



HQ/CS/CL.24B/14368
31 January 2011

Sir,

Sub : Un-audited Financial Results for the period ended 31 December 2010.

Pursuant to Clause 41 of the Listing Agreement with Indian Stock Exchanges, please find sent herewith Un-audited Financial Results (Provisional, according to Indian GAAP) for the period ended 31 December 2010, which has been taken on record by the Board of Directors in their meeting, held on 31 January 2011.

Thanking you,

Yours faithfully,
For Tata Communications Limited

Rishabh Aditya
Dy. Company Secretary & VP

To:

- 1) Security Code 23624, The Stock Exchange, Mumbai. Fax No.(22) 22722037,39,41
- 2) Security Code 5251, The Asst. Manager (Listing), National Stock Exchange of India Limited. Fax Nos.: (22) 66418125/26.
- 3) National Securities Depository Ltd. Fax Nos. : 2497 29 93.
- 4) The Bank of New York. Fax No.2204 49 42.
- 5) Sharepro Services. Fax No. 2837 5646
- 6) Marc H. Iyeki, Director, New York Stock Exchange, Fax No: (212) 656-5071 /72 / Managing Director, New York Stock Exchange, Fax No: (212) 265-2016
- 7) Central Depository Services (India) Limited. Fax : 2267 3199.
- 8) Mr. R. Gangadharan for SEC information requirements.

TATA COMMUNICATIONS

Tata Communications Limited
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TATA COMMUNICATIONS LIMITED

REGD. OFFICE: VSB, M.G. ROAD, FORT, MUMBAI-400001.

A. UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2010

(Rs. in Lakhs)

	Particulars	Stand alone				
		For the quarter ended December 31,		For the nine months ended December 31,		For the year ended March 31,
		2010	2009	2010	2009	2010
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(audited)
1	Revenues from Telecommunication and other Services	87,760	76,975	254,540	237,187	321,804
2	Expenditure					
	a. Network Costs	40,356	32,982	114,377	106,135	141,504
	b. Operating and Other Expenses	15,988	17,585	42,640	46,288	63,812
	c. Salaries and Related Costs	11,630	10,846	34,615	29,848	41,844
	d. Depreciation and Amortisation	15,079	15,156	44,181	40,526	57,473
	e. Total Expenditure (2a to 2d)	83,053	76,569	235,813	222,797	304,633
3	Profit / (Loss) from Operations before Other Income, Interest and Exceptional Items (1 - 2)	4,707	406	18,727	14,390	17,171
4	Other Income (net)	6,544	5,374	10,657	9,485	12,575
5	Profit / (Loss) before Interest and Exceptional Items (3 + 4)	11,251	5,780	29,384	23,875	29,746
6	Interest Cost (net)	4,692	5,675	13,694	17,284	20,641
7	Profit / (Loss) after Interest but before Exceptional Items (5 - 6)	6,559	105	15,690	6,591	9,105
8	Exceptional Items: Expense / (Income)					
	a. Interest on Income Tax Refund	-	-	-	-	(21,828)
9	Profit / (Loss) from Ordinary Activities before Tax (7-8) (Refer note 3)	6,559	105	15,690	6,591	30,933
10	Tax Expense	1,985	(28,075)	4,729	(25,828)	(17,385)
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	4,574	28,180	10,961	32,419	48,318
12	Extraordinary Items (net of Tax Expense)	-	-	-	-	-
13	Net Profit / (Loss) from Ordinary Activities after Tax and Extraordinary Items (11 - 12)	4,574	28,180	10,961	32,419	48,318

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(Rs. in Lakhs)

	Particulars	Stand alone				
		For the quarter ended December 31,		For the nine months ended December 31,		For the year ended March 31,
		2010 (unaudited)	2009 (unaudited)	2010 (unaudited)	2009 (unaudited)	2010 (audited)
14	Paid up Equity Share Capital (Face value of Rs.10 per share)	28,500	28,500	28,500	28,500	28,500
15	Reserves excluding Revaluation Reserve	-	-	-	-	678,854
16	Earnings Per Share (EPS) Basic and diluted earnings per share before and after Extraordinary Items (Rs.)	1.60	9.89	3.85	11.38	16.95
17	Aggregate of public shareholding					
	a. Number of shares	47,759,745	46,435,411	47,759,745	46,435,411	46,653,301
	b. Percentage of shareholding	16.76	16.29	16.76	16.29	16.37
18	Promoters and Promoter Group Shareholding					
	a. Pledged / Encumbered					
	- Number of Shares	20,000,000	30,000,000	20,000,000	30,000,000	34,000,000
	- Percentage of Shares (as a % of the total shareholding of promoters and promoter group)	9.22	13.82	9.22	13.82	15.67
	- Percentage of Shares (as a % of the total share capital of the Company)	7.02	10.53	7.02	10.53	11.93
	b. Non-encumbered					
	- Number of Shares	197,028,873	187,028,873	197,028,873	187,028,873	183,028,873
	- Percentage of Shares (as a % of the total shareholding of promoters and promoter group)	90.78	86.18	90.78	86.18	84.33
	- Percentage of Shares (as a % of the total share capital of the Company)	69.13	65.62	69.13	65.62	64.22
	c. Shares held by custodian and against which Depository Receipts have been issued-					
	(I) Promoters and promoters group	-	-	-	-	-
	(II) Public	20,211,382	21,535,716	20,211,382	21,535,716	21,317,826

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**B. UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE
QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2010**

(Rs. in Lakhs)

	Particulars	Consolidated				
		For the quarter ended December 31,		For Nine months ended December 31,		For the year ended March 31,
		2010 (unaudited)	2009 (unaudited)	2010 (unaudited)	2009 (unaudited)	2010 (audited)
1	Revenues from Telecommunication and Other Services	301,800	277,091	886,316	805,306	1,102,556
2	Expenditure					
	a. Network Costs	181,978	166,185	533,539	457,664	646,899
	b. Operating and Other Expenses	49,525	46,447	145,087	145,374	200,709
	c. Salaries and Related Costs	39,113	37,095	120,697	106,185	153,712
	d. Depreciation and Amortisation	38,650	38,016	115,697	105,332	151,080
	e. Total Expenditure (2a to 2d)	309,266	287,743	915,020	814,555	1,152,400
3	Profit / (Loss) from Operations before Other Income, Interest and Exceptional Items (1 - 2)	(7,466)	(10,652)	(28,704)	(9,249)	(49,844)
4	Other Income (net)	6,902	4,115	13,580	14,149	11,953
5	Profit / (Loss) before Interest and Exceptional Items (3 + 4)	(564)	(6,537)	(15,124)	4,900	(37,891)
6	Interest (net)	14,940	14,683	42,236	38,452	52,056
7	Profit / (Loss) after Interest but before Exceptional Items (5 - 6)	(15,504)	(21,220)	(57,360)	(33,552)	(89,947)
8	Exceptional Items: Expense / (Income)					
	a. Interest on Income Tax Refund	-	-	-	-	(21,828)
9	Profit / (Loss) from Ordinary Activities before Tax (7-8)	(15,504)	(21,220)	(57,360)	(33,552)	(68,119)
10	Tax Expense	2,080	(26,141)	5,887	(20,102)	(14,239)
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	(17,584)	4,921	(63,247)	(13,450)	(53,880)
12	Extraordinary Items (net of Tax Expense)	-	-	-	-	-
13	Net Profit / (Loss) before Minority Interest and Associate Loss (11 - 12)	(17,584)	4,921	(63,247)	(13,450)	(53,880)
14	Minority Interest	2,873	2,978	8,104	7,224	8,860
15	Share in Loss of Associates	(5,030)	(4,881)	(14,087)	(11,823)	(14,754)
16	Net Profit / (Loss) (13+14+15)	(19,741)	3,018	(69,230)	(18,049)	(59,774)

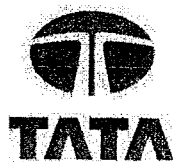
84



(Rs. in Lakhs)

	Particulars	Consolidated				
		For the quarter ended December 31,		For Nine months ended December 31,		For the year ended March 31,
		2010 (unaudited)	2009 (unaudited)	2010 (unaudited)	2009 (unaudited)	2010 (audited)
17	Paid up Equity Share Capital (Face value of Rs.10 per share)	28,500	28,500	28,500	28,500	28,500
18	Reserves excluding Revaluation Reserve					404,266
19	Earnings Per Share (EPS) Basic and diluted earnings per share before and after Extraordinary Items (Rs.)	(6.93)	1.06	(24.29)	(6.33)	(20.97)

67



C. Standalone Segment Information:

(Rs. in Lakhs)

Particulars	Stand alone				
	For the quarter ended December 31,		For the nine months ended December 31,		For the year ended March 31,
	2010	2009	2010	2009	2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(audited)
Revenues from Telecommunication and Other Services					
Global Voice Solutions	23,857	29,612	73,844	93,799	124,780
Global Data and Managed Services	63,903	47,363	180,696	143,388	197,024
Total	87,760	76,975	254,540	237,187	321,804
Segment result					
Global Voice Solutions	(2,527)	8,051	(3,441)	18,618	25,465
Global Data and Managed Services	47,605	31,363	139,318	105,598	147,890
Total	45,078	39,414	135,877	124,216	173,355
Less :					
(i) Interest Cost (net)	4,692	5,675	13,694	17,284	20,641
(ii) Other Unallocable Expenses (net)	33,827	33,634	106,493	100,341	143,609
Profit / (Loss) before Taxes and Exceptional Items	6,559	105	15,690	6,591	9,105
Exceptional Expenses / (Income) (net)	-	-	-	-	(21,828)
Profit / (Loss) before Taxes	6,559	105	15,690	6,591	30,933
Tax Expense	1,985	(28,075)	4,729	(25,828)	(17,385)
Net Profit / (Loss) for the period	4,574	28,180	10,961	32,419	48,318

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D. Consolidated Business Segment Information:

(Rs. in Lakhs)

Particulars	Consolidated				
	For the quarter ended December 31,		For Nine months ended December 31,		For the year ended March 31,
	2010	2009	2010	2009	2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(audited)
Revenues from Telecommunication and Other Services					
Global Voice Solutions	162,399	158,006	483,558	442,324	613,194
Global Data and Managed Services	118,771	102,951	343,813	313,747	420,541
Others	20,630	16,134	58,945	49,235	68,821
Total	301,800	277,091	886,316	805,306	1,102,556
Segment result					
Global Voice Solutions	23,309	31,277	71,327	93,724	113,639
Global Data and Managed Services	86,596	70,743	250,947	224,386	300,543
Others	9,917	8,886	30,504	29,532	41,475
Total	119,822	110,906	352,778	347,642	455,657
Less :					
(i) Interest Cost (net)	14,940	14,683	42,236	38,452	52,056
(ii) Other Unallocable Expenses (net)	120,386	117,443	367,902	342,742	493,548
Profit / (Loss) before Taxes and Exceptional Items	(15,504)	(21,220)	(57,360)	(33,552)	(89,947)
Exceptional Expenses / (Income) (net)	-	-	-	-	(21,828)
Profit / (Loss) before Taxes	(15,504)	(21,220)	(57,360)	(33,552)	(68,119)
Tax Expense	2,080	(26,141)	5,887	(20,102)	(14,239)
Net Profit / (Loss) before Minority Interest and Associate Loss	(17,584)	4,921	(63,247)	(13,450)	(53,880)
Minority Interest	2,873	2,978	8,104	7,224	8,860
Share in Loss of Associates	(5,030)	(4,881)	(14,087)	(11,823)	(14,754)
Net Profit / (Loss) for the period	(19,741)	3,018	(69,230)	(18,049)	(59,774)

Notes to Segments:

Effective April 01, 2010, the Company's reportable business segments have been re-aligned into Global Voice Solutions, Global Data and Managed Services (GDMS) and Others to reflect change in the Company's Business and Organization Structure. Accordingly, all network and managed services in the Company and its subsidiaries have been aligned to GDMS and Joint Ventures and Retail Business have been aligned to Others.

Revenues and expenses, which are directly identifiable to the segments, have been attributed to the relevant segments. The allocable enterprise expenses have been allocated on reasonable basis to the relevant segments. Segment result is segment revenues less segment expenses. Certain costs including depreciation which are not allocable to segments have been classified as "Other Unallocable Expenses (net)".

Telecommunication services are provided utilizing the Company's assets which do not generally make a distinction between the types of services. As a result, fixed assets are used interchangeably between segments. In the absence of a meaningful basis to allocate assets and liabilities between segments, no allocation has been made.

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Notes:

1. The above results of the Company for the quarter and nine months ended December 31, 2010 have been subjected to a limited review by the statutory auditors, recommended by the audit committee and were taken on record and approved by the Board of Directors at their meeting held on January 31, 2011.
2. Other Income includes:

Net foreign exchange (gain)/loss	(Rs. in Lakhs)				
	For the Quarter ended December 31,		For the Nine months ended December 31,		For the Year ended March 31,
	2010 (unaudited)	2009 (unaudited)	2010 (unaudited)	2009 (unaudited)	2010 (audited)
- Standalone	(690)	156	(1,080)	773	1,228
- Consolidated	(813)	1,811	(2,474)	(2,546)	1,653

3. Other Income for the three months and nine months ended December 31, 2010 includes Rs. 4,402 lakhs (previous period 2,632 Lakhs) towards reversal of liabilities no longer required.
4. Revenues from Telecommunication and other Services for the nine months ended December 31, 2010 include Rs 2,654 Lakhs (previous period Rs Nil) of previous period based on settlement with a carrier in the current year.
5. Standalone Revenues from Telecommunication and other Services for the nine months ended December 31, 2010 include Rs. 2,560 Lakhs (previous period Rs. Nil) pertaining to previous periods. This has no impact on consolidated results.
6. Effective April 01, 2010, the Company has changed its accounting policy for Financial Instruments for limited purpose of Hedge accounting. The effective portion of Mark-to-market profit/ (loss) on interest rate swaps for quarter and nine months ended December 31, 2010 is Rs. Nil for standalone financial statements and Rs. 2,504 Lakhs and Rs (608) Lakhs respectively in consolidated financial statements which is recognized in Hedge Fluctuation Reserve.
7. The previous period's figures have been regrouped and reclassified wherever necessary to make them comparable with the current period's figures.
8. Investor Complaint status:

Outstanding as on October 01, 2010	Total received during the quarter ended December 31, 2010	Total resolved during the quarter ended December 31, 2010	Outstanding as on December 31, 2010
Nil	Nil	Nil	Nil

For TATA COMMUNICATIONS LIMITED

N. SRINATH
MANAGING DIRECTOR &
CHIEF EXECUTIVE OFFICER

Place : Mumbai.
Date : January 31, 2011