
Quarterly report on the results for the quarter ended December 31, 2018

Tata Communications Limited

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Supplemental Disclosures

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A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this supplemental disclosure.

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Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company's results of operations that have been derived from amounts calculated in accordance with Indian Accounting Standards (INDAS), but are not in themselves GAAP measures. They should not be viewed in isolation as alternatives to the equivalent INDAS measures and should be read in conjunction with the equivalent INDAS measures.

Disclaimer: - This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.

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Section 1**TATA COMMUNICATIONS – PERFORMANCE AT A GLANCE**

Particulars	UNITS	Full Year Ended			Quarter Ended				
		2016	2017	2018	Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
<u>Operating Highlights</u>									
95 th Percentile Bandw idth Usage	Tbps/month	8.67	8.95	9.73	9.1	9.73	9.74	11.00	11.70
Data Revenue by Segment									
Service Provider	%	42.0%	42.4%	42.7%	43.0%	42.0%	41.0%	41.0%	42.0%
Enterprise	%	58.0%	57.6%	57.3%	57.0%	58.0%	59.0%	59.0%	58.0%
Data Revnue by Line of Business									
Traditional Services	%	76.0%	71.4%	67.6%	67.1%	65.2%	66.8%	65.6%	64.8%
Growth & Innovation Service	%	12.5%	15.8%	19.5%	19.9%	21.4%	20.5%	22.3%	22.5%
Rentals	%	n/a	n/a	1.1%	1.0%	1.1%	1.1%	1.0%	1.0%
Subsidiaries	%	11.5%	12.8%	11.9%	11.9%	12.3%	11.6%	11.1%	11.7%
Total Voice Minutes	Bn, Minutes	43.1	42.9	39.4	9.2	8.9	8.7	7.7	7.0
International Long Distance	Bn, Minutes	40	38.6	35.4	8.2	7.7	7.9	6.9	6.4
National Long Distance	Bn, Minutes	3.1	4.3	3.9	1.0	1.2	0.8	0.8	0.6
<u>Financials</u>									
Gross Revenue	₹, Mn	186,529	176,200	167,717	41,448	40,401	39,437	40,682	42,695
Net Revenue	₹, Mn	86,013	83,928	85,352	21,518	21,337	20,968	22,214	23,631
EBITDA	₹, Mn	27,470	23,600	24,122	6,430	5,870	5,869	6,302	8,426
EBIT	₹, Mn	7,584	4,943	5,059	1,702	818	1,020	1,296	3,191
Profit Before Tax	₹, Mn	4,448	(5301)	456	1245	301	41	419	2343
Profit After Tax	₹, Mn	1,909	(7640)	(3286)	102	(1210)	(585)	16	1733
Capex	₹, Mn	17,184	15,879	15,147	3,703	3,327	4,837	4,578	4,997
Free Cash Flow	₹, Mn	10,286	7,721	8,975	2,727	2,543	1,031	1,724	3,429
Total Capital Employed	₹, Mn	94,137	90,547	80,010	87,591	80,009	88,433	87,267	90,217
Net Debt / (Net Cash)	₹, Mn	95,225	74,628	75,016	80,046	75,016	86,915	90,748	89,871
<u>Key Ratios</u>									
EBITDA Margin	%	14.7%	13.4%	14.4%	15.5%	14.5%	14.9%	15.5%	19.7%
EBIT Margin	%	4.1%	2.8%	3.0%	4.1%	2.0%	2.6%	3.2%	7.5%
Net Profit Margin	%	1.0%	(4.3%)	(2.0%)	0.2%	(3.0%)	(1.5%)	0.0%	4.1%
Net Debt to EBITDA (LTM)	Times	3.5	3.2	3.1	3.4	3.1	3.6	3.7	3.4
Weighted Average Cost of Debt	%	3.41%	3.12%	3.50%	3.60%	3.87%	3.59%	3.67%	3.76%
Interest Coverage Ratio (LTM)	Times	1.84	1.34	1.47	1.37	1.47	1.29	1.31	1.65
Return on Capital Employed	%	8.1%	5.5%	6.3%	5.2%	6.3%	5.3%	5.5%	7.0%
<u>Valuation Indicators</u>									
Market Capitalisation	₹, Bn	107.62	205.78	176.74	194.24	176.74	176.56	142.64	149.43
Enterprise Value	₹, Bn	223.13	280.41	251.76	274.29	251.76	264.99	233.39	239.30
EV / EBITDA (LTM)	Times	7.20	11.88	10.99	12.29	10.99	11.58	9.54	9.04

Note : FY 16 are reported numbers

Section 2

AN OVERVIEW

2.1 Company Overview

Tata Communications is the leading global provider of a 'new world of communications'. With a leadership position in emerging markets, and an infrastructure that spans the globe, Tata Communications leverages its advanced solutions capabilities and domain expertise across its global network to deliver managed solutions to multi-national companies and service providers. We're proud to provide 66% of the Fortune 500 companies with our state-of-the-art solutions, including a wide range of communication, collaboration, cloud, mobility, network and data center services.

The Tata Communications global network includes one of the most advanced and largest submarine cable networks. We are in the Top 5 IP providers on 5 continents and offer public and private network connectivity to more than 240 countries and territories. Our major service/solutions are Network engineering, development & management, Unified Communication & Collaboration solutions such as video, audio and web conferencing, in addition to an array of Data Center, Cloud and Security Services."

Products, Services, and Solutions

Every industry is going through profound upheavals as digital technology rapidly and radically transforms how business engages with the marketplace and all stakeholders. IT decision makers have started leveraging the growing sophistication of hybrid solutions to re-engineer IT economics, liberate more funds for innovation and enhance core business processes. This trend is driving greater demands for higher level performance from ICT providers. Whether it be mature enterprises looking to transform themselves or start up enterprises creating new products and services.

Tata Communications' portfolio of products, services and solutions have been uniquely designed to deliver these new levels of performance and is based on following fundamentals of our business strategy 2.0 roadmap.

Our offerings enable information and computing to work smarter and harder for the business users. Wherever they are. Whenever they need it. We put into their hands a unique range of performance technologies from our "best in class" platforms such as the world's only global Tier 1 infrastructure and IZO Cloud Enablement to 'industry specific' solutions for businesses be it manufacturing, media, BFSI or E-commerce industries.

Tata Communications categorizes its offerings into 2 major groupings: Data and Voice. In addition to these books of business we also have an ATM network subsidiary in India (Tata Communications Payment Solutions Ltd.) and a network management outsourcing subsidiary that supports global service providers (Tata Communications Transformation Services Ltd.)

Data Services: Enterprises are evolving their enterprise networks to deal with business communication transformations. This is driven by advances in Cloud computing, the Internet of Everything, Smartphone proliferation for both consumer and enterprise uses, tighter supply chain integration/automation, and providing richer and more agile connections with their customers and partners.

Network Services: Our service offering includes a comprehensive selection of networking services including IZO™ Internet WAN, IZO Private Connect, IZO Public Connect enabling enterprise cloud adoption and core network services including WAN Ethernet, Global VPN and International private lines spanning over 100 countries. On the Internet, we're a major Tier-1 IP provider, consistently ranked in the top five telecommunications companies on five continents, by internet route. In fact, we handle more than 24% of the global internet route, totaling more than 7,300 petabytes a month. Our infrastructure features the world's largest wholly-owned subsea cable network, 4th largest tier 1 IPv6 enabled internet and backbone, and the most extensive reach into the emerging markets around the world. So, no matter where in the world your business takes you, we're there to provide the connectivity services you need.

Unified Communications and Collaboration (UCC): With our modular portfolio of Unified Communications (UC) services we help companies leverage their existing assets while enabling an advanced, future-proof UC strategy that delivers seamless connectivity and a globally consistent experience for internal teams, customers, partners and other external constituents. Our UCC portfolio includes Global SIP Connect, UCaaS Skype for Business and managed video services, cloud contact center, unified conferencing including WebEx CCA in collaboration with Cisco, and real time communication APIs. Our UCaaS proposition helps our clients chart their own journey looking at where they currently stand and the transformation required to implement their step-wise UCC strategy.

Cloud, Hosting and Data Centre Services: With over 1 million square feet of collocation space in 44 locations worldwide and global partnership to extend our reach and capacity, our portfolio offers access to Colocation, Dedicated Hosting, Virtualization, IZO Private Cloud and IZO Cloud Storage solutions: a single pathway to managing multiple complex workloads and computing environments, with an integrated view. Getting the right Cloud and Data Centre solution often means contracting and coordinating with multiple suppliers around the world, working through layers of complexity and ultimately incurring additional costs. Our portfolio offers a flexible and cost efficient compute and storage options to meet the ever-growing needs of our clients.

Managed Security Services: As more cloud based services are adopted, there is a growing threat to data security and privacy, which Tata Communications helps solve for its customers. Right from end-user authentication to security critical assets in Data Centres through firewalls and threat mitigation solutions, we offer comprehensive security services partnering with the best vendors in the business and a 24/7 proactive support through our Security Operations Center.

Media and Entertainment Services: Our 'Media Ecosystem' provides solutions for every kind of enterprise in all segments of media and entertainment, including gaming, sports, news, cable, and broadcasting. The Tata Communications' Media Ecosystem, combines its traditional video contribution services with IP-based connectivity to create a highly innovative cloud based global media platform. The global media ecosystem—first of its kind—provides a comprehensive solution that includes asset management, workflow management, channel origination, video contribution and distribution feeds, OTT platform as a service, Live OTT delivery and transcoding as service.

Customer Services: Customer services are a key differentiator in a crowded marketplace, and businesses are increasingly looking to outsource network and IT services to dedicated experts. Our best-in-class services support Tata Communications' entire product & service portfolio and we deliver value through a services portfolio

that covers program management, service delivery, service management, advanced solutions delivery and other personalized support services. We are also championing the 'whatever it takes' philosophy within the Tata Communications services team to build a culture where we want to do the right things for the customer, where we're always flexible, always available, and always positive. More than an SLA, it's a state of mind – constantly checking that we are doing everything within our power to help our customers.

Voice Services: In voice, we are the world's largest wholesale voice provider, carrying over a billion minutes a week. Through our 1600+ telecom partnerships our network handles 1 out of every 10 international calls and connects more than 70% of the world's mobile carriers. We also we offer a comprehensive portfolio of high-quality transport and termination services, including Voice Direct Transit and HD Voice.

Tata Communications - Core			
Data			Voice
<u>Traditional Services</u> <ul style="list-style-type: none"> - International Private Line - Ethernet Service - VPN - Internet Leased Line / DIA - Internet Protocol - Transit - Mobility 	<u>Growth Services</u> <ul style="list-style-type: none"> - UCC / SIP - Trunking - Managed Hosting - GHCC - V-Connect / Streaming - IZO - Managed Security Services 	<u>Innovation</u> <ul style="list-style-type: none"> - Mobile Innovation - IoT 	<u>Subsidiaries</u> <ul style="list-style-type: none"> - Tata Communications Transformation Services - Tata Communications Payment Solutions

2.2 Product Overview

Tata Communications' portfolio of products, services and solutions have been uniquely designed to deliver new levels of performance and connectivity. Major product offerings are:

- 1. International Private Line:** Tata Communications' International Private Line service offers greater diversity of route, uptime and multiple service options for all international and India data transport requirements, backed by the world's largest and most advanced cable system, owned and maintained by Tata Communications. It securely transfers voice, video and data on the access backed by reliable service, route diversity and industry-leading service level guarantees.
IPL is a Point to point dedicated bandwidth between two sites provided by a licensed international telecom operator to end-user customers, which crosses over one or more international boundaries.
- 2. Ethernet Service:** Tata Communications delivers certified dedicated Ethernet services using its reliable & protected network across the globe with unmatched SLA to connect point to point or point to multipoint locations within India or outside India.
It provides flexible bandwidth options with greater scalability option to cater to the dynamic business requirement for bandwidth.
- 3. Virtual Private Network:** Tata Communications' global VPN services provide MPLS based secure, cost-effective VPN solutions that enable seamless convergence of voice, data, video, and multimedia on a seamless global network reaching all major markets and maximum emerging markets.
Global VPN range of services help enterprises improve operational efficiencies and quality of service for basic, real-time and mission critical applications.
- 4. International Leased Line:** A single worldwide service providing un-contended, mission critical Internet access to Tier 1 global IP network for the customers.
With a IP Backbone of over 1600 Gbps which spans across six continents and peering of over 1400 Gbps with all major Service providers and Internet Exchanges across the globe, Tata communications is the only true global tier 1 ISP in India with 200+ Global point of presence.
With one of the biggest submarine cable capacities, the widespread network reach connects 6 continents. This allows diverse redundancy and protection capabilities to all the customers with Industry level SLA.
- 5. Direct Internet Access (DIA):** Tata Communications' Direct Internet Access provides easy and affordable Internet connections across customer's offices over Tier-1 global IP backbone with a single AS6453 in over 50 countries. We also

provide Internet access to emerging markets with extensive reach in India, China, and Africa.

- 6. IP Transit:** Tata Communications' IP Transit provides high speed, secure and reliable Internet connection via our Tier-1 global IP backbone reaching more than 230 global PoPs in over 30 countries. Together with the largest Internet backbone in India, our customers grow with optimal routing performance.
With over 230 Internet PoPs conveniently located in over 30 countries at carrier neutral Internet Exchanges (IX), we reduce access cost to the Internet. This is further enriched by our Indian Internet PoPs enabling reach to the explosive Internet growth in Asia, and over 3500Gbps peering connectivity with all other global Tier-1 ISPs.
This rides on Tata Global Network (TGN), world's first wholly owned fibre optic subsea cable network ring round the globe that spans 210,000 kilometers of terrestrial and 500,000 kilometers of subsea network.
- 7. Content Delivery Network:** Tata Communications' content delivery network or content distribution network (CDNs) is a cloud based solution that caches/stores customers content at locations around the globe and serves it to end user with a lightning speed.
CDN deployed over Tier -1 IP Network leveraging reach on to 200 countries and peering with leading ISP's across the globe to provide highest quality of user experience.
CDN helps to deliver streaming, online video platform, Electronic software delivery & whole site acceleration using global platform.
- 8. Mobility**

Voice – international voice wholesale, including support for LTE based voice services (Mobile VoIP, VoLTE and HD Voice).

Signaling (SCCP & Diameter) – The signaling services help in international roaming, our signaling services can be delivered over a number of network options, including TDM, IP, Global VPN, and IPX Connect (SCCP over IPX). Also supported is signaling evolution from SCCP to Diameter, including Sigtran, ready for IMS based services and for LTE roaming capabilities.

Mobile Messaging - our messaging network ensures delivery of quality application-to-person (A2P) messaging across the mobile ecosystem, including mobile network operators, SMS aggregators, enterprises and next generation service providers (OTT providers). Mobile Network Operators get protection from fraud, spam and grey routing, through working with Tata Communications as a single trusted source to help securely monetize A2P

message traffic termination and also through use of our comprehensive SMS Firewall.

IPX+ - a framework that lets MNOs support mobile applications with greater efficiency through a consolidated network, with optimal network utilization, simplified interconnect and managed service options. Voice, Signaling and Roaming services are integrated within the IPX+ framework, which includes support for LTE Roaming, VoLTE, HD voice, video and enablement solutions for real-time rich media applications.

Roaming - Combining our Diameter Signaling Exchange (DSX) platform together with IPX Connect service for 3G/4G data roaming, Tata Communications provides a comprehensive LTE roaming solution. We support 2G, 3G and 4G roaming within a single solution framework, which addresses signaling, steering, routing, inter-working, transport, clearing & settlement, business intelligence (Roampulse), security and service assurance for a successful LTE roaming launch.

9. **Unified Communications:** Tata Communications' Unified communications involves services for enterprise Voice, Video & Collaboration. Through UC portfolio Tata Communication provides; On premises & cloud based managed UC services. Unified Communications includes Video Conferencing, Jamvee (On Demand Video), Telepresence, Audio Conference, IP Telephony, Global SIP services, VOIP services, Toll Free no, Skype for Business, Contact Centre, Click2 RTC as Major services.
10. **SIP Trunking:** Tata Communications' systems are integrated with over 1600 carriers, 785 mobile providers and over 700 VoIP operators. Expansive reach is the best in the industry – via ITFS in 110+ countries, UIFN in 45+ countries and LNS (Local Number Services) in 62+ countries and 300+ cities. Global SIP Connect is a multimodal functionality which connects an enterprise to the world; over our state-of-the-art global IP network — making global voice and video communications and collaboration simpler, easier to manage, and more economical than ever before. Our new multimodal functionality is an industry first, enabling Global SIP Connect to transport enterprise video collaboration traffic on SIP trunks. It unifies voice and video services traffic on a single network access link.
11. **Managed Hosting:** Tata Communications' Managed hosting service is a fully managed IT Infrastructure solution integrated across Tata Communications Data Centers located globally. It includes designing Data Center Hardware, provisioning & managing the infrastructure with defined SLA for the Infrastructure till operating system.

This is an end to end service for the outsourcing of the Data center infrastructure by providing stringent Service level. It helps reduce the capex investment, technical obsolescence of the hardware & provides business continuity for the enterprise. The service is offered from the data centers which are connected over the secure MPLS network of Tata Communications & infrastructure is managed by the state of art SOC globally.

Hosting service comes in a form of dedicated, Virtualized, & Hybrid model.

12. **Global Hosted Contact Centre:** InstaCC Global, is a reliable and efficient cloud-based contact center solution that delivers a consistently excellent customer experience. It all comes in one easy-to-manage, cost-efficient package with a state-of-the-art physical transport infrastructure, a global MPLS network, and leading-edge voice, data center, and contact center applications. As a global leader in communications, we have everything that an enterprise needs, in place and ready to go on demand. We also give something no other provider can offer—a single, unified Service Level Agreement (SLA) for all voice, network, infrastructure, and application services. It's a complete, end-to-end, fully managed solution.
13. **Managed Security Service:** Tata Communications is offering Managed Security Services (MSS) to meet the operational security needs of customers across the globe. The services are managed by a team at the state of art Security Services Operations Center (SSOC) in Chennai, India. Tata Communications offers complete portfolio of security services with premise based & cloud based solutions offering which includes Firewall/UTM, WAF, Data Leak Protection(DLP), Proxy, DDoS, Two Factor Authentication, IDS-IPS, Vulnerability-Penetration testing & professional services.
14. **IZO™ Platform**

IZO™ Platform is a flexible, one-stop cloud enablement platform designed to help you navigate complexity for more agile business performance and allows rapid expansion, flexibility and high security for the enterprises. The IZO™ network platform combines the public internet uniquely engineered for predictable routing, with enterprise private and public cloud connectivity and interconnected data centres to deliver a total cloud solution.

The IZO™ platform offers an array of innovative service offerings for Cloud enablement, including IZO™ Private Connect, IZO™ Public Connect, IZO™ Internet WAN, IZO™ Hybrid WAN and IZO™ SDWAN.

IZO™ Private/Public Connect - IZO™ Private Connect links businesses to leading cloud service providers such as Alibaba Cloud, Amazon Web Services, Google Cloud Platform, Microsoft Azure, Office 365, Oracle Cloud, Salesforce.com and Tata Communications IZO™ Private Cloud. IZO™ Private Connect also provides access to over 110 Data Centres globally. Customers can connect using MPLS or Ethernet via one single provider globally, to ensure network performance.

IZO™ Internet WAN and Hybrid WAN - A global Internet-based WAN service that gives businesses the security, flexibility, end-to-end SLA and predictability just like a private network, but with the global reach of the Internet. The enterprises can also deploy IZO™ Hybrid WAN which integrates IZO™ Internet WAN with Tata Communications' Global VPN service to build a global hybrid network with guaranteed performance levels over 130 countries globally.

IZO™ SDWAN - brings you access to a cloud infrastructure spanning 130 countries. This means you can benefit from instant deployment and seamless management of your branches and cloud assets anywhere in the world. IZO™ SDWAN integrates seamlessly with IZO™ Hybrid WAN, IZO™ Private Connect and cloud solutions, to deliver a unique and scalable communication platform your user and application needs.

IZO Private Cloud: IPC is an enterprise private cloud platform which offers a flexible, scalable and reliable cloud environment. It provides a flexible platform that allows end-users to create the appropriate combination of compute, network, security, storage, and traffic management services that meet business needs, & have the flexibility to grow with business. The IPC service is delivered on a dedicated or a logically separated infrastructure within Tata Communications' data centers.

IZO Cloud Storage: It is an integrated solution for diverse data requirements, ranging from long term archival to high performance storage. Integrated with the global tier-1 network and security services, IZO™ Cloud Storage offers an always available, highly durable and fully secure environment, delivered from across multiple global locations.

15. **Video Connect:** Tata Communications' Video Connect service ensures premium quality video delivery. We leverage the constant bandwidth availability and the video transmission is done at reliable bit rates on protected fibre paths to optimize end users' viewing experience.
16. **Mobile Innovation:** Our new generation mobility services are designed to provide solutions to help enterprise customers and mobile communications

services providers succeed in this complex market environment:

MNOs and MVNOs - solutions to help increase revenue and secure customer loyalty, including MVNE services to help globalize an MVNO offering, together with sponsored data exchange, mobile messaging exchange, Wi-Fi connectivity and our API suite (Payments, Authentication, WebRTC).

Next generation service providers - we enable connectivity between the on-net OTT world and the off-net Telco world with Local Number Services and mobile messaging services to extend service reach. We support MVNE services, providing access to our Mobile Network as a Service (MNaaS) platform.

Enterprises - mobile customer engagement solutions, to improve customer experience, loyalty and adoption of mobile devices – Sponsored Data Exchange, Mobile Data Rewards, Mobile Messaging Exchange and MVNE services, providing access to our Mobile Network as a Service (MNaaS) platform as well as access for global IOT service connectivity.

WiFi+ - is a new WiFi Cloud Communication solution, which enables mobile network operators' customers to access the internet for browsing; messaging; calling and other data applications while roaming. The user gets seamless and unlimited access to more than 44 million hot-spots globally at a predictable price preventing roaming bill-shock. It helps the Operators to monetize their silent roamers and keep them on board.

MOVE (Mobile Virtual Enabler) – is a platform based service, that provides virtual global mobile connectivity for MVNOs (MNO extensions, enterprise MVNO etc.) and is also used to provide global connectivity for IOT services.

- MVNE – a complete MVNE stack incorporating signaling, SIM provisioning, BSS/OSS and customer support for MVNOs of any type (MNO brand extensions, Enterprise, M2M, Roaming etc.)
- IOT – Providing global connectivity for M2M / IOT services that need to take an international approach to service deployment (Automotive, Transportation, Logistics, Travel, Hospitality etc.).
- India IOT – IOT in India is offered on dedicated wireless network based on LORA technology. We provide end to end customer service and the major products are for the following categories: Asset tracking, Smart Street lights, Employee Health and safety, Smart Button / feedback solutions, Human safety solution and Automated metering solutions (GAS / WATER/ POWER).

Section 3**MANAGEMENT DISCUSSION AND ANALYSIS****3.1 Results of Operations**

Key Highlights - For the quarter and year ended December 31, 2018**• Consolidated –**

- Consolidated Revenues grew by 4.9% QoQ and 3.0% YoY on the back of strong growth in data business. Consolidated EBITDA came in at INR 842.6 Crore, witnessing an increase of 33.7% QoQ and 31% YoY. EBITDA margins have expanded by 420 BPS sequentially and YoY.
 - During the quarter ended December 31, 2018 based on the Supreme Court directives TRAI issued notification stating new regulation on the access facilitation charges for cable landing stations. These directives would be effective from November 28, 2018. Accordingly, the Company has recorded one-time revenue of INR 91 crores and operating & maintenance expense recovery of INR 257 crore. This has led to a one-time EBITDA gain of INR 348 crore this quarter.
 - This quarter we also had one-time expense of INR 138 crore.
 - INR 38 crore was a one-time payment towards contractual employee obligation,
 - INR 14 crore was impairment of licenses which have become redundant due to ongoing customer transformation program,
 - High access and co-location cost due to operator consolidation, this quarter we had an impact of INR 86 crore. This cost impact will normalise by end of this financial year.
- All the adjustments were made in Data segment. Consolidated Normalised EBITDA for the quarter was INR 632.6 crore.
- Consolidated PAT for the quarter is INR 173 Crores compared to INR 1.6 Crores in Q2 FY19.
 - CAPEX for this quarter was USD 69 Mn compared to USD 65 Mn in Q2 FY19.
 - Free Cash Flow (EBITDA less Capex) for the quarter came in at INR 342.9 crore – an increase of 98.9% over last quarter. Even after deducting finance cost and taxes we delivered a free cash flow of INR 172.2 crore.
 - Consolidated net debt was at USD 1,287 Mn - an increase of USD 36 Mn compared to last quarter due to working capital gap as voice business is declining and acquisition of Teleena during the quarter.
 - Average cost of borrowing is at 3.76%; this has increased by 9 Bps QoQ due to increase in average LIBOR movement from 2.11% in Q2 to 2.35% in Q3.

• Data –

- Data business witnessed strong growth this quarter. Revenues grew by 14.1% YoY and 8.4% QoQ, on the back of strong performance across all portfolios. Data EBITDA for the quarter came in at INR 766.7 crore witnessing a growth of 35.2% YoY and 42.6% QoQ.
- Data business now contribute 77.9% to the overall revenue; an increase of 7.6% compared to same quarter last year.
- Traditional Services revenue for the quarter stood at USD 299.5 Mn and witnessed a growth of 4.2% QoQ and decline of 0.8% on YoY basis. On a constant currency basis, this portfolio witnessed a growth of 5.8% on QoQ and 5% on YoY basis despite operator consolidation impact. The impact of operator consolidation on revenue has normalised but we are still affected on the cost side due to higher access cost. This impact will normalise by end of this financial year.
- Growth services witnessed strong momentum, revenue grew by 13.2% YoY and 4.6% QoQ and came in at USD 101.4 Mn on the back of new deal wins. EBITDA was negative due to lower usage-based revenue in Q3 due to holiday season, higher upfront cost for the large deals and change in product mix.
- On a YTD basis, IZO portfolio grew by over 137.6%, Mobility services grew by 64.1% and Media services grew by 39.2% YoY because of our recent deals for some of the marquee sporting events.
- Transformation Services' revenue came in at INR 337.5 crores witnessing a growth of 14.7% YoY and 17.8% on QoQ basis. The growth was largely due to execution of deals in pipeline. EBITDA for Q3 stood at INR 35.1 crores witnessing a growth of 22.4% QoQ.
- Payment solutions – As part of our strategy, we have optimised our ATM portfolio and this quarter we have closed over 1523 less profitable ATMs. This has led to increase in profitability and we recorded an EBITDA of INR 6.4 crore against INR 0.4 Crore in Q2. EBITDA margin expanded by 680 BPS as compared to last quarter and came in at 7.2%. Average transaction per day per ATM has gone up from 85 in Q2 to 92 in Q3 FY19.

Section 4**FINANCIAL HIGHLIGHTS**

The financial results presented in this section are compiled based on the limited review consolidated financial statements prepared in accordance with Indian Accounting Standards (IND AS) and the underlying information. The consolidated financial results represent results of the Company and its subsidiaries.

4.1 Summary of Consolidated Financial Statements**4.1.1 Summarized Consolidated Statement of Operations**

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	42,695	40,682	41,448	4.9%	3.0%	122,814	127,316	(3.5%)
Net Revenue	23,631	22,214	21,518	6.4%	9.8%	66,813	64,015	4.4%
EBITDA ¹	8,426	6,302	6,430	33.7%	31.0%	20,596	18,252	12.8%
EBITDA Margin	19.7%	15.5%	15.5%			16.8%	14.3%	
Depreciation & Amortisation	5,235	5,006	4,728	4.6%	10.7%	15,089	14,011	7.7%
EBIT	3,191	1,296	1,702	146.3%	87.5%	5,507	4,241	29.8%
Other Income	237	119	506	99.9%	(53.1%)	431	1,056	(59.2%)
Finance Cost	1,040	979	896	6.3%	16.0%	2,927	2,534	15.5%
Profit Before Tax	2343	419	1245	458.9%	88.2%	2803	155	
Tax Expense	667	418	1050	59.7%	(36.5%)	1,726	2,099	(17.7%)
Profit After Tax	1733	16	102			1165	(2076)	
Capex	4,997	4,578	3,703	9.2%	34.9%	14,412	11,821	21.9%
Free Cash Flow	3,429	1,724	2,727	98.9%	25.7%	6,184	6,432	(3.8%)

1. Revenue, EBITDA, EBIT are excluding other income.

4.1.2 Summarized Statement of Consolidated Financial Position

Amount in ₹, Cr

Particulars	As at Dec. 31, 2018	As at March 31, 2018
Shareholder's Fund		
Share Capital	285	285
Reserves and Surplus	(250)	214
Minority Interest Liability	5	4
Non-Current Liabilities	10,169	9,862
Current Liabilities	10,174	9,237
Total Liabilities	20,349	19,103
Total Equity and Liabilities	20,384	19,603
Assets		
Non-Current Assets	15,343	14,611
Fixed Assets	11,766	11,317
Investments	1,092	1,064
Others	2,485	2,230
Current Assets	5,041	4,992
Total Assets	20,384	19,603

4.2 Summarized Statement of Segments - Statement of Operations

4.2.1 Tata Communications - Data

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	33,259	30,691	29,145	8.4%	14.1%	93,120	85,335	9.1%
Net Revenue	22,150	20,630	19,893	7.4%	11.3%	62,270	58,593	6.3%
EBITDA	7,667	5,374	5,670	42.6%	35.2%	18,203	15,534	17.2%
EBITDA Margin	23.1%	17.5%	19.5%			19.5%	18.2%	
EBIT	2524	463	1056	445.3%	139.1%	3,391	1,873	81.0%
Capex ¹	4,380	3,821	2,945	14.6%	48.7%	12,376	9,314	32.9%
Free Cash Flow	3,286	1,553	2,725	111.6%	20.6%	5,827	6,220	(6.3%)

4.2.2 Tata Communications – Data (Traditional Services)

Amount in \$ Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	299.5	287.3	302.0	4.2%	(0.8%)	877.9	904.2	(2.9%)
Net Revenue	244.9	231.5	246.0	5.8%	(0.4%)	708.7	734.6	(3.5%)
EBITDA	119.2	83.2	97.1	43.2%	22.7%	293.5	270.0	8.7%
EBITDA Margin	39.8%	29.0%	32.2%			33.4%	29.9%	

4.2.3 Tata Communications – Data (Growth Services)

Amount in \$ Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	101.4	97.0	89.6	4.6%	13.2%	287.2	248.9	15.4%
Net Revenue	45.4	47.8	41.3	(5.0%)	9.7%	134.0	119.9	11.7%
EBITDA	(4.5)	(0.3)	(8.8)			(13.4)	(26.9)	
EBITDA Margin	(4.5%)	(0.3%)	(9.9%)			(4.7%)	(10.8%)	

4.2.4 Tata Communications – Data (Innovation Services)

Amount in \$ Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	2.4	0.6	0.1	290.6%	2033.0%	3.3	0.2	1378.5%
Net Revenue	(0.7)	(0.8)	(0.3)		n/a	(2.4)	(0.6)	n/a
EBITDA	(16.3)	(13.1)	(9.0)		n/a	(41.8)	(23.6)	n/a
EBITDA Margin	n/a	n/a	n/a			n/a	n/a	

4.2.5 Tata Communications – Data (Rentals)

Amount in \$ Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	4.8	4.4	4.7	8.1%	3.0%	13.9	13.8	0.6%
Net Revenue	4.8	4.4	4.7	8.1%	3.0%	13.9	13.8	0.6%
EBITDA	2.2	1.7	1.7	26.6%	26.9%	5.9	5.2	12.2%
EBITDA Margin	45.4%	38.8%	36.8%			42.3%	37.9%	

4.2.6 Tata Communications – Data (Transformation Services - Standalone)

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	3,375	2,865	2,944	17.8%	14.7%	8,995	8,314	8.2%
Net Revenue	671	626	835	7.2%	(19.6%)	2,035	2,185	(6.9%)
EBITDA	351	287	404	22.4%	(13.1%)	946	1,115	(15.1%)
EBITDA Margin	10.4%	10.0%	13.7%			10.5%	13.4%	

4.2.7 Tata Communications – Data (Payment Solutions - Standalone)

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	895	864	911	3.6%	(1.8%)	2,727	2,828	(3.6%)
Net Revenue	231	160	161	44.8%	43.3%	567	392	44.9%
EBITDA	64	4	(18)	1613.6%		31	(212)	
EBITDA Margin	7.2%	0.4%	(2.0%)			1.1%	(7.5%)	

4.2.8 Tata Communications – Voice

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Months Ended		
	Dec 2018	Sep 2018	Dec 2017	QoQ Growth	YoY Growth	Dec 2018	Dec 2017	YoY Growth
Gross Revenue	9,436	9,991	12,302	(5.6%)	(23.3%)	29,695	41,981	(29.3%)
Net Revenue	1,480	1,584	1,625	(6.5%)	(8.9%)	4,543	5,422	(16.2%)
EBITDA	759	927	760	(18.1%)	(0.1%)	2,393	2,718	(12.0%)
EBITDA Margin	8.0%	9.3%	6.2%			8.1%	6.5%	
EBIT	667	833	646	(19.9%)	3.2%	2,116	2,368	(10.6%)
Capex	9	15	36	(38.1%)	(75.0%)	47	59	(20.1%)
Free Cash Flow	750	913	724	(17.8%)	3.6%	2,346	2,659	(11.8%)

4.2.9 Tata Communications – Average Exchange Rate

Particulars	Quarter Ended			Nine Months Ended	
	Dec 2018	Sep 2018	Dec 2017	Dec 2018	Dec 2017
INR / USD	72.1	70.1	64.8	69.7	64.5

Section 5

OPERATING HIGHLIGHTS

5.1 Tata Communications - Consolidated

5.1.1 Gross Revenue by Segments

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Voice	%	29.7%	27.6%	26.0%	24.6%	22.1%
Data	%	70.3%	72.4%	74.0%	75.4%	77.9%
Traditional Services	%	67.1%	65.2%	66.8%	65.6%	64.8%
Growth & Innovation Services	%	19.9%	21.4%	20.5%	22.3%	22.5%
Rentals	%	1.0%	1.1%	1.1%	1.0%	1.0%
Subsidiaries	%	11.9%	12.3%	11.6%	11.1%	11.7%

5.1.2 Gross Revenue by Currency

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Indian Rupee (INR)	%	31.0%	33.0%	35.0%	34.0%	37.0%
Other International Currencies	%	69.0%	67.0%	65.0%	66.0%	63.0%

5.1.3 EBITDA by Segments

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Voice	%	11.8%	12.7%	12.0%	14.7%	9.0%
Data	%	88.2%	87.3%	88.0%	85.3%	91.0%
Traditional Services	%	110.9%	115.4%	118.0%	108.4%	111.1%
Growth & Innovation Services	%	(20.4%)	(29.5%)	(27.1%)	(17.3%)	(19.4%)
Rentals	%	2.0%	2.5%	2.6%	2.2%	2.0%
Subsidiaries	%	7.5%	11.5%	6.5%	6.6%	6.3%

5.1.4 Capital Expenditure

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Voice	USD, Mn	0.6	0.4	0.4	0.2	0.1
Data						
Sustenance	USD, Mn	21.4	22.0	47.5	40.7	42.8
Growth	USD, Mn	24.1	17.3	14.8	13.6	18.1
Other ¹	USD, Mn	11.1	12.0	9.6	10.6	8.4
Total Capex	USD, Mn	57.2	51.7	72.3	65.1	69.3

1. Others include sustenance capex towards network engineering, IT, customer service operations etc.

5.1.5 Debt Profile

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Gross Debt						
Foreign Currency Loans	USD, Mn	1,307	1,284	1,346	1,331	1,383
INR Loans	USD, Mn	68	94	75	80	67
Weighted Average Cost of Debt	%	3.60%	3.87%	3.59%	3.67%	3.76%
Cash & Cash Equivalent	USD, Mn	121	227	153	160	163
Net Debt	USD, Mn	1,254	1,151	1,268	1,251	1,287

5.2 Tata Communications – Data Services

5.2.1 Data Traffic carried

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
95 th Percentile Bandwidth Usage	Tbps/month	9.1	9.73	9.74	11	11.7

5.2.2 Data Revenue by Geography

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
India	%	51.0%	54.0%	51.0%	51.0%	52.0%
Rest of World	%	49.0%	46.0%	49.0%	49.0%	48.0%

5.2.3 Data Revenue by Segment

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Service Provider / Carrier	%	43.0%	42.0%	41.0%	41.0%	42.0%
Enterprise	%	57.0%	58.0%	59.0%	59.0%	58.0%

5.2.4 Data Revenue by Product Segments

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Traditional Services ¹	%	67.1%	65.2%	66.8%	65.6%	64.8%
Growth Services ²	%	19.9%	21.4%	20.5%	22.3%	22.5%
Rentals	%	1.0%	1.1%	1.1%	1.0%	1.0%
Subsidiaries ³	%	11.9%	12.3%	11.6%	11.1%	11.7%

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

2. Growth services include IZO, Managed Hosting, Managed Security Services, Broadcast, Video Connect, UCC/SIP- Trunking, Global Hosted Contact Center, Video Streaming, Mobile New Services, Healthcare, Media Management.

3. Subsidiaries include Tata Communications Payment Solutions Ltd (TCP SL) and Tata Communications Transformation Services Limited (TCTSL)

5.2.5 Data Revenue mix by Product (Traditional Services)

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
VPN	%	26.1%	26.2%	26.8%	26.0%	24.9%
IPL	%	21.4%	20.3%	20.6%	21.7%	25.9%
ILL	%	15.4%	16.1%	15.8%	15.7%	15.2%
Ethernet	%	14.7%	15.0%	14.6%	14.6%	14.0%
IP-T	%	10.6%	10.7%	10.7%	11.2%	10.2%
Others	%	11.8%	11.6%	11.6%	10.9%	9.7%

5.2.6 YoY Revenue growth by Product (Traditional Services)

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
VPN	%	10.9%	6.9%	(0.1%)	(3.6%)	(5.3%)
IPL	%	12.0%	(4.8%)	(13.2%)	(0.3%)	20.0%
ILL	%	11.6%	12.2%	3.0%	0.3%	(2.4%)
Ethernet	%	13.2%	9.4%	(2.8%)	(3.5%)	(5.7%)
IP-T	%	(4.2%)	(6.6%)	(2.3%)	0.3%	(3.7%)
Others	%	(16.3%)	(13.7%)	(11.1%)	(15.0%)	(18.1%)

5.2.7 Data Revenue mix by Product (Growth Services)

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
UCC / SIP-T	%	37.7%	37.4%	38.9%	35.0%	30.9%
Hosting	%	12.0%	12.5%	8.9%	9.4%	10.8%
GHCC	%	4.4%	4.0%	2.9%	4.2%	2.2%
V Connect	%	8.9%	6.5%	10.9%	9.4%	10.6%
VS & IPT	%	10.9%	9.3%	10.6%	9.6%	9.5%
Others	%	26.1%	30.4%	27.9%	32.4%	35.9%

5.2.8 YoY Revenue growth by Product (Growth Services)

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
UCC / SIP-T	%	20.2%	5.9%	4.7%	(4.6%)	(7.3%)
Hosting	%	21.3%	25.5%	(1.5%)	(26.5%)	1.5%
GHCC	%	12.9%	46.9%	(8.1%)	47.0%	(42.1%)
V Connect	%	28.3%	70.6%	58.9%	47.6%	35.0%
VS & IPT	%	34.0%	44.4%	8.6%	0.9%	(0.9%)
Others	%	118.5%	107.4%	65.1%	60.3%	56.2%

5.2.9 Operating Metrics

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Consolidated						
Total Active Customers	No.	5,418	5,518	5,557	5,625	5,645
Innovation Services						
IoT India						
PoCs Completed	No.	26	37	53	66	72
Customers	No.	9	13	15	19	20
Devices Ordered (Cum.)	No.	9,588	16,623	56,073	61,873	96,202
Base Stations (Cum.)	No.	4,337	4,848	5,022	5,084	5,131
Cities Covered	No.	37	38	38	38	38
MOVE						
Customers	No.	26	64	80	108	129
SIMs Ordered (Cum.)	No.	38,112	51,127	71,696	118,201	155,957
Security & Hosting						
Instances Managed	No.	9,357	9,812	10,738	10,552	10,690
Devices Managed (Cum.)	No.	3,807	3,999	4,011	4,195	4,201
Block / Object Storage (Provisioned)	TB	19,572	20,811	21,560	24,357	27,085
NetFoundry						
PoCs Completed	No.	21	27	37	39	45
Customers	No.	7	12	16	18	21
Partners	No.	8	13	16	22	28

5.3 Tata Communications – Payment Solutions

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Third Party / Managed ATMs	No.	8023	7732	6915	6417	5003
White Label ATMs	No.	8317	8435	8264	8168	8059
Total ATMs Managed	No.	16340	16167	15179	14585	13062
Total POS Managed	No.	15737	14950	14312	13791	12790

5.4 Tata Communications – Voice

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
International Long Distance	Bn, Minutes	8.2	7.7	7.9	6.9	6.4
National Long Distance	Bn, Minutes	1.0	1.2	0.8	0.8	0.6
Total Volume	Bn, Minutes	9.2	8.9	8.7	7.7	7.0

5.5 Human Resource Analysis

5.5.1 Tata Communications – Consolidated¹

Particulars	UNITS	Quarter Ended				
		Dec 2017	Mar 2018	June 2018	Sep 2018	Dec 2018
Tata Communications	No.	6051	6022	6168	6402	6554
TCTSL	No.	4363	4323	3903	4060	4056
Total Employees	No.	10414	10345	10071	10462	10610

1. Exit Headcount as on date

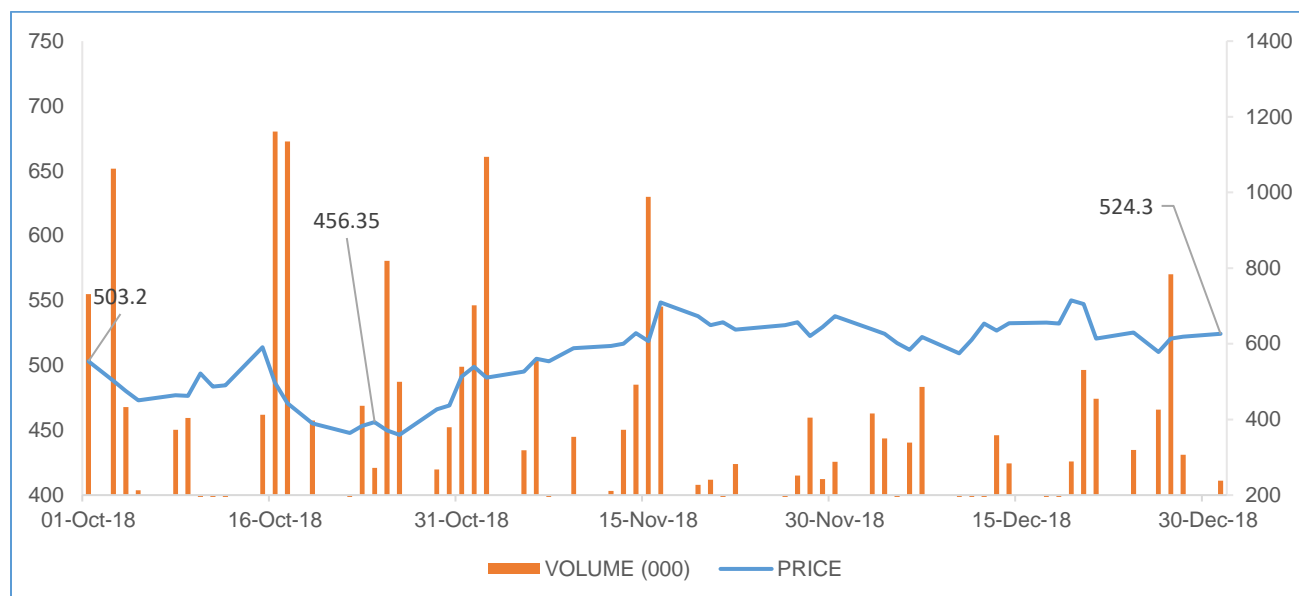
Section 6**STOCK MARKET HIGHLIGHTS****6.1 General Information**

Shareholding and Financial Data	UNITS	Quarter Ended Dec 31, 2018
Code / Exchange		TATA COMM / NSE
Bloomberg		TCOM IN
No. of Shares Outstanding (31/12/2018)	Mn, No	285
Closing Market Price - NSE (31/12/2018)	₹ / Share	524.30
Combined Average Daily Volume (NSE and BSE)	Nos in 000/day	405
Combined Average Daily Value (NSE and BSE)	₹ Mn/day	204.93
Market Capitalisation (31/12/2018)	₹, Bn	149.43
Enterprise Value	₹, Bn	239.30
Enterprise Value / EBITDA (LTM)	Times	9.04

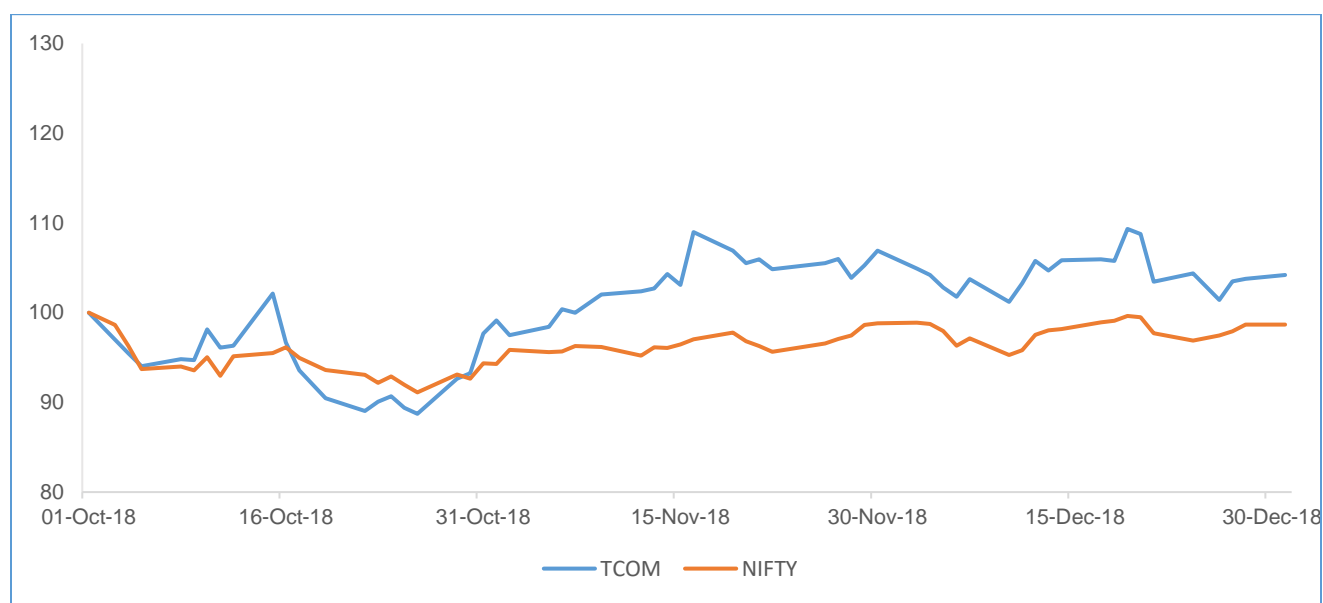
6.2 Summarized Shareholding pattern as of December 31, 2018

Category	% Holding
Promoter & Promoter Group	
Tata Group	48.9%
Government of India	26.1%
Sub-Total	75.0%
Public Shareholding	
Domestic Institutions	2.5%
Foreign Institutions	17.0%
Non-Institutions (Retail)	5.5%
Sub-Total	25.0%
Total	100%

6.3 Tata Communications daily stock price (NSE) and volume (BSE & NSE Combined) movement



6.4 Comparison of Tata Communications with Nifty



Nifty and Tata Communications Stock price rebased to 100.

Section 7**DETAILED FINANCIAL AND RELATED INFORMATION**

The financial results presented in this section are compiled based on the limited review consolidated financial statements prepared in accordance with Indian Accounting Standards (IND AS) and the underlying information. The consolidated financial results represent results of the Company and its subsidiaries.

7.1 Extracts from Audited Consolidated Financial Statements prepared in accordance with Indian Accounting Standards (IND AS)

7.1.1 Consolidated Statement of Income

(` in Lakhs)

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018							
Particulars	For the quarter ended			For the nine months ended		For the year ended	
	December 31 2018	September 30 2018	December 31 2017	December 31 2018	December 31 2017	March 31 2018	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1 Income from operations	426947	406822	414477	1228144	1273159	1677169	
2 Other income, net	1918	864	4388	2079	5822	25966	
3 Total income (1 + 2)	428865	407686	418865	1230223	1278981	1703135	
4 Expenses							
a. Network and transmission expense	186735	181762	190679	547770	607832	790324	
b. Employee benefits expense	75711	74477	75729	219088	222282	297752	
c. Finance costs	10400	9785	8963	29270	25341	34445	
d. Depreciation and amortisation expense	52348	50059	47281	150894	140115	190630	
e. Other expenses	80245	87566	83778	255327	260521	347871	
Total expenses (4a to 4e)	405439	403649	406430	1202349	1256091	1661022	
5 Profit before exceptional items, tax & share of profit/(loss) of associates (3 - 4)	23426	4037	12435	27874	22890	42113	
6 Exceptional items (Refer note 4)	-	157	-	157	(21341)	(37552)	
7 Profit/(loss) from operations before tax and share of profit/(loss) of associates (5 + 6)	23426	4194	12435	28031	1549	4561	
8 Tax expense/ (benefit):							
a. Current tax	9636	5351	9606	22841	25679	40916	
b. Deferred tax	(2963)	(1174)	893	(5577)	(4693)	(5424)	
9 Profit/(loss) before share of profit/(loss) of associates (7 - 8)	16753	17	1936	10767	(19437)	(30931)	
10 Share in Profit/(Loss) of associates	629	198	(902)	1035	(1077)	(1630)	
11 Profit/ (loss) for the period (9 + 10)	17382	215	1034	11802	(20514)	(32561)	
Attributable to:							
Equity holders of the parent	17329	165	1012	11645	(20763)	(32860)	
Non-controlling interest	53	50	22	157	249	299	
12 Other Comprehensive Income/(loss) (net of tax)	20940	(34815)	13163	(42776)	(42399)	(56286)	
13 Total Comprehensive Income/(loss) (11 + 12)	38322	(34600)	14197	(30974)	(62913)	(88847)	
Attributable to:							
Equity holders of the parent	38269	(34650)	14175	(31131)	(63162)	(89146)	
Non-controlling interest	53	50	22	157	249	299	
14 Paid up equity share capital (Face value of `10 per share)	28500	28500	28500	28500	28500	28500	
15 Reserves excluding Revaluation reserve						826	
16 Earnings per share (of ` 10/- each) (not annualised)							
Basic and diluted earnings per share (`)	6.08	0.06	0.36	4.09	(7.29)	(11.53)	

7.2 Use of Non-GAAP Financial Information

In presenting and discussing the Company's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with IND AS, but this information is not in itself an expressly permitted GAAP measure. Such non - GAAP measures should not be viewed in isolation as alternatives to the equivalent GAAP measures.

A summary of non - GAAP measures included in this report are shown below.

7.2.1 Reconciliation of Non- GAAP financial information based on IND AS

a) Derivation of Operating Free Cash Flow from EBITDA

Particulars	Amount in ₹, Mn	
	Quarter Ended Dec 2018	Quarter Ended Dec 2017
EBITDA	8,426	6,430
Less: Capex	4,997	3,703
Free Cash Flow	3,429	2,727

b) Derivation of Cash Profit from Operations from Profit before tax

Particulars	Amount in ₹, Mn	
	Quarter Ended Dec 2018	Quarter Ended Dec 2017
Profit Before Tax	2343	1245
Add: Depreciation and Amortisation	5235	4,728
Add: Exceptional (Loss)/Gain	1	0
Less: Other Income	237	506
Cash Profit from Operations	7339	5466

c) Calculation of Capital Employed

Particulars	Amount in ₹, Mn	
	Quarter Ended Dec 2018	
Shareholders' Fund	346	
Add: Net Debt / (Net Cash)	89,871	
Capital Employed	90,217	

Section 8

GLOSSARY

8.1 Company Related Terms

Capex	It includes investment in Gross Fixed Assets capitalized during the quarter and capital work in progress during the relevant period.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity shareholders and net debt / (net cash).
Earnings Per Share (EPS)-Basic	It is computed by dividing net profit or loss attributable for the period to equity shareholders by the weighted average number of equity shares outstanding during the period.
Earnings Per Share (EPS)- Diluted	Diluted earnings per share is calculated by adjusting net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period for the effects of all dilutive potential equity shares.
EBIT	Earnings before interest, taxation excluding other income for the relevant period.
EBIT (Including Other Income)	Earnings before interest, taxation including other income for the relevant period.
EBITDA	Earnings before interest, taxation, depreciation and amortization and charity and donation excluding other income for the relevant period. It is defined as operating income and does not include depreciation and amortization expense, finance cost and tax expense.
EBITDA (Including Other Income)	Earnings before interest, taxation, depreciation and amortization and charity and donation including other income for the relevant period.
Enterprise Value (EV)	Calculated as sum of Market Capitalization plus Net Debt / (Net Cash) as at the end of the relevant period.
EV / EBITDA (times)(LTM)	Computed by dividing Enterprise Value as at the end of the relevant period (EV) by EBITDA for the preceding (last) 12 months from the end of the relevant period.
Free Cash Flow	It is defined as EBITDA adjusted for Capex.
GAAP	Generally Accepted Accounting Principle
INDAS	Indian Accounting Standard
Intangibles	Comprises of acquisition cost of software.
NA/∞	Not ascertainable (infinite)
Interest Coverage Ratio(LTM)	It is computed by dividing EBIT for the preceding (last) 12 months from the end of relevant period by interest on borrowing for the preceding (last) 12 months.
LTM	Last Twelve months
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (NSE) as at end of the period.
Mn	Million
Net Debt / (Net Cash)	Total Borrowings Less Cash and Cash Equivalents on the last day of the quarter.
Net Debt / (Net Cash) to EBITDA (LTM)	It is computed by dividing net debt / (net cash) as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
PE Ratio	Price to Earnings ratio is calculated as closing market price (NSE) as at the end of relevant period, divided by diluted annual earnings per share. Annual Diluted Earnings per share is calculated by adding the preceding last four quarters diluted Earnings per share

ROC	Registrar of Companies
Return On Capital Employed (ROCE) Pre Tax - (LTM)	For the full year computations, ROCE is computed by dividing the sum of EBIT for the period by average (of opening and closing) capital employed. For the quarterly computations, it is computed by dividing sum of EBIT for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) capital employed during the relevant periods.
CSR	Corporate social responsibility

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