

# ANNUAL DISCLOSURES BY THE BOARD OF DIRECTORS FOR FY 2025-26

(Pursuant to Regulation 14 read with Part F to Schedule I of Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity Shares) Regulations, 2021)

## A. About Tata Communications Limited - Employee Stock Unit Plan - 2023:

Tata Communications Limited ('the Company') believes that equity-based compensation plans are an effective tool to reward the talents working with the Company and its subsidiaries. With an objective to attract and retain key talent, drive achievement of long term objectives of the Company, to strengthen employee ownership and to create long-term wealth in the hands of the employees, by way of rewarding their performance and motivating them to contribute to the overall long term corporate growth and goals, the Tata Communications Limited - Employee Stock Unit Plan - 2023 ('the Plan'), was implemented pursuant to the approval granted by shareholders, vide special resolutions passed at the Annual General Meeting held on July 18, 2023. The Plan is in compliance with Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity Shares), Regulations, 2021 ('the SBEB Regulations').

Under the Plan, the Company would grant upto 30,00,000 Restricted Stock Units (RSUs) in one or more tranches to eligible Employees of the Company and its subsidiaries that would entitle the grantees (in aggregate) to acquire, not exceeding 30,00,000 fully paid-up equity shares of ₹10/- (Rupee Ten Only) each.

## B. Relevant disclosure prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:

Refer Note No. 37 forming part of the standalone financial statements and Note No. 37 C. of the consolidated financial statements for the financial year 2025-26. Please note that the said disclosure is provided in accordance with Indian Accounting Standards (Ind AS) 102 - Share Based Payment.

## C. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard - Ind AS 33 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time:

Diluted EPS for the year ended March 31, 2026 is disclosed in Note 38 (Earnings per Share) of standalone financial statements and Note 38 of consolidated financial statements. Based on consolidated financial statements, diluted EPS is ₹35.09 for year ending March 2026. Based on standalone financial statements, diluted EPS is ₹27.82 for year ending March 2026.

## D. Details related to Tata Communications Limited - Employee Stock Unit Plan - 2023

### (i) General terms and conditions of the Plan:

Sr. No.	Particulars	Details of the Plan
(a)	Date of shareholders' approval	July 18, 2023
(b)	Total number of options approved	30,00,000 (Thirty Lakhs) RSUs
(c)	Vesting requirements	The RSUs would vest essentially on the basis of continued tenure as per requirement of SBEB Regulations. Apart from this, the vesting of RSUs shall be subject to achievement of one or more of the corporate performance conditions such as return on capital employed, revenue, profits, delivering on key strategic initiatives, shareholders' value creation, and such other conditions as may be determined by the Nomination and Remuneration Committee ('NRC'). The NRC has power to select the performance parameters for an employee or class thereof depending on the specific roles and the relative weightages assigned to each parameter. The RSUs shall vest not earlier than a minimum period of 1 (one) year and not later than a maximum period of 4 (four) years from the grant date.
(d)	Exercise price or pricing formula	The Exercise Price per RSU shall be the face value of equity shares of the Company as on Grant Date.

Sr. No.	Particulars	Details of the Plan
(e)	Maximum term of RSUs granted	The vested RSUs shall be excisable within a maximum period of 1 (one) year from the date of vesting of RSUs.
(f)	Source of shares (primary, secondary or combination)	Primary (The Plan contemplates issue of fresh equity shares by the Company).
(g)	Variation in terms of options	Not Applicable

**(ii) Method used to account for RSUs (Intrinsic or fair value):**

The Company shall adopt fair valuation method (Black-Scholes Model) for purpose of valuation of RSUs as applicable.

**(iii) Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company**

Not Applicable

**(iv) Option/ RSUs movement during the year:**

Number of options outstanding at the beginning of the period	7,59,648
Number of options granted during the year	5,13,951
Number of options forfeited/lapsed during the year	89,763
Number of options vested during the year	Not applicable
Number of options exercised during the year	
Number of shares arising as a result of exercise of options	
Money realised by exercise of options (₹) if scheme is implemented directly by the Company	
Loan repaid by the Trust during the year from exercise price received	
Number of options outstanding at the end of the year	11,83,836
Number of options exercisable at the end of the year	Not applicable

**(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock**

Weighted-average exercise price (₹)	10
Weighted-average fair value as on date of grant (₹)	1,532.34*

\*The fair value of the RSU's are estimated using the Black-Scholes Model. The weighted average fair value per RSU's granted during the year is ₹1,532.34.

**(vi) Employee wise details of options granted during FY 2025-26 to:**

a) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name	Designation	Number of RSUs granted during the year (Performance and Tenure Based)	Exercise Price Per RSU (₹)
Mr. Aman Gupta	Chief Human Resources Officer	3,720	10
Mr. Bhaskar	Executive Vice President - Cloud and Cybersecurity	22,506	10
Mahadevan Gorti*	Services & Chief Digital Officer		

Name	Designation	Number of RSUs granted during the year (Performance and Tenure Based)	Exercise Price Per RSU (₹)
Ms. Genius Wong	Executive Vice President - Core and Next-Gen Connectivity Services and Chief Technology Officer	30,414 <sup>^</sup>	10
Mr. Kabir Ahmed Shakir	Chief Financial Officer	29,022	10
Mr. Mukul Kumar	Vice President - ESG Head	2,604	10
Mr. Sivasamban Natarajan	Executive Vice President and Head of Global Operations	20,025	10
Mr. Sumeeet Walia	Executive Vice President - Chief Sales & Marketing Officer	28,611	10
Mr. Tri Pham	Executive Vice President - Corporate Strategy Head	25,383 <sup>^</sup>	10
Mr. Troy Reynolds	Chief Legal & Compliance Officer	21,942 <sup>^</sup>	10
Mr. Zubin Adil Patel	Company Secretary	2,604	10

<sup>^</sup> Equivalent number of units were granted as part of Cash-Based Stock Appreciation Rights (CSAR) plan in lieu of RSUs as opted by respective grantee.

\* Grantee became inactive on or before March 31, 2026.

- b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year

Name	Designation	Number of RSUs granted during the year (Performance and Tenure Based)	Exercise Price Per RSU (₹)
Mr. A. S. Lakshminarayanan*	Managing Director & CEO	73,911	10

\*Mr. A. S. Lakshminarayanan retired upon completion of his second term as Managing Director and Chief Executive Officer with effect from the close of business hours on April 13, 2026; accordingly, of the 73,911 RSUs granted effective May 1, 2025 and scheduled to vest on April 30, 2028 subject to applicable terms and conditions under the RSU Plan, the unvested RSUs shall vest on a proportionate basis, subject to satisfaction of the relevant vesting conditions and other terms.

No other employee has been granted RSUs amounting to 5% or more of the RSUs granted during the financial year ended March 31, 2026.

- c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant

No employee has been granted RSUs equal to or exceeding 1% of the issued capital of the Company during the financial year ended March 31, 2026.

**(vii) Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**

(a)	Weighted-average values of share price	₹1,599.06
	Exercise price	₹10
	Expected volatility	30.59%
	Expected option life	3.46
	Expected dividends	1.08%
	Risk-free interest rate	5.95%
	Any other inputs to the model	-

(b)	The method used and the assumptions made to incorporate the effects of expected early exercise	The expected life of the RSU is estimated based on the vesting term and contractual term of the RSU, as well as expected exercise behaviour of the employee who receives the RSU.
(c)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility?	<p>The measure of volatility used in the Black-Scholes Option pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.</p> <p>Each vest has been considered as a separate grant, and we considered the volatility for periods, corresponding to the expected lives of different vests, prior to the grant date. Volatility has been calculated based on the daily closing market price of the Company's stock price on National Stock Exchange of India Limited (NSE) over these years.</p>
(d)	Whether and how any other features of the option granted were incorporated into the measurement of fair value, such as a market condition?	

**(viii) Disclosures in respect of grants made in three years prior to IPO under each ESOS**

Not Applicable

**E. Details related to ESPS:**

Not Applicable

**F. Details related to SAR**

Eligible grantees outside India were given an option to elect for an equivalent cash-based plan ("Cash-Settled Stock Appreciation Rights' or CSAR). The overall design of RSUs and CSARs is same and is aligned to the terms & conditions mentioned in the Plan.

As at March 31, 2026, a total of 640,350 CSARs were outstanding. The carrying value of liability towards these CSARs is disclosed under other non-current financial liabilities in the financial statements of the Company.

Summary of CSARs Granted during the year:

	No. of Units	Weighted average Exercise Price (₹ per unit)
Opening balance	4,00,680	
Granted during the year	2,88,219	
Lapsed during the year	48,549	10
<b>Closing Balance</b>	<b>6,40,350</b>	

The weighted average contractual life of CSARs outstanding as on March 31, 2026 is 16 months.

**G. Details related to GEBS / RBS**

Not Applicable

**H. Details related to Trust:**

Not Applicable

# Compliance Certificate

[Pursuant to Regulation 13 of the Securities Exchange Board of India  
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

The Members,  
**Tata Communications Limited**  
VSB, Mahatma Gandhi Road,  
Fort, Mumbai - 400001.

We Parikh & Associates, Company Secretary in practice, have been appointed as the Secretarial Auditors vide a resolution passed by the Board of Directors at their meeting held on April 22, 2025 and a resolution passed at the Annual General Meeting held on July 9, 2025 by the members of **Tata Communications Limited** (hereinafter referred to as 'the Company'), having CIN L64200MH1986PLC039266 and having its registered office at **VSB, Mahatma Gandhi Road, Fort, Mumbai - 400001**. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as the Regulations'), for the year ended March 31, 2026.

## Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

## Verification:

The Company has implemented Tata Communications Limited - Employee Stock Unit Plan - 2023 ("the Plan/the Scheme") in accordance with the Regulations and the Special Resolution passed by the members at the Annual General Meeting of the Company held on July 18, 2023.

For the purpose of verifying the compliance of the Regulations, we have examined the following:

1. Scheme received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders' resolutions passed at the General Meeting;

5. Minutes of the meetings of the Nomination and Remuneration Committee;
6. Relevant Accounting Standards as prescribed by the Central Government;
7. Detailed terms and conditions of the scheme as approved by the Nomination and Remuneration Committee;
8. In-principle approval received from Stock Exchange(s) and the Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
9. Disclosure by the Board of Directors in the Board's report;
10. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;

## Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Tata Communications Limited - Employee Stock Unit Plan - 2023 in accordance with the Regulations and the resolution passed by the members at the General Meeting of the Company.

## Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

**For Parikh & Associates**  
Practising Company Secretaries

**Sarvari Shah**

FCS No: 9697 CP No: 11717

PR No.: 7327/2025

UDIN: F009697H000446551

Place: Mumbai  
Date: May 22, 2026