

REF: RAB/CT/0315

AUDITORS' CERTIFICATE

1. In connection with the proposed "Scheme of Arrangement" duly signed by the Company Secretary of the Company (attached as Annexure 1 to the Statement) under Section 391 read with Section 394 of the Companies Act, 1956 between **Tata Communications Limited ("TCL" or "the Company")** and **S&A Internet Services Private Limited ("SAISPL")** (the "Proposed Scheme"), we, S.B.Billimoria & Co, Chartered Accountants (Firm Registration Number: 101496W), the Statutory Auditors of the Company having its Registered Office at VSB, Mahatma Gandhi Road, Fort, Mumbai 400 001, have examined the books of account, the Proposed Scheme and other relevant records and documents maintained by the Company in the usual course of its business for the purpose of certifying the accompanying "Statement of Undertaking under Para 5.16 of SEBI Circular NO. CIR/CFD/DIL/5/2013 Dated February 4, 2013 as Replaced Vide SEBI Circular NO. CIR/CFD/DIL/8/2013 DATED MAY 21, 2013 (referred to as "Replaced Para 5.16")" (the "Statement") duly stamped and initialed for identification.
2. The Management of the Company is responsible for the preparation of the Statement and the maintenance of proper books of account and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error. Compliance with the SEBI Circular number CIR/CFD/DIL/8/2013 dated May 21, 2013 is also the responsibility of the Company's Management
3. Our responsibility, for the purpose of this certificate, is limited to certifying the particulars contained in paragraph 2 of the Statement on the basis of the books of account, the Proposed Scheme and other relevant records and documents maintained by the Company. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India, which include the concepts of test checks and materiality.
4. Based on our examination and according to the information and explanation given to us, we certify that the undertaking provided by the Board of Directors of the Company in paragraph 1 of the Statement that the three cases mentioned in sub - para (a) of the Replaced Para 5.16 are not applicable to the Scheme for the reasons stated in paragraph 2 of the said Statement, is in accordance with the books of account, the Proposed Scheme and other relevant records and documents maintained by the Company.

S.B. Billimoria & Co.

5. This certificate is issued at the request of the Company for submission to the Stock Exchanges in connection with the Proposed Scheme and should not be used, for any purpose, without our prior written consent.

For S. B. Billimoria & Co.
Chartered Accountants
(ICAI Reg. No. 101496W)

R. A. Banga

R. A. Banga
Partner
Membership No. 37915

Mumbai, 28th May, 2013



28 May 2013

Statement of Undertaking under Para 5.16 of SEBI Circular NO. CIR/CFD/DIL/5/2013 dated February 4, 2013 as Replaced Vide SEBI Circular NO. CIR/CFD/DIL/8/2013 DATED MAY 21, 2013 (referred to as "Replaced Para 5.16")"

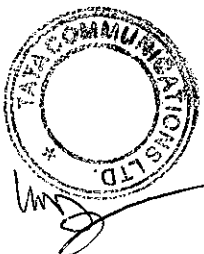
Sub: Scheme of Arrangement between Tata Communications Limited (TCL) and S&A Internet Services Private Limited ('SAISPL' or 'the Transferee Company') and their respective shareholders and creditors under Sections 391-394 of the Companies Act, 1956 ('the Scheme' or 'the Scheme of Arrangement') and Non - applicability of requirements prescribed in Para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 ("Original SEBI Circular") as replaced vide SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 ("Revised SEBI Circular") in respect of Scheme of Arrangement

1. In connection with the Scheme of Arrangement between Tata Communications Limited (TCL) and S&A Internet Services Private Limited and their respective shareholders and creditors under Sections 391-394 of the Companies Act, 1956, as required by sub - para (b) of the Replaced Para 5.16, the Board of Directors of Tata Communications Limited provide the undertaking that the three cases mentioned in sub - para (a) of the Replaced Para 5.16 (reproduced below) are not applicable to the Scheme for the reasons stated in paragraph 2 below.

The three cases referred to in sub - para (a) of the Replaced Para 5.16 are reproduced below:

- i. Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed company, or
- ii. Where the Scheme of Arrangement involves the listed company and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.
- iii. Where the parent listed company, has acquired the equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed company, and if that subsidiary is being merged with the parent listed company under the Scheme.

2. The Scheme does not envisage any of the three cases referred to in sub para (a) of Replaced Para 5.16 and reproduced above due to the following reasons:



TATA COMMUNICATIONS

Tata Communications Limited

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- a) The Scheme does not provide for any issue of shares by either TCL or SAISPL and therefore does not fall under the case stipulated in sub-para (a) of Replaced Para 5.16 (i) reproduced above.
 - b) The Scheme of Arrangement involves the parent listed company (TCL), its whole owned subsidiary SAISPL and their respective shareholders and creditors. It does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group. Hence, the Scheme does not fall under the case stipulated in sub-para (a) of Replaced Para 5.16 (ii) reproduced above.
 - c) TCL, the parent listed company, has not acquired the equity shares of the subsidiary, SAISPL, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the parent listed company and SAISPL is not being merged with the parent listed company under the Scheme. Therefore, the Scheme does not fall under the case stipulated in sub-para (a) of Replaced Para 5.16 (iii) reproduced above.
3. The Scheme is effective from the appointed date i.e. 1 January 2012, and provides for transfer of India Data Centre business (Co-location services of the IDC Division) by TCL on a going concern basis to its wholly owned Indian subsidiary, i.e. SAISPL for a lump sum cash consideration of INR 4,339,309,903.
4. Accordingly, we submit that the following requirements prescribed in sub - para (a) of the Replaced Para 5.16 (in relation to the voting by public shareholders) are not applicable in relation to the Scheme and will , therefore, not be followed by the Company:
- i. Requirement for voting by public shareholders through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution; and
 - ii. Requirement for the Scheme being acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.
5. Consequent to this Statement of Undertaking, the Scheme of Arrangement will undergo the necessary changes in respect of clauses 20.1.2 and 20.1.3. The modified clauses 20.1.2 and 20.1.3 of the Scheme of Arrangement are reproduced below (with the modifications in italics):
- 20.1.2 The Scheme being approved by special resolution through postal ballot and/or e-voting by the public members of the Transferor Company, *if applicable*;






20.1.3 the Scheme being approved by atleast two times in number of votes casted in favour of the proposal by the public members of the Transferor Company against the number of votes casted against the proposal by the public members of the Transferor Company, *if required*;

By Order of the Board of Directors


Vinod Kumar
Managing Director
Tata Communications Limited

A circular stamp with the text 'TATA COMMUNICATIONS LTD.' around the perimeter and a small star at the bottom.