
Quarterly report on the results for the quarter ended September 30, 2021.

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October 20, 2021

Supplemental Disclosures

Safe Harbor: - Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words.

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.

General Risk: - Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Company without necessary diligence and relying on their own examination of Tata Communications Limited; along with the equity investment risk which doesn't guarantee capital protection.

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.

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

Particulars	UNITS	Full Year Ended			Quarter Ended				
		2019	2020	2021	Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
<u>Operating Highlights</u>									
95 th Percentile Bandwidth Usage	Tbps/month	11.4	16.7	17.3	16.1	17.3	17.3	16.9	17.3
Total Voice Minutes	Bn, Minutes	30.0	23.2	18.7	4.9	4.6	4.0	4.2	3.9
International Long Distance	Bn, Minutes	27.5	22.6	18.2	4.8	4.5	3.8	4.1	3.7
National Long Distance	Bn, Minutes	2.6	0.6	0.5	0.1	0.1	0.1	0.1	0.1
Revenue by Line of Business									
Voice	%	23.4%	19.8%	16.3%	17.2%	16.0%	13.7%	14.4%	14.5%
Data*	%	66.9%	69.6%	73.7%	72.9%	74.0%	75.8%	75.7%	75.2%
Core Connectivity	%	74.2%	72.3%	70.8%	69.6%	71.9%	72.4%	71.9%	71.4%
Digital Platforms and Services	%	25.2%	26.8%	28.2%	29.3%	27.0%	26.4%	27.0%	27.3%
Incubation Services	%	0.6%	0.9%	1.0%	1.1%	1.0%	1.2%	1.2%	1.4%
Others (Subsidiaries + Real Estate)	%	9.7%	10.6%	10.0%	9.8%	10.0%	10.5%	10.0%	10.3%
Data Revenue by Segment									
Service Provider	%	36.5%	33.1%	31.5%	30.8%	31.9%	32.3%	31.1%	30.6%
Enterprise	%	63.5%	66.9%	68.5%	69.2%	68.1%	67.7%	68.9%	69.4%
<u>Financials</u>									
Gross Revenue	₹, Cr	16,525	17,068	17,100	4,401	4,223	4,073	4,103	4,174
Net Revenue	₹, Cr	9,110	9,447	9,919	2,523	2,473	2,474	2,375	2,438
EBITDA	₹, Cr	2,745	3,289	4,261	1,158	1,046	1,015	986	1,113
EBIT	₹, Cr	677	931	1,947	586	489	420	454	571
Profit Before Tax	₹, Cr	343	140	1,609	501	381	386	377	530
Profit After Tax	₹, Cr	(82)	(86)	1,251	384	309	299	296	425
Capex	₹, Cr	1,864	1,596	1,421	318	339	392	381	392
Free Cash Flow	₹, Cr	881	1,693	2,840	840	707	623	605	721
Total Capital Employed	₹, Cr	8,345	7,898	7,902	8,083	7,817	7,902	7,836	7,998
Net Debt / (Net Cash)	₹, Cr	8,527	9,176	7,786	8,631	7,972	7,786	8,001	7,761
<u>Key Ratios</u>									
EBITDA Margin	%	16.6%	19.3%	24.9%	26.3%	24.8%	24.9%	24.0%	26.7%
EBIT Margin	%	4.1%	5.5%	11.4%	13.3%	11.6%	10.3%	11.1%	13.7%
Net Profit Margin	%	(0.5%)	(0.5%)	7.3%	8.7%	7.3%	7.3%	7.2%	10.2%
Net Debt to EBITDA (LTM)	Times	3.1	2.8	1.8	2.3	1.9	1.8	1.9	1.9
Weighted Average Cost of Debt	%	3.72%	3.75%	2.88%	2.80%	2.88%	2.81%	2.89%	2.87%
Interest Coverage Ratio (LTM)	Times	1.71	1.98	4.63	3.07	3.80	4.63	4.87	5.03
Return on Capital Employed	%	8.3%	11.5%	24.6%	17.3%	21.1%	24.6%	24.7%	24.1%
<u>Valuation Indicators</u>									
Market Capitalisation	₹, Cr	17463	6645	30290	24151	31370	30290	36682	39665
Enterprise Value	₹, Cr	25990	15821	38076	32782	39342	38076	44683	47426
EV / EBITDA (LTM)	Times	9.47	4.81	8.94	8.56	9.56	8.94	10.49	11.40

*FY19 and FY20 numbers are as per old grouping and methodology

Section 2

AN OVERVIEW

2.1 Company Overview

Tata Communications is the leading global digital ecosystem enabler. 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 multinational companies and service providers. We partner with 300 of the Fortune 500 companies with our state-of-the-art solutions, including a wide range of communication, collaboration, cloud, mobility, connected solutions, network and data center services.

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, fully Integrated Communications Platform with solutions such as video, audio and web conferencing, contact center solutions, A2P messaging, global mobility in addition to an array of Data Center, Cloud, Hosting 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 Information and Communication Technology 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 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 3 major groupings: Data, Voice and Others. In Others category we 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.) We also receive rental income from some of our land parcels and buildings, which are let out for various commercial purposes.

A. 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.

A1. Core Connectivity: This service offering includes a global comprehensive selection of point-to-point and multi-point core networking 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 30% 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. Our 2 major customer segments include: Large enterprise customers, and Telecom Service Providers

A2. Digital Platforms and Services: As we evolve our strategy to move from being a provider of point products, to a digital ecosystem enabler, we have created platforms with a portfolio of offerings which are relevant to the customer and help bring agility in their business with the potential for high growth in the medium to long term, on the back of acceleration in the pace of digital adoption by global enterprises

. A2. (i) Collaboration and CPaaS: We deliver global communication and collaboration services to enable digital transformation for businesses and many types of service providers. With voice and messaging at the heart of our business collaboration strategy, our modular portfolio comprises UCaaS, Global SIP Connect,

Microsoft Teams solutions, Cisco Powered Solutions, Hosted Contact Centre and the all new suite of Cloud communications platform, powered by APIs that can be integrated into business solutions. Our proposition helps our clients chart their own journey looking from where they currently stand to the transformation required to implement their stepwise business collaboration strategy.

A2. (ii) Cloud, Hosting, Security and SD-WAN: With legacy on-premise infrastructure moving to the cloud, and organizations operating in a multi-cloud environment, we offer flexible and cost-efficient compute and storage options via a single pathway to manage multiple complex workloads and computing environments, with an integrated view. 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. We also offer cloud embedded with security as there is a growing threat to data security and privacy, which Tata Communications helps solve for its customers. Our comprehensive security services are delivered by partnering with the best vendors in the business and a 24/7 proactive support through our Security Operations Center.

A2. (iii) Next Gen Connectivity: With the global usage of internet becoming more mainstream versus expensive private lines, the importance of this portfolio has become profound. We offer intelligent routing and SLA's on the public internet, as well as on-demand connectivity solutions addressing the dynamic requirements of our customers to have a scalable network, which also fit the budget. SD-WAN offering adds a software overlay to make the network more programmable. 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

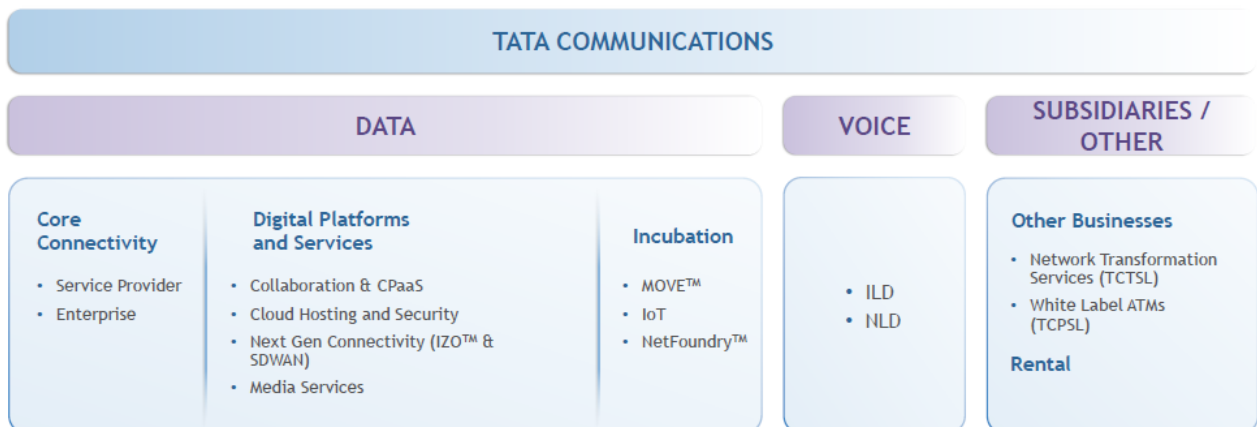
A2. (iv) Media and Entertainment Services: Our 'Media Ecosystem' provides solutions for every kind of enterprise in all segments of media and entertainment, including gaming, sports, news, cable, and broadcasting. Tata

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.

A3. Incubation: These services are a combination of cutting-edge technologies and our foresight on where the world will be in some years from now. They are being seeded to drive future growth as technology trends evolve in the longer term. It comprises the global mobility platform MOVE, Internet of Things and the in-house SASE platform NetFoundry

B. 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.

C. Subsidiaries and Others: we 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.) We also receive rental income from some of our land parcels and buildings, which are let out for various commercial purposes.



Section 3

MANAGEMENT DISCUSSION AND ANALYSIS

3.1 Results of Operations

Key Highlights - For the Quarter ended September 30, 2021

- **Consolidated –**

- **Revenue** for the quarter grew by 1.7% QoQ and declined by 5.2% YoY, coming in at INR 4,174 Crore. Sequential growth is due to gradual pick up in business and improvement across both Data and Voice segment. YoY decline is primarily due to decline in Voice business and moderation of collaboration traffic in Data business.
- **EBITDA** for the quarter at INR 1,113 crore. EBITDA has some onetime benefits; 1) cost benefit from the timing difference in hiring new employees to fulfil open positions in the organization, and 2) reversal of provision of doubtful debts due to better collection efforts.
- Our continuous focus is on improving profitability to maintain healthy margins. EBITDA margin for the quarter was at 26.7%, margins improved by 40 BPs on YoY basis and 260 BPs sequentially
- **Profit** for the quarter was INR 425 crore as compared to a profit of INR 385 crore in Q2FY21, witnessing a growth of 10.6% YoY on the back of lower operating cost and taxes. This translates into Earnings Per Share (EPS) of INR 14.9.
- **CAPEX** for Q2 was at INR 392 crore as compared to INR 318 crore in Q2FY21
- **Net Debt** at the end of the quarter was INR 7,761 crore, down by INR 240 cr QoQ and 870 cr YoY despite INR 399 cr of dividend payout this quarter. This is on the back of a better working capital mix and improvement in operating profit.
- Average cost of borrowing for the quarter was at 2.87%.

- **Data –**

- **Data business** revenue for the quarter came in at INR 3,140 Crore witnessing a decline of 2.2% YoY and a growth of 1.1% sequentially. YoY decline is primarily due to moderation of Collaboration traffic which was at peak during Q1 and Q2 of last year.
 - Data Business EBITDA was at INR 1,049 Crore witnessing a decline of 3.4% YoY and a growth of 12.6% QoQ. We have improved our margins to 33.4% - an increase of 340 BPs over the last quarter.
 - **Core Connectivity** – Q2 revenue at INR 2,241 crore, holding steady with a growth of 0.4% both on QoQ and YoY basis.
 - **Digital Platforms & Services** – Q2 revenue at INR 856 crore, witnessing a growth of 2.3% QoQ largely on the back of improved performance in all segments except Collaboration portfolio. There was a decline of 9% YoY, due to moderation of collaboration traffic that peaked in Q1 and Q2 during the first wave of covid.
 - **Transformation Services** – The transaction-based business was impacted due to COVID 2nd wave while costs remained elevated. The weakness is due to slow growth in international business.
 - Revenue was at INR 335 crore witnessing a growth of 0.7% YoY and 1.5% QoQ.
 - **Payment solutions** – business has been hard hit by COVID, 2nd wave and the subsequent lockdowns. Average daily transactions for Q2 were 56 as compared to 64 in Q2 FY21. We have started to see benefit of increased bank interchange fee from August 2021. EBITDA for the quarter was INR 3 Crore.
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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 ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	4174	4103	4401	1.7%	(5.2%)	8,277	8,804	(6.0%)
Net Revenue	2438	2375	2523	2.7%	(3.4%)	4,813	4,973	(3.2%)
EBITDA ¹	1113	986	1158	12.9%	(3.9%)	2,099	2,199	(4.6%)
EBITDA Margin	26.7%	24.0%	26.3%			25.4%	25.0%	
Depreciation & Amortisation	542	532	572	1.8%	(5.3%)	1,073	1,162	(7.6%)
EBIT	571	454	586	25.7%	(2.4%)	1,026	1,037	(1.1%)
Other Income	36	13	76	173.0%	(52.1%)	50	91	(45.2%)
Finance Cost	91	96	106	(5.6%)	(14.7%)	187	223	(16.0%)
Exceptional Items (Loss)	13	6	(54)			18	(64)	
Profit Before Tax	530	377	501	40.5%	5.6%	907	841	7.8%
Tax Expense	104	79	115	30.9%	(10.0%)	183	197	(6.9%)
Profit After Tax	425	296	385	43.7%	10.6%	722	642	
Cash Profit from Operations	1022	890	1051	14.9%	(2.8%)	1,912	1,977	(3.3%)
Capex	392	381	318	2.8%	23.3%	773	689	12.2%
Free Cash Flow	721	605	840	19.2%	(14.2%)	1,326	1,510	(12.2%)

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

4.1.2 Summarized Statement of Consolidated Financial Position

Amount in ₹, Cr

Particulars	As at Sep 30, 2021	As at March 31, 2021
Shareholder's Fund		
Share Capital	285	285
Reserves and Surplus	(48)	(170)
Minority Interest Liability	28	28
Non-Current Liabilities	11,453	13,423
Current Liabilities	8,520	7,767
Total Liabilities	20,001	21,218
Total Equity and Liabilities	20,238	21,333
Assets		
Non-Current Assets	15,150	15,496
Fixed Assets	11,757	11,902
Investments	954	951
Others	2,439	2,643
Current Assets	5,088	5,837
Total Assets	20,238	21,333

4.2 Summarized Statement of Segments - Statement of Operations

4.2.1 Tata Communications – Data

Amount in ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	3,140	3,104	3,210	1.1%	(2.2%)	6,244	6,385	(2.2%)
Net Revenue	2,252	2,205	2,309	2.1%	(2.5%)	4,457	4,527	(1.6%)
EBITDA	1,049	932	1,086	12.6%	(3.4%)	1,981	2,040	(2.9%)
EBITDA Margin	33.4%	30.0%	33.8%			31.7%	32.0%	
EBIT	538	431	559	25.0%	(3.7%)	969	967	0.2%
Capex ¹	349	332	261	5.0%	33.6%	680	563	20.8%
Free Cash Flow	701	600	825	16.8%	(15.1%)	1,300	1,477	(12.0%)

4.2.2 Tata Communications – Data (Core Connectivity)

Amount in ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	2,241	2,231	2,233	0.4%	0.4%	4,471	4,426	1.0%
Net Revenue	1,808	1,788	1,828	1.1%	(1.1%)	3,596	3,607	(0.3%)
EBITDA	1,029	953	1,020	8.0%	0.9%	1,981	1,968	0.7%
EBITDA Margin	45.9%	42.7%	45.7%			44.3%	44.5%	

4.2.3 Tata Communications – Data (Digital Platforms & Services)

Amount in ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	856	837	941	2.3%	(9.0%)	1,693	1,900	(10.9%)
Net Revenue	442	412	464	7.2%	(4.8%)	854	895	(4.6%)
EBITDA	122	74	145	65.2%	(16.5%)	195	252	(22.6%)
EBITDA Margin	14.2%	8.8%	15.5%			11.5%	13.3%	

4.2.4 Tata Communications – Data (Incubation Services)

Amount in ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	43	37	36	16.2%	18.7%	80	59	34.9%
Net Revenue	2	5	17	(52.1%)	(86.7%)	7	25	(72.1%)
EBITDA	(101)	(94)	(79)	n/a	n/a	(196)	(179)	n/a
EBITDA Margin	n/a	n/a	n/a			n/a	n/a	

4.3.1 Tata Communications – Others (Rentals)

Amount in ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	52	41	41	25.9%	25.6%	93	85	10.2%
Net Revenue	52	41	41	25.9%	25.6%	93	85	10.2%
EBITDA	36	27	22	34.9%	61.4%	63	50	24.3%
EBITDA Margin	69.2%	64.6%	53.8%			67.1%	59.5%	

4.3.2 Tata Communications – Others (Transformation Services – Net of Intercompany eliminations)

Amount in ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	335	330	333	1.5%	0.7%	665	665	0.0%
Net Revenue	19	29	36	(31.7%)	(45.7%)	48	85	(43.8%)
EBITDA	(21)	(6)	4	n/a	n/a	(28)	1	n/a
EBITDA Margin	(6.4%)	(1.8%)	1.3%			(4.1%)	0.1%	

4.3.3 Tata Communications – Others (Payment Solutions - Net of Intercompany eliminations)

Amount in ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	41	38	58	8.8%	(29.5%)	78	110	(28.9%)
Net Revenue	15	15	8	0.6%	89.6%	30	18	66.6%
EBITDA	3	7	(4)	n/a	n/a	11	(8)	n/a
EBITDA Margin	8.3%	19.5%	(7.5%)			13.7%	(7.6%)	

4.4.0 Tata Communications – Voice

Amount in ₹, Cr; except ratios

Particulars	Quarter Ended					Six Month Ended		
	Sep 2021	June 2021	Sep 2020	QoQ Growth	YoY Growth	Sep 2021	Sep 2020	YoY Growth
Gross Revenue	606	589	759	2.9%	(20.1%)	1,195	1,558	(23.3%)
Net Revenue	100	85	129	17.4%	(22.8%)	185	258	(28.2%)
EBITDA	46	26	49	74.0%	(7.1%)	72	116	(37.7%)
EBITDA Margin	7.6%	4.5%	6.5%			6.0%	7.4%	
EBIT	39	20	40	97.4%	(1.8%)	59	97	(38.9%)
Capex	1	2	5	(53.7%)	(83.4%)	3	18	(84.7%)
Free Cash Flow	45	24	44	83.9%	2.1%	69	98	(29.0%)

4.5.0 Tata Communications – Average Exchange Rate

Particulars	Quarter Ended			Six Month Ended	
	Sep 2021	June 2021	Sep 2020	Sep 2021	Sep 2020
INR / USD	74.1	73.8	74.4	73.9	75.1

Section 5
OPERATING HIGHLIGHTS

5.1 Tata Communications - Consolidated**5.1.1 Share of Gross Revenue by Segments**

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Voice	%	17.2%	16.0%	13.7%	14.4%	14.5%
Data	%	72.9%	74.0%	75.8%	75.7%	75.2%
Core Connectivity	%	69.6%	71.9%	72.4%	71.9%	71.4%
Digital Platforms and Services	%	29.3%	27.0%	26.4%	27.0%	27.3%
Incubation	%	1.1%	1.0%	1.2%	1.2%	1.4%
Others	%	9.8%	10.0%	10.5%	10.0%	10.3%

5.1.2 Share of Gross Revenue by Currency

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Indian Rupee (INR)	%	40.0%	38.0%	38.0%	38.0%	37.0%
Other International Currencies	%	60.0%	62.0%	62.0%	62.0%	63.0%

5.1.3 Share of EBITDA by Segments

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Voice	%	4.3%	1.8%	3.5%	2.7%	4.1%
Data	%	93.8%	96.0%	91.4%	94.5%	94.3%
Core Connectivity	%	93.9%	98.3%	105.3%	102.2%	98.1%
Digital Platforms and Services	%	13.4%	11.9%	6.2%	7.9%	11.6%
Incubation	%	(7.3%)	(10.2%)	(11.5%)	(10.1%)	(9.6%)
Others	%	1.9%	2.2%	5.1%	2.8%	1.6%

5.1.4 Capital Expenditure

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Voice	₹, Cr	5	1	3	2	1
Data						
Core Connectivity	₹, Cr	207	191	270	295	270
Digital Platforms and Services	₹, Cr	30	67	37	24	51
Incubation	₹, Cr	23	15	18	13	27
Subs & Real Estate	₹, Cr	18	19	10	12	4
Other¹	₹, Cr	33	46	54	36	38
Total Capex	₹, Cr	318	339	392	381	392

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

5.1.5 Debt Profile

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Gross Debt						
Foreign Currency Loans	₹, Cr	10,144	9,417	9,051	8,645	8,262
INR Loans	₹, Cr	863	838	950	815	828
Weighted Average Cost of Debt	%	2.80%	2.88%	2.81%	2.89%	2.87%
Cash & Cash Equivalent	₹, Cr	2,375	2,282	2,215	1,459	1,329
Net Debt	₹, Cr	8,631	7,972	7,786	8,001	7,761

5.2 Tata Communications – Data Services

5.2.1 Data Traffic carried

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
95 th Percentile Bandwidth Usage	Tbps/month	16.1	17.3	17.3	16.9	17.3

5.2.2 Data Revenue by Geography

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
India	%	54.0%	54.0%	56.0%	54.0%	55.0%
Rest of World	%	46.0%	46.0%	44.0%	46.0%	45.0%

5.2.3 Share of Data Revenue by Segment

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Service Provider / Carrier	%	30.8%	31.9%	32.3%	31.1%	30.6%
Enterprise	%	69.2%	68.1%	67.7%	68.9%	69.4%

5.2.4 Share of Data Revenue by Product Segments

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Core Connectivity	%	69.6%	71.9%	72.4%	71.9%	71.4%
Digital Platforms and Services	%	29.3%	27.0%	26.4%	27.0%	27.3%
Incubation	%	1.1%	1.0%	1.2%	1.2%	1.4%

1. Core Connectivity includes Virtual Private Network, International Private Line, Internet Leased Line, Ethernet, Internet Protocol – Transit, Inmarsat, National Private Line, Mobility.

2. Digital Platforms and Services includes Collaboration and CPaaS, Cloud Hosting & Security, Next Gen Connectivity and Media Services

3. Incubation services include MOVE™, IoT and NetFoundry

5.2.5 Core Connectivity Revenue mix by customer segments

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Service Provider (Wholesale)	%	39.2%	39.6%	39.6%	38.7%	38.3%
Enterprise	%	60.8%	60.4%	60.4%	61.3%	61.7%

5.2.6 Digital Platforms & Services Revenue mix by Product

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Collaboration & CPaaS	%	52.9%	48.0%	43.5%	45.3%	43.7%
Cloud, Hosting and Security	%	25.3%	26.1%	30.1%	27.1%	28.5%
Next Gen Connectivity (IZO & SDWAN)	%	12.8%	13.8%	15.9%	15.6%	15.4%
Media Services	%	9.0%	12.2%	10.5%	11.9%	12.4%

5.2.7 Operating Metrics

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Consolidated						
Total Active Customers	No.	5,387	5,325	5,272	5,092	5,282
Operating Metrics						
IoT India						
Customers	No.	40	43	49	54	59
Devices Ordered (Cum.)	No.	302,527	335,953	364,028	368,391	377,308
Base Stations (Cum.)	No.	2,583	2,531	2,619	2,590	2,624
Cities Covered	No.	45	45	45	45	45
MOVE						
Customers	No.	160	181	187	190	209
SIMs Ordered (Cum.)	No.	1,201,826	1,355,609	1,605,611	1,730,255	1,976,653
Security & Hosting						
Managed Cloud Instances	No.	10,943	11,608	11,875	12,546	13,145
Devices Managed (Network + Security)	No.	5,518	6,424	6,446	6,291	6,295
Block / Object Storage (Provisioned)	TB	33,456	33,797	34,343	36,613	36,968
NetFoundry						
Unique Customers	No.	47	62	66	65	68

5.3 Tata Communications – Payment Solutions

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
White Label ATMs	No.	7613	6682	6184	6322	6663
Total POS Managed	No.	3219	3169	2076	2019	1637

5.4 Tata Communications – Voice

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
International Long Distance	Bn, Minutes	4.8	4.5	3.8	4.1	3.7
National Long Distance	Bn, Minutes	0.1	0.1	0.1	0.1	0.1
Total Volume	Bn, Minutes	4.9	4.6	4.0	4.2	3.9

5.5 Human Resource Analysis¹

Particulars	UNITS	Quarter Ended				
		Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021
Tata Communications	No.	7,048	6,994	6,940	6,760	6,741
TCTSL	No.	5,043	5,110	5,104	5,129	5,203
Total Employees	No.	12091	12104	12044	11889	11944

1. Exit Headcount as on date

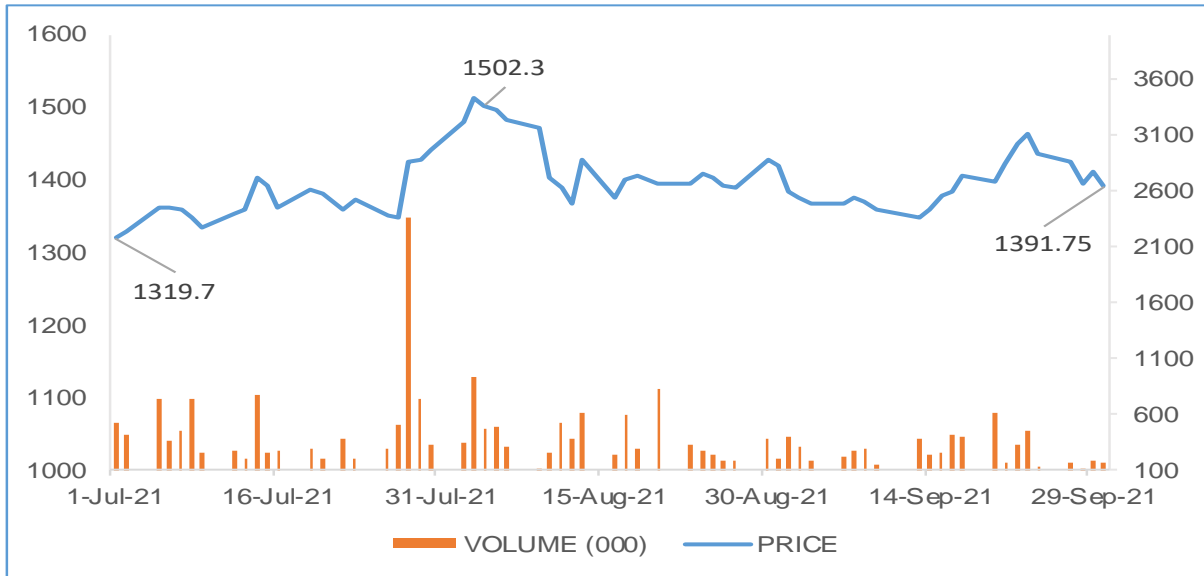
Section 6**STOCK MARKET HIGHLIGHTS****6.1 General Information**

Shareholding and Financial Data	UNITS	Quarter Ended Sep 30, 2021
Code / Exchange		TATACOMM / NSE
Bloomberg		TCOM IN
No. of Shares Outstanding (30/09/2021)	Cr, No	28.5
Closing Market Price - NSE (30/09/2021)	₹ / Share	1391.8
Combined Average Daily Volume (NSE and BSE)	Nos in 000/day	432
Combined Average Daily Value (NSE and BSE)	₹ Cr / day	60.3
Market Capitalisation (30/09/2021)	₹, Cr	39664.9
Enterprise Value	₹, Cr	47425.9
Enterprise Value / EBITDA (LTM)	Times	11.4

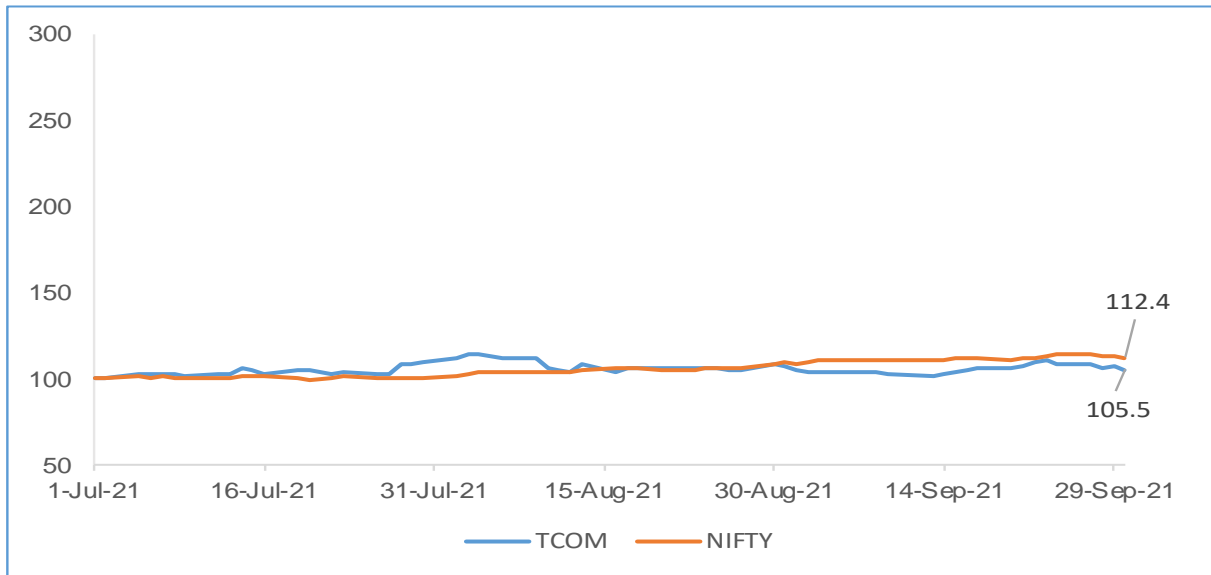
6.2 Summarized Shareholding pattern as of September 30, 2021

Category	% Holding
Promoter & Promoter Group	
Tata Group	58.9%
Sub-Total	58.9%
Public Shareholding	
Domestic Institutions	7.6%
Foreign Institutions	23.9%
Non-Institutions (Retail)	9.6%
Sub-Total	41.1%
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 FINANCIALS**

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)

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021 (in, Crores)						
Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30 2021	June 30 2021	September 30 2020	September 30 2021	September 30 2020	March 31 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations	4,174.02	4,102.79	4,401.08	8,276.81	8,804.02	17,100.10
2 Other income, net	36.42	13.35	76.10	49.77	90.84	156.76
3 Total income (1 + 2)	4,210.44	4,116.14	4,477.18	8,326.58	8,894.86	17,256.86
4 Expenses						
a. Network and transmission expense	1,567.03	1,561.89	1,674.58	3,128.92	3,454.98	6,513.66
b. Employee benefits expense	728.48	809.69	761.94	1,538.17	1,524.38	3,049.09
c. Finance costs	90.82	96.21	106.41	187.03	222.70	420.20
d. Depreciation and amortisation expense	541.60	531.76	571.93	1,073.36	1,161.86	2,313.87
e. Other expenses	765.66	745.16	807.03	1,510.82	1,625.37	3,276.77
Total expenses (4a to 4e)	3,693.59	3,744.71	3,921.89	7,438.30	7,989.29	15,573.59
5 Profit before exceptional items, tax & share of profit/(loss) of associates (3 - 4)	516.85	371.43	555.29	888.28	905.57	1,683.27
6 Exceptional items (Refer note 2)	12.74	5.62	(53.95)	18.36	(64.44)	(74.72)
7 Profit from operations before tax and share of profit/(loss) of associates (5 + 6)	529.59	377.05	501.34	906.64	841.13	1,608.55
8 Tax expense/ (benefit):						
a. Current tax	109.33	93.84	126.78	203.17	245.60	406.49
b. Deferred tax	(5.55)	(14.57)	(11.44)	(20.12)	(49.05)	(51.60)
9 Profit/(loss) before share of profit/(loss) of associates (7 - 8)	425.81	297.78	386.00	723.59	644.58	1,253.66
10 Share in Profit/(Loss) of associates	0.64	(0.88)	(1.19)	(0.24)	(1.70)	(2.14)
11 Profit/ (loss) for the period (9 + 10)	426.45	296.90	384.81	723.35	642.88	1,251.52
Attributable to:						
Equity holders of the parent	425.38	296.11	384.48	721.49	642.28	1,250.63
Non-controlling interest	1.07	0.79	0.33	1.86	0.60	0.89
12 Other Comprehensive Income/(loss) (net of tax)	(23.15)	(177.88)	228.68	(201.03)	202.04	257.19
13 Total Comprehensive income/(loss) (11+12)	403.30	119.02	613.49	522.32	844.92	1,508.71
Attributable to:						
Equity holders of the parent	402.23	118.23	613.16	520.46	844.32	1,507.82
Non-controlling interest	1.07	0.79	0.33	1.86	0.60	0.89
14 Paid up equity share capital (Face value of ` 10 per share)	285.00	285.00	285.00	285.00	285.00	285.00
15 Reserves excluding Revaluation reserve						(375.60)
16 Earnings per share (of ` 10/- each) (not annualised)						
Basic and diluted earnings per share (`)	14.93	10.39	13.49	25.32	22.54	43.88

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).
Cash Profit from Operation	Profit before tax excluding other income, Exceptional Gain and including Depreciation & Amortization and Exceptional Loss
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 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 capital employed.
CSR	Corporate social responsibility

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