	23,079,075	1,741,546,999	22,024,184	1,524,514,017
Accumulated depreciation:				
Building	413,566	31,207,690	303,422	21,002,871
Lease hold improvement	355,725	26,843,009	325,644	22,541,078
Cables	6,627,958	500,145,711	6,008,507	415,908,855
Plant and machinery	10,479,010	790,746,095	9,931,033	687,426,104
Furniture and fixtures	41,201	3,109,027	35,683	2,469,977
Computers	26,495	1,999,313	33,093	2,290,697
Office equipment	79,961	6,033,857	63,133	4,370,066
(b)	18,023,916	1,360,084,702	16,700,515	1,156,009,648
Net block (a) - (b)	5,055,159	381,462,297	5,323,669	368,504,369

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	40,660	3,068,204	40,660	2,814,485
(a)	40,660	3,068,204	40,660	2,814,485
Accumulated amortisation:				
Computer software	34,823	2,627,744	29,820	2,064,140
(b)	34,823	2,627,744	29,820	2,064,140
Net block (a) - (b)	5,837	440,460	10,840	750,345

3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	11,915,470	899,141,366	10,732,599	742,910,503
Total	11,915,470	899,141,366	10,732,599	742,910,503



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	19,087	1,440,305	188,868	13,073,443
Total	19,087	1,440,305	188,868	13,073,443

5 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	27,307	2,060,586	29,839	2,065,456
Total	27,307	2,060,586	29,839	2,065,456

6 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	2,242,401	169,211,579	2,640,681	182,787,939
Intercompany receivables (Net)	1,916,498	144,618,939	-	-
Provision for doubtful debts	(98,338)	(7,420,585)	(69,665)	(4,822,211)
Total	4,060,561	306,409,933	2,571,016	177,965,728

7 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	51,739	3,904,225	79,138	5,477,932
Total	51,739	3,904,225	79,138	5,477,932

8 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	84,511	6,377,200	75,524	5,227,771
Others	15,629	1,179,364	11,562	800,322
Total	100,140	7,556,564	87,086	6,028,093



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

9 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	46,037	3,473,952	55,056	3,810,976
Advances to employees	25,010	1,887,255	39,379	2,725,814
Other Advances	-	-	8	554
Prepaid expenses	367,651	27,742,944	344,332	23,834,661
Indirect tax receivable	1,168,109	88,145,505	1,095,724	75,846,015
Others	680	51,313	706	48,869
Total	1,607,487	121,300,969	1,535,205	106,266,889

10 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	537,610	40,568,051	537,610	37,213,364
Total	537,610	40,568,051	537,610	37,213,364

11 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(3,102,028)	(234,079,033)	(4,738,984)	(328,032,472)
Profit / (loss) for the year	2,047,101	154,474,239	1,636,956	113,310,094
Closing balance	(1,054,927)	(79,604,794)	(3,102,028)	(214,722,378)
Share premium	18,134,788	1,368,451,102	18,134,788	1,255,290,025
Total	17,079,861	1,288,846,308	15,032,760	1,040,567,647

12 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	719,969	54,328,861	692,022	47,901,763
Total	719,969	54,328,861	692,022	47,901,763

13 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	3,718,067	280,565,336	3,558,332	246,307,741
Inter Company - Payables (Net)	-	-	498,498	34,506,032
Total	3,718,067	280,565,336	4,056,830	280,813,773



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	15,158	1,143,823	13,457	931,494
Total	15,158	1,143,823	13,457	931,494

15 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	235,561	17,775,433	130,839	9,056,676
Other Employee dues	355,003	26,788,526	393,690	27,251,222
Total	590,564	44,563,959	524,529	36,307,898

16 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	55,429	4,182,672	53,093	3,675,097
Total	55,429	4,182,672	53,093	3,675,097

17 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	20,080,052	1,515,240,724	16,325,107	1,130,023,907
Total	20,080,052	1,515,240,724	16,325,107	1,130,023,907

18 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	473,336	35,717,935	417,379	28,890,974
Exchange gain -Net	192,177	14,501,676	326,202	22,579,702
Miscellaneous income	611,358	46,133,075	720,919	49,902,013
Total	1,276,871	96,352,686	1,464,500	101,372,689

19 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	8,350,630	630,138,540	8,594,951	594,942,508
Total	8,350,630	630,138,540	8,594,951	594,942,508



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	2,598,880	196,111,485	2,610,016	180,665,308
Staff welfare expenses	62,999	4,753,905	65,464	4,531,418
Total	2,661,879	200,865,390	2,675,480	185,196,726

21 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	1,296,252	97,815,176	884,775	61,244,126
Asset retirement expense	259	19,544	-	-
Auditors remuneration	45,500	3,433,430	66,000	4,568,520
Communication expenses	36,177	2,729,916	22,625	1,566,103
Electricity	535,755	40,428,072	500,068	34,614,707
Insurance expenses	28,210	2,128,727	21,283	1,473,209
IT consumables	514	38,786	1,505	104,176
Legal and professional fees	3,032,625	228,841,883	116,037	8,032,081
Miscellaneous expenses	460,545	34,752,726	215,329	14,905,071
Printing and stationery	6,280	473,889	6,492	449,376
Provision for doubtful debts	28,673	2,163,665	23,829	1,649,443
Rates and Taxes	32,699	2,467,467	90,262	6,247,936
Recruitment expenses	200	15,092	559	38,694
Relocation Expense	-	-	4,649	321,804
Rent	94,775	7,151,722	102,566	7,099,619
Repairs and Maintenance Plant & Machinery	266,961	20,144,877	334,573	23,159,143
Repairs and Maintenance -Building	44,921	3,389,739	89,425	6,189,999
Security charges	-	-	3,433	237,632
Seminars, trainings and conferences	6,489	489,660	29,629	2,050,919
Services rendered by agencies	275,631	20,799,115	46,918	3,247,664
Travelling and conveyance expenses	120,519	9,094,364	85,335	5,906,889
Total	6,312,985	476,377,850	2,645,292	183,107,111

22 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	53,581	4,043,222	82,000	5,676,040
Guarantee fees	2,860	215,816	5,591	387,009
Total	56,441	4,259,038	87,591	6,063,049



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LLP Identity No. AAB-7509

APPENDIX - 20

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Sweden) AB** ("the subsidiary") registered in Sweden as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar Varma

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	302,622	22,835,856	312,035	21,599,062
Capital work-in-progress		6,993	527,692	18,266	1,264,373
Deferred tax assets (Net)		82,420	6,219,413	90,498	6,264,272
Other non-current assets	2	5,106	385,299	3,155	218,389
		397,141	29,968,260	423,954	29,346,096
(2) Current assets					
Financial assets					
(i) Trade receivables	3	656,975	49,575,333	245,593	16,999,948
(ii) Cash and cash equivalent	4	352,857	26,626,589	61,521	4,258,484
(iii) Other financial assets	5	6,571	495,848	1,907	132,003
Other current assets	6	86,504	6,527,592	319,659	22,126,796
		1,102,907	83,225,362	628,680	43,517,231
TOTAL ASSETS		1,500,048	113,193,622	1,052,634	72,863,327
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	7	364,779	27,526,223	364,779	25,250,002
Other equity	8	(123,564)	(9,324,139)	(106,206)	(7,351,577)
Total Equity		241,215	18,202,084	258,573	17,898,425
(2) Non-current liabilities					
Other non current liabilities (Deferred revenue)		13,597	1,026,030	32,112	2,222,793
		13,597	1,026,030	32,112	2,222,793
(3) Current liabilities					
Financial liabilities					
(i) Borrowings	9	690,901	52,135,389	212,079	14,680,108
(ii) Trade payables	10	514,458	38,821,001	501,984	34,747,332
(iii) Other financial liabilities	11	17,138	1,293,233	15,019	1,039,615
Other current liabilities	12	22,739	1,715,885	32,867	2,275,054
		1,245,236	93,965,508	761,949	52,742,109
TOTAL EQUITY AND LIABILITIES		1,500,048	113,193,622	1,052,634	72,863,327

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	13	1,709,950	129,032,827	1,340,208	92,769,198
ii	Other Income	14	2,366	178,538	8,431	583,594
iii	Total income (i + ii)		1,712,316	129,211,365	1,348,639	93,352,792
iv	Expenses:					
	Network and transmission expenses	15	256,353	19,344,397	421,202	29,155,602
	Operating and other expenses	16	1,336,341	100,840,291	822,854	56,957,952
	Finance costs	17	26,289	1,983,768	21,237	1,470,025
	Depreciation and amortisation expenses		102,613	7,743,177	90,736	6,280,746
	Total expenses		1,721,596	129,911,633	1,356,029	93,864,325
v	Profit before taxes (iii - iv)		(9,280)	(700,268)	(7,390)	(511,533)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	5,605	387,978
	(ii) Deferred tax expense/(benefit)		8,078	609,566	9,640	667,281
	Net tax expenses		8,078	609,566	15,245	1,055,259
vii	Profit / (loss) for the year (v-vi)		(17,358)	(1,309,834)	(22,635)	(1,566,792)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,360,457	102,660,085	1,328,728	91,974,552
Office equipment	2,104	158,768	2,104	145,639
(a)	1,362,561	102,818,853	1,330,832	92,120,191
Accumulated depreciation:				
Plant and machinery	1,058,427	79,868,901	1,017,548	70,434,673
Office equipment	1,512	114,096	1,249	86,456
(b)	1,059,939	79,982,997	1,018,797	70,521,129
Net block (a) - (b)	302,622	22,835,856	312,035	21,599,062

2 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	5,106	385,299	3,155	218,389
Total	5,106	385,299	3,155	218,389

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	48,104	3,629,928	33,748	2,336,037
Intercompany receivables (Net)	609,805	46,015,885	211,910	14,668,410
Provision for doubtful debts	(934)	(70,480)	(65)	(4,499)
Total	656,975	49,575,333	245,593	16,999,948

4 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	352,857	26,626,589	61,521	4,258,484
Total	352,857	26,626,589	61,521	4,258,484

5 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	6,571	495,848	1,907	132,003
Total	6,571	495,848	1,907	132,003



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	6,608	498,640	14,434	999,121
Indirect tax receivable	79,896	6,028,952	305,225	21,127,675
Total	86,504	6,527,592	319,659	22,126,796

7 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	364,779	27,526,223	364,779	25,250,002
Total	364,779	27,526,223	364,779	25,250,002

8 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(106,206)	(8,014,305)	(83,571)	(5,784,785)
Profit / (loss) for the year	(17,358)	(1,309,834)	(22,635)	(1,566,792)
Total	(123,564)	(9,324,139)	(106,206)	(7,351,577)

9 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	690,901	52,135,389	212,079	14,680,108
Total	690,901	52,135,389	212,079	14,680,108

10 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	514,458	38,821,001	501,984	34,747,332
Total	514,458	38,821,001	501,984	34,747,332

11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	17,138	1,293,233	15,019	1,039,615
Total	17,138	1,293,233	15,019	1,039,615



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	22,739	1,715,885	24,648	1,706,135
Other Statutory dues	-	-	8,219	568,919
Total	22,739	1,715,885	32,867	2,275,054

13 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	1,709,950	129,032,827	1,340,208	92,769,198
Total	1,709,950	129,032,827	1,340,208	92,769,198

14 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Exchange gain -Net	-	-	8,431	583,594
Miscellaneous income	2,366	178,538	-	-
Total	2,366	178,538	8,431	583,594

15 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	256,353	19,344,397	421,202	29,155,602
Total	256,353	19,344,397	421,202	29,155,602

16 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	-	-	49,970	3,458,923
Auditors remuneration	14,800	1,116,808	24,200	1,675,124
Communication expenses	377	28,448	845	58,491
Electricity	53,020	4,000,889	53,059	3,672,744
Exchange loss -Net	39,524	2,982,481	-	-
Insurance expenses	62	4,679	569	39,386
Legal and professional fees	22,983	1,734,297	40,755	2,821,061
Miscellaneous expenses	4,062	306,518	3,815	264,073
Printing and stationery	24	1,811	-	-
Provision for doubtful debts	869	65,575	(124)	(8,583)
Repairs and Maintenance Plant & Machinery	615,307	46,431,066	650,197	45,006,636
Services rendered by agencies	585,251	44,163,040	(432)	(29,903)
Travelling and conveyance expenses	62	4,679	-	-
Total	1,336,341	100,840,291	822,854	56,957,952



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

17 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	24,861	1,876,011	20,106	1,391,737
Guarantee fees	1,428	107,757	1,131	78,288
Total	26,289	1,983,768	21,237	1,470,025



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APPENDIX - 24

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Switzerland) GmbH** ("the subsidiary") registered in Switzerland as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.




The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	398,599	30,078,281	448,203	31,024,612
	Capital work-in-progress		51,997	3,923,694	1,018	70,466
	Right-of-use assets		21,916	1,653,781	-	-
	Financial assets					
	(i) Loans	2	783,512	59,123,816	266,674	18,459,174
	(ii) Other financial assets	3	5,128	386,959	4,969	343,954
	Deferred tax assets (Net)		1,814	136,884	8,419	582,763
	Other non-current assets	4	48,068	3,627,211	18,399	1,273,579
			1,311,034	98,930,626	747,682	51,754,548
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	5	1,405,674	106,072,160	970,302	67,164,304
	(ii) Other financial assets	6	14,382	1,085,266	16,864	1,167,326
	Other current assets	7	52,020	3,925,429	25,986	1,798,751
			1,472,076	111,082,855	1,013,152	70,130,381
	TOTAL ASSETS		2,783,110	210,013,481	1,760,834	121,884,929
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	474,414	35,799,280	474,414	32,838,937
	Other equity	9	66,287	5,002,018	34,732	2,404,150
	Total Equity		540,701	40,801,298	509,146	35,243,087
(2)	Non-current liabilities					
	Other non current liabilities (Deferred revenue)		90,470	6,826,866	3,010	208,352
			90,470	6,826,866	3,010	208,352
(3)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	10	1,896,931	143,142,413	1,166,593	80,751,567
	(ii) Other financial liabilities	11	10,000	754,600	10,000	692,200
	(iii) Lease liabilities		22,742	1,716,111	-	-
	Other current liabilities	12	222,266	16,772,193	72,085	4,989,723
			2,151,939	162,385,317	1,248,678	86,433,490
	TOTAL EQUITY AND LIABILITIES		2,783,110	210,013,481	1,760,834	121,884,929

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	13	5,070,264	382,602,121	3,139,715	217,331,072
ii	Other Income	14	95,815	7,230,200	30,941	2,141,736
iii	Total income (i + ii)		5,166,079	389,832,321	3,170,656	219,472,808
iv	Expenses:					
	Network and transmission expenses	15	4,580,731	345,661,961	2,747,132	190,156,477
	Operating and other expenses	16	330,926	24,971,675	278,947	19,308,710
	Finance costs	17	81,599	6,157,461	16,660	1,153,205
	Depreciation and amortisation expenses		134,663	10,161,670	102,499	7,094,981
	Total expenses		5,127,919	386,952,767	3,145,238	217,713,373
v	Profit before taxes (iii - iv)		38,160	2,879,554	25,418	1,759,435
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	(11,479)	(794,576)
	(ii) Deferred tax expense/(benefit)		6,605	498,413	2,811	194,577
	Net tax expenses		6,605	498,413	(8,668)	(599,999)
vii	Profit / (loss) for the year (v-vi)		31,555	2,381,141	34,086	2,359,434

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,191,050	89,876,633	1,110,963	76,900,859
(a)	1,191,050	89,876,633	1,110,963	76,900,859
Accumulated depreciation:				
Plant and machinery	792,451	59,798,352	662,760	45,876,247
(b)	792,451	59,798,352	662,760	45,876,247
Net block (a) - (b)	398,599	30,078,281	448,203	31,024,612

2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans given (Net)	783,512	59,123,816	266,674	18,459,174
Total	783,512	59,123,816	266,674	18,459,174

3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	5,128	386,959	4,969	343,954
Total	5,128	386,959	4,969	343,954

4 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	48,068	3,627,211	18,399	1,273,579
Total	48,068	3,627,211	18,399	1,273,579

5 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	1,458,924	110,090,405	974,677	67,467,142
Provision for doubtful debts	(53,250)	(4,018,245)	(4,375)	(302,838)
Total	1,405,674	106,072,160	970,302	67,164,304



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	13,876	1,047,083	8,500	588,370
Others	506	38,183	8,364	578,956
Total	14,382	1,085,266	16,864	1,167,326

7 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	52,020	3,925,429	25,986	1,798,751
Total	52,020	3,925,429	25,986	1,798,751

8 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	474,414	35,799,280	474,414	32,838,937
Total	474,414	35,799,280	474,414	32,838,937

9 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	34,732	2,620,877	646	44,716
Profit / (loss) for the year	31,555	2,381,141	34,086	2,359,434
Total	66,287	5,002,018	34,732	2,404,150

10 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	936,061	70,635,163	434,219	30,056,639
Inter Company - Payables (Net)	960,870	72,507,250	732,374	50,694,928
Total	1,896,931	143,142,413	1,166,593	80,751,567



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	10,000	754,600	10,000	692,200
Total	10,000	754,600	10,000	692,200

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	157,271	11,867,670	11,311	782,947
Other Statutory dues	64,995	4,904,523	60,774	4,206,776
Total	222,266	16,772,193	72,085	4,989,723

13 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	5,070,264	382,602,121	3,139,715	217,331,072
Total	5,070,264	382,602,121	3,139,715	217,331,072

14 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	95,771	7,226,880	30,911	2,139,659
Miscellaneous income	44	3,320	30	2,077
Total	95,815	7,230,200	30,941	2,141,736

15 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	4,580,731	345,661,961	2,747,132	190,156,477
Total	4,580,731	345,661,961	2,747,132	190,156,477



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Auditors remuneration	6,900	520,674	12,100	837,562
Communication expenses	2,910	219,589	216	14,952
Electricity	20,821	1,571,153	20,514	1,419,979
Exchange loss -Net	77,158	5,822,343	78,829	5,456,543
Insurance expenses	16,014	1,208,416	9,944	688,324
Legal and professional fees	82,530	6,227,714	96,936	6,709,910
Miscellaneous expenses	10,643	803,118	5,797	401,267
Provision for doubtful debts	48,875	3,688,108	2,405	166,474
Rates and Taxes	2,546	192,121	2,485	172,012
Repairs and Maintenance Plant & Machinery	44,234	3,337,898	38,661	2,676,114
Services rendered by agencies	18,295	1,380,541	11,060	765,573
Total	330,926	24,971,675	278,947	19,308,710

17 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	75,584	5,703,569	16,170	1,119,287
Guarantee fees	6,015	453,892	490	33,918
Total	81,599	6,157,461	16,660	1,153,205



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APPENDIX - 30

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Taiwan) Ltd.** ("the subsidiary") registered in Taiwan as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar V
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	326,546	24,641,161	353,281	24,454,111
Capital work-in-progress		11,217	846,435	7,125	493,193
Deferred tax assets (Net)		26,500	1,999,690	51,970	3,597,363
Non current tax asset (Net)		1,371	103,456	-	-
Other non-current assets	2	7,317	552,141	1,054	72,958
		372,951	28,142,883	413,430	28,617,625
(2) Current assets					
Financial assets					
(i) Trade receivables	3	581,495	43,879,613	875,561	60,606,333
(ii) Cash and cash equivalent	4	476,018	35,920,318	290,793	20,128,691
(iii) Other financial assets	5	10,694	806,969	10,559	730,894
Other current assets	6	108,967	8,222,650	107,047	7,409,794
		1,177,174	88,829,550	1,283,960	88,875,712
TOTAL ASSETS		1,550,125	116,972,433	1,697,390	117,493,337
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	7	7,871	593,946	7,871	544,831
Other equity	8	(74,233)	(5,601,622)	(48,823)	(3,379,526)
Total Equity		(66,362)	(5,007,676)	(40,952)	(2,834,695)
(2) Current liabilities					
Financial liabilities					
(i) Borrowings	9	1,148,272	86,648,605	1,435,474	99,363,510
(ii) Trade payables	10	414,533	31,280,660	177,249	12,269,176
(iii) Other financial liabilities	11	31,419	2,370,878	29,147	2,017,555
Other current liabilities	12	10,414	785,840	69,839	4,834,255
Provisions	13	11,849	894,126	12,456	862,204
Current tax liabilities (Net)		-	-	14,177	981,332
		1,616,487	121,980,109	1,738,342	120,328,032
TOTAL EQUITY AND LIABILITIES		1,550,125	116,972,433	1,697,390	117,493,337

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	14	3,269,195	246,693,455	2,662,397	184,291,120
ii	Other Income	15	7,245	546,708	22	1,523
iii	Total income (i + ii)		3,276,440	247,240,163	2,662,419	184,292,643
iv	Expenses:					
	Network and transmission expenses	16	2,599,662	196,170,495	1,680,154	116,300,260
	Employee benefits expenses	17	299,540	22,603,289	561,747	38,884,128
	Operating and other expenses	18	246,962	18,635,751	272,655	18,873,175
	Finance costs	19	70,163	5,294,500	58,880	4,075,674
	Depreciation and amortisation expenses		80,936	6,107,431	82,496	5,710,373
	Total expenses		3,297,263	248,811,466	2,655,932	183,843,610
v	Profit before taxes (iii - iv)		(20,823)	(1,571,303)	6,487	449,033
vi	Tax expenses					
	(i) Current tax expense/(benefit)		(20,883)	(1,575,831)	27,450	1,900,089
	(ii) Deferred tax expense/(benefit)		25,470	1,921,966	(43,620)	(3,019,376)
	Net tax expenses		4,587	346,135	(16,170)	(1,119,287)
vii	Profit / (loss) for the year (v-vi)		(25,410)	(1,917,438)	22,657	1,568,320

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	1,023,428	77,227,877	969,227	67,089,893
Computers	752	56,746	752	52,053
(a)	1,024,180	77,284,623	969,979	67,141,946
Accumulated depreciation:				
Plant and machinery	696,882	52,586,716	615,946	42,635,782
Computers	752	56,746	752	52,053
(b)	697,634	52,643,462	616,698	42,687,835
Net block (a) - (b)	326,546	24,641,161	353,281	24,454,111

2 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	7,317	552,141	1,054	72,958
Total	7,317	552,141	1,054	72,958

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	520,611	39,285,306	630,028	43,610,538
Intercompany receivables (Net)	62,361	4,705,761	245,703	17,007,562
Provision for doubtful debts	(1,477)	(111,454)	(170)	(11,767)
Total	581,495	43,879,613	875,561	60,606,333

4 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	476,018	35,920,318	290,793	20,128,691
Total	476,018	35,920,318	290,793	20,128,691



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	10,559	796,782	10,559	730,894
Others	135	10,187	-	-
Total	10,694	806,969	10,559	730,894

6 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	13,025	982,867	1,789	123,835
Prepaid expenses	95,942	7,239,783	104,573	7,238,543
Indirect tax receivable	-	-	685	47,416
Total	108,967	8,222,650	107,047	7,409,794

7 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	7,871	593,946	7,871	544,831
Total	7,871	593,946	7,871	544,831

8 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(48,823)	(3,684,184)	(71,480)	(4,947,846)
Profit / (loss) for the year	(25,410)	(1,917,438)	22,657	1,568,320
Total	(74,233)	(5,601,622)	(48,823)	(3,379,526)

9 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	1,148,272	86,648,605	1,435,474	99,363,510
Total	1,148,272	86,648,605	1,435,474	99,363,510



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	414,533	31,280,660	177,249	12,269,176
Total	414,533	31,280,660	177,249	12,269,176

11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	1,976	149,109	-	-
Interest accrued but not due on Inter Co. loan (Net)	29,443	2,221,769	29,100	2,014,302
Others	-	-	47	3,253
Total	31,419	2,370,878	29,147	2,017,555

12 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	-	-	5,552	384,309
Other Employee dues	-	-	64,287	4,449,946
Other Statutory dues	10,414	785,840	-	-
Total	10,414	785,840	69,839	4,834,255

13 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	11,849	894,126	12,456	862,204
Total	11,849	894,126	12,456	862,204

14 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	3,269,195	246,693,455	2,662,397	184,291,120
Total	3,269,195	246,693,455	2,662,397	184,291,120



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest income - others	-	-	6	415
Exchange gain -Net	7,245	546,708	-	-
Miscellaneous income	-	-	16	1,108
Total	7,245	546,708	22	1,523

16 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	2,599,662	196,170,495	1,680,154	116,300,260
Total	2,599,662	196,170,495	1,680,154	116,300,260

17 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	296,895	22,403,697	555,617	38,459,809
Staff welfare expenses	2,645	199,592	6,130	424,319
Total	299,540	22,603,289	561,747	38,884,128



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

18 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	-	-	870	60,221
Communication expenses	4,461	336,627	6,906	478,033
CSR expenses	-	-	980	67,836
Electricity	40,201	3,033,567	40,637	2,812,893
Entertainment expenses	6,931	523,013	19,836	1,373,048
Exchange loss -Net	-	-	10,805	747,922
Insurance expenses	2,877	217,098	10,475	725,080
IT consumables	-	-	782	54,130
Legal and professional fees	43,315	3,268,550	46,795	3,239,150
Miscellaneous expenses	16,664	1,257,465	14,961	1,035,596
Printing and stationery	1,518	114,548	568	39,317
Provision for doubtful debts	1,307	98,626	170	11,767
Recruitment expenses	-	-	157	10,868
Rent	63,809	4,815,027	23,201	1,605,973
Repairs and Maintenance Plant & Machinery	28,310	2,136,273	20,694	1,432,439
Services rendered by agencies	9,897	746,828	7,428	514,166
Travelling and conveyance expenses	27,672	2,088,129	67,390	4,664,736
Total	246,962	18,635,751	272,655	18,873,175

19 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	64,553	4,871,169	54,658	3,783,427
Guarantee fees	5,610	423,331	4,222	292,247
Total	70,163	5,294,500	58,880	4,075,674



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APPENDIX - 33

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Thailand) Limited** ("the subsidiary") registered in Thailand as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- a) Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vaishu
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	54,966	4,147,734	64,386	4,456,799
	Capital work-in-progress		9,059	683,592	-	-
	Other non-current assets	2	8,622	650,616	3,506	242,685
			72,647	5,481,942	67,892	4,699,484
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	3	317,977	23,994,545	29,518	2,043,236
	(ii) Cash and cash equivalent	4	262,562	19,812,929	376,300	26,047,486
	(iii) Other financial assets	5	4,907	370,283	4,875	337,448
	Other current assets	6	18,095	1,365,449	9,678	669,911
			603,541	45,543,206	420,371	29,098,081
	TOTAL ASSETS		676,188	51,025,148	488,263	33,797,565
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	7	588,462	44,405,343	588,462	40,733,340
	Other equity	8	(145,654)	(10,991,049)	(156,346)	(10,822,271)
	Total Equity		442,808	33,414,294	432,116	29,911,069
(2)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	9	196,581	14,834,002	48,317	3,344,503
	(ii) Other financial liabilities	10	-	-	453	31,357
	Other current liabilities	11	28,986	2,187,283	5,804	401,753
	Provisions	12	3,055	230,530	1,278	88,463
	Current tax liabilities (Net)		4,758	359,039	295	20,420
			233,380	17,610,854	56,147	3,886,496
	TOTAL EQUITY AND LIABILITIES		676,188	51,025,148	488,263	33,797,565

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	13	666,091	50,263,227	225,150	15,584,883
ii	Other Income	14	5,033	379,790	-	-
iii	Total income (i + ii)		671,124	50,643,017	225,150	15,584,883
iv	Expenses:					
	Network and transmission expenses	15	423,422	31,951,424	9,604	664,789
	Employee benefits expenses	16	110,657	8,350,177	61,395	4,249,762
	Operating and other expenses	17	98,821	7,457,031	133,447	9,237,202
	Finance costs	18	-	-	172	11,906
	Depreciation and amortisation expenses		27,532	2,077,565	13,176	912,043
	Total expenses		660,432	49,836,197	217,794	15,075,702
v	Profit before taxes (iii - iv)		10,692	806,820	7,356	509,181
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		10,692	806,820	7,356	509,181

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Plant and machinery	97,716	7,373,649	79,604	5,510,189
(a)	97,716	7,373,649	79,604	5,510,189
Accumulated depreciation:				
Plant and machinery	42,750	3,225,915	15,218	1,053,390
(b)	42,750	3,225,915	15,218	1,053,390
Net block (a) - (b)	54,966	4,147,734	64,386	4,456,799

2 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	8,622	650,616	3,506	242,685
Total	8,622	650,616	3,506	242,685

3 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	299,358	22,589,555	2,645	183,087
Intercompany receivables (Net)	18,619	1,404,990	26,873	1,860,149
Total	317,977	23,994,545	29,518	2,043,236

4 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	262,562	19,812,929	376,300	26,047,486
Total	262,562	19,812,929	376,300	26,047,486

5 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	4,875	367,868	4,875	337,448
Others	32	2,415	-	-
Total	4,907	370,283	4,875	337,448



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to employees	1,275	96,212	-	-
Prepaid expenses	16,820	1,269,237	9,264	641,254
Indirect tax receivable	-	-	414	28,657
Total	18,095	1,365,449	9,678	669,911

7 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	588,462	44,405,343	588,462	40,733,340
Total	588,462	44,405,343	588,462	40,733,340

8 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(156,346)	(11,797,869)	(163,702)	(11,331,452)
Profit / (loss) for the year	10,692	806,820	7,356	509,181
Total	(145,654)	(10,991,049)	(156,346)	(10,822,271)

9 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	196,581	14,834,002	48,317	3,344,503
Total	196,581	14,834,002	48,317	3,344,503

10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Others	-	-	453	31,357
Total	-	-	453	31,357



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	698	52,671	132	9,137
Other Employee dues	11,129	839,794	5,672	392,616
Other Statutory dues	17,159	1,294,818	-	-
Total	28,986	2,187,283	5,804	401,753

12 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	3,055	230,530	1,278	88,463
Total	3,055	230,530	1,278	88,463

13 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	666,091	50,263,227	225,150	15,584,883
Total	666,091	50,263,227	225,150	15,584,883

14 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Exchange gain -Net	5,033	379,790	-	-
Total	5,033	379,790	-	-

15 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	423,422	31,951,424	9,604	664,789
Total	423,422	31,951,424	9,604	664,789



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	109,241	8,243,326	60,828	4,210,514
Contribution to provident and other funds	261	19,695	-	-
Staff welfare expenses	1,155	87,156	567	39,248
Total	110,657	8,350,177	61,395	4,249,762

17 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	-	-	30,400	2,104,288
Auditors remuneration	1,165	87,911	1,367	94,624
Communication expenses	1,788	134,922	1,179	81,610
Electricity	12	906	237	16,405
Exchange loss -Net	-	-	7,949	550,230
Insurance expenses	5,082	383,488	7,129	493,469
IT consumables	-	-	799	55,307
Legal and professional fees	42,903	3,237,460	55,700	3,855,554
Miscellaneous expenses	2,834	213,852	1,347	93,241
Printing and stationery	441	33,278	380	26,304
Rent	23,819	1,797,382	15,929	1,102,605
Repairs and Maintenance Plant & Machinery	7,839	591,531	7,178	496,861
Seminars, trainings and conferences	-	-	102	7,060
Services rendered by agencies	1,872	141,261	-	-
Travelling and conveyance expenses	11,066	835,040	3,751	259,644
Total	98,821	7,457,031	133,447	9,237,202

18 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	-	-	148	10,245
Guarantee fees	-	-	24	1,661
Total	-	-	172	11,906



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APPENDIX - 28

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Middle East) FZ-LLC** ("the subsidiary") registered in Dubai, United Arab Emirates as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vatman VV

(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		USD	INR*	USD	INR*
(A) ASSETS					
(1) Non-current assets					
Property, plant and equipment	1	469,564	35,433,300	505,347	34,980,118
Capital work-in-progress		180,393	13,612,456	237,238	16,421,614
Right-of-use assets		105,263	7,943,146	-	-
Other intangible assets	2	4,863	366,962	-	-
Investments in subsidiaries & associates	3	136,006	10,263,013	136,006	9,414,335
Non current tax asset (Net)		-	-	38	2,630
Other non-current assets	4	5,193	391,864	7,560	523,303
		901,282	68,010,741	886,189	61,342,000
(2) Current assets					
Financial assets					
(i) Trade receivables	5	3,394,895	256,178,777	3,794,232	262,636,739
(ii) Cash and cash equivalent	6	178,088	13,438,520	92,006	6,368,655
(iii) Other financial assets	7	26,682	2,013,424	26,680	1,846,790
Other current assets	8	443,943	33,499,939	303,531	21,010,415
		4,043,608	305,130,660	4,216,449	291,862,599
TOTAL ASSETS		4,944,890	373,141,401	5,102,638	353,204,599
(B) EQUITY AND LIABILITIES					
(1) Equity					
Equity share capital	9	13,750	1,037,575	13,750	951,775
Other equity	10	(2,293,474)	(173,065,546)	(2,398,522)	(166,025,698)
Total Equity		(2,279,724)	(172,027,971)	(2,384,772)	(165,073,923)
(2) Non-current liabilities					
Financial liabilities					
(i) Lease liabilities		512	38,636	-	-
Provisions	11	823,136	62,113,842	948,878	65,681,336
		823,648	62,152,478	948,878	65,681,336
(3) Current liabilities					
Financial liabilities					
(i) Borrowings	12	4,841,097	365,309,180	3,798,021	262,899,014
(ii) Trade payables	13	193,527	14,603,547	417,885	28,926,000
(iii) Other financial liabilities	14	104,560	7,890,098	122,546	8,482,634
(iv) Lease liabilities		108,303	8,172,544	-	-
Other current liabilities	15	1,063,548	80,255,332	2,046,289	141,644,125
Provisions	16	89,931	6,786,193	153,791	10,645,413
		6,400,966	483,016,894	6,538,532	452,597,186
TOTAL EQUITY AND LIABILITIES		4,944,890	373,141,401	5,102,638	353,204,599

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	17	5,683,725	428,893,888	10,758,431	744,698,594
ii	Other Income	18	1,080,426	81,528,946	745,287	51,588,766
iii	Total income (i + ii)		6,764,151	510,422,834	11,503,718	796,287,360
iv	Expenses:					
	Network and transmission expenses	19	67,183	5,069,629	3,382	234,102
	Employee benefits expenses	20	4,752,617	358,632,478	7,676,776	531,386,435
	Operating and other expenses	21	1,191,892	89,940,169	1,491,240	103,223,636
	Finance costs	22	255,517	19,281,313	305,446	21,142,973
	Depreciation and amortisation expenses		166,470	12,561,826	127,553	8,829,219
	Total expenses		6,433,679	485,485,415	9,604,397	664,816,365
v	Profit before exceptional items and taxes (iii - iv)		330,472	24,937,419	1,899,321	131,470,995
vi	Exceptional items:					
	Staff cost optimisation		(225,386)	(17,007,628)	(894,581)	(61,922,897)
vii	Profit before taxes (v - vi)		105,086	7,929,791	1,004,740	69,548,098
viii	Tax expenses					
	(i) Current tax expense/(benefit)		38	2,867	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		38	2,867	-	-
ix	Profit / (loss) for the year (vii-viii)		105,048	7,926,924	1,004,740	69,548,098

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Lease hold improvement	552,965	41,726,739	501,840	34,737,365
Plant and machinery	11,872	895,861	11,697	809,666
Furniture and fixtures	240,339	18,135,981	164,247	11,369,177
Computers	96,695	7,296,605	107,700	7,454,994
(a)	901,871	68,055,186	785,484	54,371,202
Accumulated depreciation:				
Lease hold improvement	322,415	24,329,436	194,607	13,470,697
Plant and machinery	1,629	122,924	148	10,245
Furniture and fixtures	46,197	3,486,026	23,469	1,624,524
Computers	62,066	4,683,500	61,913	4,285,618
(b)	432,307	32,621,886	280,137	19,391,084
Net block (a) - (b)	469,564	35,433,300	505,347	34,980,118

2 Other intangible assets

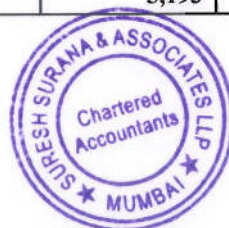
Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	6,037	455,552	-	-
(a)	6,037	455,552	-	-
Accumulated amortisation:				
Computer software	1,174	88,590	-	-
(b)	1,174	88,590	-	-
Net block (a) - (b)	4,863	366,962	-	-

3 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	136,006	10,263,013	136,006	9,414,335
Total	136,006	10,263,013	136,006	9,414,335

4 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	5,193	391,864	7,560	523,303
Total	5,193	391,864	7,560	523,303



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	104,519	7,887,004	132,651	9,182,102
Intercompany receivables (Net)	3,290,376	248,291,773	3,661,581	253,454,637
Total	3,394,895	256,178,777	3,794,232	262,636,739

6 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	178,088	13,438,520	92,006	6,368,655
Total	178,088	13,438,520	92,006	6,368,655

7 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	26,680	2,013,273	26,680	1,846,790
Others	2	151	-	-
Total	26,682	2,013,424	26,680	1,846,790

8 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	-	-	58,110	4,022,374
Advances to employees	14,808	1,117,412	106,792	7,392,142
Prepaid expenses	338,293	25,527,590	90,006	6,230,215
Indirect tax receivable	90,842	6,854,937	48,623	3,365,684
Total	443,943	33,499,939	303,531	21,010,415

9 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	13,750	1,037,575	13,750	951,775
Total	13,750	1,037,575	13,750	951,775



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(2,398,522)	(180,992,470)	(3,403,262)	(235,573,796)
Profit / (loss) for the year	105,048	7,926,924	1,004,740	69,548,098
Total	(2,293,474)	(173,065,546)	(2,398,522)	(166,025,698)

11 Non-current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	212,253	16,016,611	208,157	14,408,628
Provision for gratuity	599,763	45,258,116	704,695	48,778,988
Retention liability	11,120	839,115	36,026	2,493,720
Total	823,136	62,113,842	948,878	65,681,336

12 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	4,841,097	365,309,180	3,798,021	262,899,014
Total	4,841,097	365,309,180	3,798,021	262,899,014

13 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	193,527	14,603,547	417,885	28,926,000
Total	193,527	14,603,547	417,885	28,926,000

14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	104,560	7,890,098	122,177	8,457,092
Others	-	-	369	25,542
Total	104,560	7,890,098	122,546	8,482,634



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	933	70,404	3,821	264,490
Other Employee dues	1,043,260	78,724,400	2,037,122	141,009,585
Other Statutory dues	18,438	1,391,331	5,346	370,050
Others	917	69,197	-	-
Total	1,063,548	80,255,332	2,046,289	141,644,125

16 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	89,931	6,786,193	153,791	10,645,413
Total	89,931	6,786,193	153,791	10,645,413

17 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	282,898	21,347,483	123,224	8,529,565
Management consultancy Services	5,400,827	407,546,405	10,635,207	736,169,029
Total	5,683,725	428,893,888	10,758,431	744,698,594

18 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Profit on sale of fixed assets	4	302	546	37,794
Miscellaneous income	1,080,422	81,528,644	744,741	51,550,972
Total	1,080,426	81,528,946	745,287	51,588,766

19 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	67,183	5,069,629	3,382	234,102
Total	67,183	5,069,629	3,382	234,102



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20 Employee benefit expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	4,569,888	344,843,748	7,330,685	507,430,016
Contribution to provident and other funds	154,653	11,670,115	243,530	16,857,147
Staff welfare expenses	28,076	2,118,615	102,561	7,099,272
Total	4,752,617	358,632,478	7,676,776	531,386,435

21 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	37,652	2,841,220	124,366	8,608,615
Asset retirement expense	-	-	-	-
Auditors remuneration	5,446	410,955	5,444	376,834
Communication expenses	191,671	14,463,494	196,494	13,601,315
CSR expenses	2,450	184,877	9,437	653,229
Entertainment expenses	5,528	417,143	7,896	546,561
Exchange loss -Net	129,988	9,808,894	165,744	11,472,800
Insurance expenses	8,110	611,981	13,858	959,251
IT consumables	1,142	86,175	8,655	599,099
Legal and professional fees	88,720	6,694,811	89,115	6,168,540
Miscellaneous expenses	19,010	1,434,495	10,841	750,417
Printing and stationery	12,663	955,550	8,411	582,209
Rates and Taxes	28,705	2,166,079	5,203	360,152
Recruitment expenses	1,564	118,019	18,970	1,313,103
Relocation Expense	1,405	106,021	8,793	608,651
Rent	252,277	19,036,822	277,759	19,226,478
Repairs and Maintenance Plant & Machinery	80,872	6,102,601	82,271	5,694,799
Seminars, trainings and conferences	3,777	285,012	17,052	1,180,339
Services rendered by agencies	27,412	2,068,510	-	-
Travelling and conveyance expenses	293,500	22,147,510	440,931	30,521,244
Total	1,191,892	89,940,169	1,491,240	103,223,636

22 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	209,555	15,813,020	234,366	16,222,815
Guarantee fees	45,962	3,468,293	71,080	4,920,158
Total	255,517	19,281,313	305,446	21,142,973



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LLP Identity No. AAB-7509

APPENDIX - 1

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (UK) Limited** ("the subsidiary") registered in England and Wales as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010


(Vinodkumar Varma)
PARTNER
Membership No. 105545
Place Mumbai
Date: 13 June 2020



Tata Communications (UK) Limited

BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	54,612,083	4,121,027,784	61,880,743	4,283,385,028
	Capital work-in-progress		604,041	45,580,934	1,833,703	126,928,922
	Right-of-use assets		29,202,337	2,203,608,350	-	-
	Other intangible assets	2	1,251,010	94,401,215	1,582,853	109,565,085
	Intangible assets under development		39,431	2,975,463	3,552	245,869
	Investments in subsidiaries & associates	3	156,552	11,813,414	93,692	6,485,360
	Financial assets					
	(i) Other financial assets	4	466,525	35,203,977	492,054	34,059,978
	Non current tax asset (Net)		155,946	11,767,685	138,886	9,613,689
	Other non-current assets	5	1,377,100	103,915,966	984,662	68,158,304
			87,865,025	6,630,294,788	67,010,145	4,638,442,235
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	6	32,585,686	2,458,915,866	33,597,213	2,325,599,084
	(ii) Cash and cash equivalent	7	575,527	43,429,267	540,487	37,412,510
	(iii) Other financial assets	8	511,994	38,635,068	199,130	13,783,779
	Other current assets	9	6,553,118	494,498,284	9,871,637	683,314,713
			40,226,325	3,035,478,485	44,208,467	3,060,110,086
(3)	Assets Classified as held for sale		633,843	47,829,793	-	-
	TOTAL ASSETS		128,725,193	9,713,603,066	111,218,612	7,698,552,321
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	10	13,542,142	1,021,890,035	13,542,142	937,387,069
	Other equity	11	(84,092,932)	(6,345,652,644)	(88,067,608)	(6,096,039,828)
	Total Equity		(70,550,790)	(5,323,762,609)	(74,525,466)	(5,158,652,759)
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Other financial liabilities	12	-	-	3,301,402	228,523,046
	(ii) Lease liabilities		26,158,370	1,973,910,600	-	-
	Provisions	13	6,970,675	526,007,136	9,526,162	659,400,934
	Other non current liabilities (Deferred revenue)		52,652,114	3,973,128,522	59,646,276	4,128,715,225
			85,781,159	6,473,046,258	72,473,840	5,016,639,205
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	14	39,512,566	2,981,618,230	47,572,798	3,292,989,078
	(ii) Trade payables	15	44,493,099	3,357,449,250	46,836,031	3,241,990,066
	(iii) Other financial liabilities	16	629,072	47,469,773	629,771	43,592,748
	(iv) Lease liabilities		5,446,255	410,974,402	-	-
	Other current liabilities	17	20,763,027	1,566,778,017	17,379,942	1,203,039,586
	Other current liabilities held for sale		1,976,831	149,171,667	-	-
	Provisions	18	673,974	50,858,078	851,696	58,954,397
			113,494,824	8,564,319,417	113,270,238	7,840,565,875
	TOTAL EQUITY AND LIABILITIES		128,725,193	9,713,603,066	111,218,612	7,698,552,321

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



Tata Communications (UK) Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			USD	INR	USD	INR
A	CONTINUED OPERATIONS					
i	Revenue from telecommunications services	19	258,874,270	19,534,652,414	254,705,268	17,630,698,651
ii	Other Income	20	3,951,130	298,152,270	628,458	43,501,862
iii	Total income (i + ii)		262,825,400	19,832,804,684	255,333,726	17,674,200,513
iv	Expenses:					
	Network and transmission expenses	21	153,843,443	11,609,026,209	139,634,105	9,665,472,748
	Employee benefits expenses	22	39,891,324	3,010,199,309	45,718,622	3,164,643,015
	Operating and other expenses	23	47,489,808	3,583,580,906	52,414,383	3,628,123,594
	Finance costs	24	3,134,199	236,506,657	3,022,219	209,197,999
	Depreciation and amortisation expenses		13,617,365	1,027,566,363	14,394,302	996,373,584
	Total expenses		257,976,139	19,466,879,444	255,183,631	17,663,810,940
v	Profit before exceptional items and taxes (iii - iv)		4,849,261	365,925,240	150,095	10,389,573
vi	Exceptional items:					
	Staff cost optimisation		(874,585)	(65,996,184)	(187,783)	(12,998,339)
vii	Profit before taxes (v - vi)		3,974,676	299,929,056	(37,688)	(2,608,766)
viii	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
ix	Profit / (loss) for the year (vii-viii)		3,974,676	299,929,056	(37,688)	(2,608,766)

*Exchange rate as at 31 March 2020 1 USD = INR 75.46 (as at 31 March 2019 1 USD = INR 69.22)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Property, plant and equipment

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Land	688,484	51,953,003	688,484	47,656,862
Building	2,855,106	215,446,299	2,855,106	197,630,437
Lease hold improvement	8,631,164	651,307,635	8,983,451	621,834,478
Cables	49,326,157	3,722,151,807	48,688,050	3,370,186,821
Plant and machinery	104,636,925	7,895,902,361	103,318,267	7,151,690,442
Furniture and fixtures	1,802,698	136,031,591	1,575,479	109,054,656
Computers	6,109,648	461,034,038	6,173,652	427,340,191
Office equipment	786,646	59,360,307	781,755	54,113,081
Vehicles	-	-	4,544	314,536
(a)	174,836,828	13,193,187,041	173,068,788	11,979,821,504
Accumulated depreciation:				
Land	-	-	-	-
Building	1,739,581	131,268,782	1,659,013	114,836,880
Lease hold improvement	5,843,085	440,919,194	4,782,923	331,073,930
Cables	24,589,217	1,855,502,315	21,908,971	1,516,538,973
Plant and machinery	80,936,483	6,107,467,007	75,893,623	5,253,356,584
Furniture and fixtures	755,769	57,030,329	623,435	43,154,171
Computers	5,942,096	448,390,564	5,925,356	410,153,142
Office equipment	418,514	31,581,066	390,180	27,008,260
Vehicles	-	-	4,544	314,536
(b)	120,224,745	9,072,159,257	111,188,045	7,696,436,476
Net block (a) - (b)	54,612,083	4,121,027,784	61,880,743	4,283,385,028

2 Other intangible assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Gross block:				
Computer software	14,520,213	1,095,695,273	14,082,112	974,763,793
(a)	14,520,213	1,095,695,273	14,082,112	974,763,793
Accumulated amortisation:				
Computer software	13,269,203	1,001,294,058	12,499,259	865,198,708
(b)	13,269,203	1,001,294,058	12,499,259	865,198,708
Net block (a) - (b)	1,251,010	94,401,215	1,582,853	109,565,085

3 Investments in subsidiaries & associates

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Investments in subsidiaries	156,552	11,813,414	93,692	6,485,360
Total	156,552	11,813,414	93,692	6,485,360



Tata Communications (UK) Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Vendor deposits	466,525	35,203,977	492,054	34,059,978
Total	466,525	35,203,977	492,054	34,059,978

5 Non-current assets - others

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Prepaid expenses	1,377,100	103,915,966	984,662	68,158,304
Total	1,377,100	103,915,966	984,662	68,158,304

6 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade receivables	36,117,230	2,725,406,176	37,142,489	2,571,003,089
Provision for doubtful debts	(3,531,544)	(266,490,310)	(3,545,276)	(245,404,005)
Total	32,585,686	2,458,915,866	33,597,213	2,325,599,084

7 Cash and cash equivalents

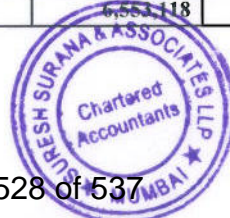
Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Balance with bank	575,527	43,429,267	540,487	37,412,510
Total	575,527	43,429,267	540,487	37,412,510

8 Current assets - other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Security Deposit	26,095	1,969,129	26,095	1,806,296
Others	485,899	36,665,939	173,035	11,977,483
Total	511,994	38,635,068	199,130	13,783,779

9 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	92,624	6,989,407	88,873	6,151,789
Advances to employees	126,549	9,549,388	810,468	56,100,595
Other Advances	281	21,204	-	-
Prepaid expenses	6,333,664	477,938,285	8,235,476	570,059,649
Indirect tax receivable	-	-	736,820	51,002,680
Total	6,552,118	494,498,284	9,871,637	683,314,713



Tata Communications (UK) Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Equity share capital	13,542,142	1,021,890,035	13,542,142	937,387,069
Total	13,542,142	1,021,890,035	13,542,142	937,387,069

11 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(99,975,608)	(7,544,159,380)	(99,937,920)	(6,917,702,822)
Profit / (loss) for the year	3,974,676	299,929,056	(37,688)	(2,608,766)
Closing balance	(96,000,932)	(7,244,230,324)	(99,975,608)	(6,920,311,588)
Share premium	11,908,000	898,577,680	11,908,000	824,271,760
Total	(84,092,932)	(6,345,652,644)	(88,067,608)	(6,096,039,828)

12 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Lease equalisation	-	-	3,301,402	228,523,046
Total	-	-	3,301,402	228,523,046

13 Non-current liabilities - provisions

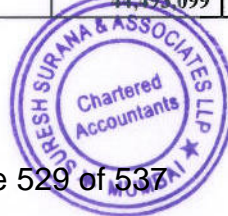
Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Asset retirement obligation and others	6,873,819	518,698,382	9,091,532	629,315,845
Retention liability	96,856	7,308,754	434,630	30,085,089
Total	6,970,675	526,007,136	9,526,162	659,400,934

14 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Inter company loans taken (Net)	39,512,566	2,981,618,230	47,572,798	3,292,989,078
Total	39,512,566	2,981,618,230	47,572,798	3,292,989,078

15 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Trade payable	43,316,996	3,268,700,518	46,222,962	3,199,553,430
Inter Company - Payables (Net)	1,176,103	88,748,732	613,069	42,436,636
Total	44,493,099	3,357,449,250	46,836,031	3,241,990,066



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deposit from customers and contractors	469,990	35,465,445	431,810	29,889,888
Interest accrued but not due on Inter Co. loan (Net)	159,082	12,004,328	197,961	13,702,860
Total	629,072	47,469,773	629,771	43,592,748

17 Current liabilities - other current liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Deferred revenue and advance from customers	9,530,627	719,181,113	10,101,757	699,243,620
Other Employee dues	6,597,460	497,844,332	7,272,869	503,427,992
Other Statutory dues	1,349,020	101,797,049	5,303	367,074
Others	3,285,920	247,955,523	13	900
Total	20,763,027	1,566,778,017	17,379,942	1,203,039,586

18 Current liabilities - provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Leave entitlement	673,974	50,858,078	851,696	58,954,397
Total	673,974	50,858,078	851,696	58,954,397

19 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Data and voice revenue	258,874,270	19,534,652,414	254,705,268	17,630,698,651
Total	258,874,270	19,534,652,414	254,705,268	17,630,698,651

20 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest on loan to subsidiaries	129,293	9,756,450	121,404	8,403,585
Profit on sale of fixed assets	1,066,770	80,498,464	2	138
Exchange gain -Net	930,518	70,216,888	6,641	459,690
Miscellaneous income	1,824,549	137,680,468	500,411	34,638,449
Total	3,951,130	298,152,270	628,458	43,501,862



Tata Communications (UK) Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

21 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Charges for use of transmission facilities	150,553,643	11,360,777,901	136,097,965	9,420,701,137
Rent of satellite channels	3,289,800	248,248,308	3,536,140	244,771,611
Total	153,843,443	11,609,026,209	139,634,105	9,665,472,748

22 Employee benefit expenses

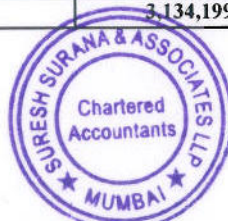
Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Salaries, bonus and allowances	39,547,588	2,984,260,990	45,361,597	3,139,929,744
Staff welfare expenses	343,736	25,938,319	357,025	24,713,271
Total	39,891,324	3,010,199,309	45,718,622	3,164,643,015

23 Operating and other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Advertising and publicity	15,810,475	1,193,058,444	18,155,303	1,256,710,074
Auditors remuneration	181,659	13,707,988	279,193	19,325,739
Communication expenses	504,492	38,068,966	573,827	39,720,305
CSR expenses	171	12,904	8,946	619,242
Donations	-	-	(914)	(63,267)
Electricity	4,087,885	308,471,802	3,620,291	250,596,543
Entertainment expenses	51,062	3,853,139	58,491	4,048,747
Insurance expenses	140,706	10,617,675	111,462	7,715,400
IT consumables	53,970	4,072,576	49,369	3,417,322
Legal and professional fees	3,130,872	236,255,601	4,959,288	343,281,915
Miscellaneous expenses	1,275,051	96,215,343	879,754	60,896,575
Printing and stationery	206,209	15,560,531	378,425	26,194,579
Provision for doubtful debts	(13,732)	(1,036,217)	28,527	1,974,639
Rates and Taxes	3,141,799	237,080,153	3,864,306	267,487,261
Recruitment expenses	212,298	16,020,007	581,492	40,250,876
Relocation Expense	98,039	7,398,023	257,630	17,833,149
Rent	3,945,119	297,698,680	4,084,584	282,734,904
Repairs and Maintenance Plant & Machinery	6,130,509	462,608,209	6,481,465	448,647,007
Repairs and Maintenance -Building	300,222	22,654,752	284,955	19,724,585
Security charges	480,614	36,267,132	533,412	36,922,779
Seminars, trainings and conferences	302,177	22,802,276	194,580	13,468,828
Services rendered by agencies	4,541,827	342,726,265	3,512,579	243,140,718
Travelling and conveyance expenses	2,908,384	219,466,657	3,517,418	243,475,674
Total	47,489,808	3,583,580,906	52,414,383	3,628,123,594

24 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	USD	INR	USD	INR
Interest expenses	2,881,532	217,440,405	2,785,092	192,784,068
Guarantee fees	252,667	19,066,252	237,127	16,413,931
Total	3,134,199	236,506,657	3,022,219	209,197,999



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LLP Identity No. AAB-7509

APPENDIX - 44

ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Board of Directors
Tata Communications Limited

On the basis of the trail balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications MOVE UK Ltd** ("the subsidiary") registered in England and Wales as at 31 March 2020 and the related statement of profit and loss for the year then ended, attached herewith.

The management of the subsidiary is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant;
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations;
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities;
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

The compilation engagement was carried out by us in accordance with the Standards on Related Services Engagements (ISRS 4410) "Engagements to Compile Financial Information", issued by the Institute of Chartered Accountants of India.

This balance sheet and statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management.



The balance sheet and the statement of profit and loss are in agreement with the trial balance provide to us. We have not audited or reviewed these financial statements and accordingly express no opinion thereon.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

Vinodkumar
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 13 June 2020



BALANCE SHEET AS AT 31 MARCH 2020

	Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
			GBP	INR*	GBP	INR*
(A)	ASSETS					
(1)	Current assets					
	Financial assets					
	(i) Trade receivables	1	101,891	9,498,080	60,161	5,425,464
	(ii) Cash and cash equivalent	2	86,127	8,028,590	24,831	2,239,319
	Other current assets	3	1,255	116,988	788	71,064
			189,273	17,643,658	85,780	7,735,847
	TOTAL ASSETS		189,273	17,643,658	85,780	7,735,847
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	4	100	9,322	100	9,018
	Other equity	5	40,889	3,811,592	42,873	3,866,391
	Total Equity		40,989	3,820,914	42,973	3,875,409
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	6	88,496	8,249,424	40,000	3,607,296
	(ii) Trade payables	7	56,041	5,224,032	-	-
	(iii) Other financial liabilities	8	1,647	153,530	707	63,759
	Current tax liabilities (Net)		2,100	195,758	2,100	189,383
			148,284	13,822,744	42,807	3,860,438
	TOTAL EQUITY AND LIABILITIES		189,273	17,643,658	85,780	7,735,847

*Exchange rate as at 31 March 2020 1 GBP = 93.22 INR (as at 31 March 2019 1 GBP = 90.18 INR)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

	Particulars	Note No.	Current year 2019-20		Previous year 2018-19	
			GBP	INR*	GBP	INR*
i	Revenue from operations	9	177,246	16,522,525	71,507	6,448,674
iii	Total income (i + ii)		179,213	16,705,885	71,507	6,448,674
iv	Expenses:					
	Network and transmission expenses	11	161,717	15,074,942	60,008	5,411,666
	Operating and other expenses	12	16,353	1,524,395	11,259	1,015,364
	Finance costs	13	3,127	291,493	707	63,759
	Total expenses		181,197	16,890,830	71,974	6,490,789
v	Profit / (loss) before taxes (iii - iv)		(1,984)	(184,945)	(467)	(42,115)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(1,984)	(184,945)	(467)	(42,115)

*Exchange rate as at 31 March 2020 1 GBP = 93.22 INR (as at 31 March 2019 1 GBP = 90.18 INR)



1 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	GBP	INR	GBP	INR
Trade receivables	34,772	3,241,378	33,635	3,033,285
Intercompany receivables	68,064	6,344,793	27,822	2,509,055
Provision for doubtful debts	(945)	(88,091)	(1,296)	(116,876)
Total	101,891	9,498,080	60,161	5,425,464

2 Cash and cash equivalents

Particulars	As at 31 March 2020		As at 31 March 2019	
	GBP	INR	GBP	INR
Balance with bank	86,127	8,028,590	24,831	2,239,319
Total	86,127	8,028,590	24,831	2,239,319

3 Current assets - other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	GBP	INR	GBP	INR
Prepaid expenses	676	63,015	-	-
Indirect tax receivable	579	53,973	788	71,064
Total	1,255	116,988	788	71,064

4 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	GBP	INR	GBP	INR
Equity share capital	100	9,322	100	9,018
Total	100	9,322	100	9,018

5 Other Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	GBP	INR	GBP	INR
Surplus / (Deficit)				
Opening balance	42,873	3,996,537	43,340	3,908,506
Profit / (loss) for the year	(1,984)	(184,945)	(467)	(42,115)
Total	40,889	3,811,592	42,873	3,866,391

6 Current liabilities - borrowings

Particulars	As at 31 March 2020		As at 31 March 2019	
	GBP	INR	GBP	INR
Inter company loans taken	88,496	8,249,424	40,000	3,607,296
Total	88,496	8,249,424	40,000	3,607,296

7 Current liabilities - Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	GBP	INR	GBP	INR
Trade payable	56,041	5,224,032	-	-
Total	56,041	5,224,032	-	-



8 Current liabilities - other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	INR	USD	INR
Interest accrued but not due	1,647	153,530	707	63,759
Total	1,647	153,530	707	63,759

9 Revenue from operations

Particulars	Current year 2019-20		Previous year 2018-19	
	GBP	INR	GBP	INR
Data and voice revenue	177,246	16,522,525	71,507	6,448,674
Total	177,246	16,522,525	71,507	6,448,674

10 Other income

Particulars	Current year 2019-20		Previous year 2018-19	
	GBP	INR	GBP	INR
Exchange gain -Net	1,967	183,360	-	-
Total	1,967	183,360	-	-

11 Network and transmission expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	GBP	INR	GBP	INR
Charges for use of transmission facilities	161,717	15,074,942	60,008	5,411,666
Total	161,717	15,074,942	60,008	5,411,666

12 Other expenses

Particulars	Current year 2019-20		Previous year 2018-19	
	GBP	INR	GBP	INR
Auditor remuneration	8,375	780,701	-	-
Exchange loss -Net	-	-	1,023	92,257
Legal and professional fees	2,560	238,638	4,871	439,279
Miscellaneous expenses	5,738	534,886	3,070	276,860
Provision for doubtful debts	(351)	(32,720)	1,296	116,876
Services rendered by agencies	31	2,890	-	-
Seminars, trainings and conferences	-	-	999	90,092
Total	16,353	1,524,395	11,259	1,015,364

13 Finance costs

Particulars	Current year 2019-20		Previous year 2018-19	
	GBP	INR	GBP	INR
Interest expenses	2,924	272,570	707	63,759
Guarantee fees	203	18,923	-	-
Total	3,127	291,493	707	63,759

