

Tata Communications Limited
'MATERIAL EVENTS POLICY

1) SCOPE AND PURPOSE OF THE POLICY

Clause 30(4)(II) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Regulations”) requires the Company to formulate a policy for determining ‘materiality’ of events/information and requires that such policy be disclosed on the Company’s website.

In accordance with the above, this ‘material events’ Policy (“**Policy**”) is set out.

2) ABOUT THE COMPANY

The Company offers international and national voice and data transmission services, selling and leasing of bandwidth on undersea cable systems, internet dial up and broadband services, and other value-added services comprising telepresence, managed hosting, mobile global roaming and signaling services, transponder lease, television uplinking and other services.

3) OBJECTIVE OF THE POLICY

The objective of this Policy is to set out the criteria for determination of materiality of events/information so as to ensure that the Company makes necessary disclosures of any such events and information in a timely manner.

4) DEFINITIONS

As per Clause 30 (4)(i) of SEBI Regulations, the criteria for determination of materiality of events/information has been defined in the following manner:

- (a) The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;
- (c) In case where the criteria specified in (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

5) SEBI REQUIREMENTS FOR MATERIAL EVENTS AND INFORMATION

- a) Events specified in Para A of Part A of Schedule III of the SEBI Regulations are deemed to be material events and listed entity shall make disclosure of such events.
- b) The listed entity shall make disclosure of events specified in Para B of Part A of Schedule III of the SEBI Regulations based on application of the guidelines for materiality, as

specified in (4) above. Part A of Schedule III of the SEBI Regulations are attached to this Policy.

- c) The board of directors is required to authorize one or more Key Managerial Personnel for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under SEBI Regulations and the contact details of such personnel shall be also disclosed to the stock exchange(s) and as well as on the listed entity's website. .
- d) The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III of SEBI Regulations, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information; provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay. Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III of SEBI Regulations shall be made within thirty minutes of the conclusion of the board meeting.
- e) The listed entity shall, with respect to disclosures referred to in SEBI Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- f) The listed entity shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under SEBI Regulations and such disclosures shall be hosted on the website of the listed entity for a minimum period of five years and thereafter as per the archival policy of the listed entity, as disclosed on its website. The Company will keep hosted on its website all disclosures under SEBI Regulations for a period of five years.
- g) The listed entity shall disclose all events or information with respect to subsidiaries which are material for the listed entity.
- h) The listed entity shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information. Provided that the stock exchange(s) shall disseminate information and clarification as soon as reasonably practicable.
- i) The listed entity may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
- j) In case where an event occurs or an information is available with the listed entity, which has not been indicated in Para A or B of Part A of Schedule III of the Regulations, but which may have material effect on it, the listed entity is required to make adequate disclosures in regard thereof.

6) MATERIALITY ASSESSMENT

- a) Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event/information is material in nature, 'quantitative' criteria will be applied.
- b) In circumstances where 'quantitative' test may not be applicable or cannot be applied , a 'qualitative' or a 'subjective', criteria as under will be applied to determine materiality:
 - i) the omission of an event or information which is likely to :

- result in a discontinuity or alteration of an event already available publicly; or
- result in significant market reaction if the said omission came to light at a later date;

ii) Any event or information having a significant risk to the reputation of the Company.

iii) In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.

c) Only such impact which is direct (not derivative) and reasonably perceivable (not remote) and having a time horizon of 1-2 years shall be considered.

7) QUANTITATIVE CRITERIA

The events/information which shall be disclosed upon application of guidelines for materiality pursuant to Para B of Part A of Schedule III of the SEBI Regulations and Clause 6 of this Policy

S. No	Event/Information	Threshold
1	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.	Impact of 5% (Five Percent) or more on the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>
2	Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).	Impact of 5% (Five Percent) or more on the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>
3	Capacity addition	Capacity addition of an existing capacity or a capex investment which will result in an impact of 5% (Five Percent) or more on the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>
4	Product launch	Expected to contribute at least 5% (Five Percent) or more on the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is</i>

		<i>more.</i>
5	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Any contract value which will result in to an impact of more than 5% (Five Percent) of the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>
6	Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in the normal course of business) and revision(s) or amendment(s) or termination(s) thereof.	Loans excluding working capital, other short term borrowings and non-fund based borrowings with a tenure exceeding 3 (three) years and has an impact in the Standalone Financials results of the Company, of 5% (Five Percent) or more in the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>
7	Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.	Estimated impact of 5% (Five Percent) or more on the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>
8	Effect(s) arising out of change in the regulatory framework applicable to the Company	Impact of 5% (Five Percent) or more on the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>
9	Litigation(s) / dispute(s) / regulatory action(s) with impact.	Outcome of litigation, dispute, and regulatory action is likely to have an impact in the Standalone Financials results of the Company, of 5% (Five Percent) or more on the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>
10	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.	Exceeding Rupees Fifty crores
11	Options to purchase securities including any ESOP/ESPS Scheme.	Not Applicable.*
12	Giving of guarantees or indemnity or becoming a surety for any third party.	Financial guarantees or indemnity or becoming surety for sum not less than Rupees Two Hundred and Fifty Crores but does not include any guarantees or indemnity or becoming surety for and on behalf of any subsidiary or affiliate of the

		Company.
13	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Impact in the Stanalone Financials results of the Company, of 5% (Five Percent) or more on the Standalone Turnover of the Company or Rupees Two hundred and Fifty Crores in the standalone financials of the Company, <i>whichever is more.</i>

*the Company does not have ESOP/ESPS scheme.

8) AUTHORITY

The Company Secretary is authorized to determine materiality of an event or information and for making disclosures to stock exchange(s).

9) APPROVAL OF THIS POLICY

The Board of Directors of Tata Communications Limited has approved and adopted this 'Material Event Policy'. The Board of Directors may, if thought fit, review and amend the Policy, as and when required.

In case of any clarifications required with respect to this policy, kindly contact Mr. Manish Sansi, Company Secretary at manish.sansi@tatacommunications.com.

November 25, 2015

SCHEDULE III

PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES [See Regulation 30]

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.

Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,-

- (i) acquiring control, whether directly or indirectly; or,
- (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
 - (a) the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - (b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.

2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.

3. Revision in Rating(s).

4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:

- a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
- b) any cancellation of dividend with reasons thereof;
- c) the decision on buyback of securities;
- d) the decision with respect to fund raising proposed to be undertaken
- e) increase in capital by issue of bonus shares through

capitalization including the date on which such bonus shares shall be credited/dispatched;

f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;

g) short particulars of any other alterations of capital, including calls;

h) financial results;

i) decision on voluntary delisting by the listed entity from stock exchange(s).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.

6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring.

10. One time settlement with a bank.

11. Reference to BIFR and winding-up petition filed by any party / creditors.

12. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.

13. Proceedings of Annual and extraordinary general meetings of the listed entity.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.

2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).

3. Capacity addition or product launch.

4. Awarding, bagging/ receiving, amendment or termination of

- awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
 6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
 7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
 8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
 9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
 10. Options to purchase securities including any ESOP/ESPS Scheme.
 11. Giving of guarantees or indemnity or becoming a surety for any third party.
 12. Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals.

C. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

D. Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.