

TATA Communications Limited

July 14, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	220.00	CARE AAA; Stable	Revised from CARE AA+; Positive
Short-term bank facilities	997.00	CARE A1+	Reaffirmed
Issuer rating	0.00	CARE AAA; Stable	Revised from CARE AA+; Positive
Non-convertible debentures	₹ #	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rating withdrawn with immediate effect upon repayment of the entire outstanding on the aforementioned Non-convertible debentures (NCD)

Rationale and key rating drivers

For arriving at the ratings of TATA Communications Limited (TCL), CARE Ratings Limited (CARE Ratings) has adopted a combination of the full and partial consolidation of TCL, its subsidiaries and associate companies. The revision in the ratings assigned to the bank facilities of TCL takes into account the company's product-to-platform shift to provide digital solutions, in addition to its Core Connectivity business offering to Enterprise customers. This has resulted in steady improvement in the company's operational and financial performance, leading to a strong financial risk profile and improved capital structure, marked by a net debt (including lease liabilities) to profit before interest, lease depreciation and tax (PBILDT) ratio of 1.58x as on March 31, 2023, and a superior liquidity position. TCL's established customer base and global dominance in Core Connectivity, combined with the company's strategy to provide digital solutions in various verticals, such as Cloud, NextGen Connectivity, Media, Collaboration and Connected solutions, aimed at business diversification, while uplifting its niche market position, are other credit strengths.

The industry is expected to display healthy growth, supported by burgeoning data traffic and in CARE Ratings' opinion, TCL is well-placed in the market to capture the same. Consequently, TCL is expected to focus on the data management services (DMS) segment and foray deeper into the digital platform and services (DPS) sub-segment, leading to double-digit growth through organic and inorganic expansion. CARE Ratings takes note of the series of acquisitions by TCL, including Switch Enterprises LLP, closed in May 2023 (funded through internal accruals) and Kaleyra Inc. announced in June 2023. CARE Ratings believes that the company will continue to pursue similar inorganic growth opportunities without any significant deterioration in solvency ratios in the medium term while retaining its niche market position. Furthermore, with majority shareholding of TATA Sons (TS)[@] (58.86% as on March 31, 2023), CARE Ratings expects TCL to continue to enjoy high financial flexibility, wider access to capital markets, and need based support from the promoter group.

The aforementioned rating strengths are, however, tempered by a moderate 7% growth in the overall revenues, marked by a steady decline in the voice solutions and service provider (wholesale) segment in core connectivity revenue, although partially offset by growth in the DMS segment. CARE Ratings understands that the majority of the growth in the short term is expected to come from the existing order pipeline of the DMS vertical, while acquisition-led growth is expected to be realised post successful integrations. Hence, TCL is exposed to the inherent risk related to the successful integration of large-sized acquisitions.

The ratings further remain underpinned by the company's exposure to global regulatory uncertainties, the capital-intensive nature of operations, especially in the core connectivity segment, the inherent technological risks, and the rising industry competition in TCL's various business subsegments. CARE Ratings takes cognisance of the revised show-cause cum demand notices w.r.t the adjusted gross revenue (AGR) dues received by TCL during FY23, leading to a steep increase in the contingent liabilities from the previous year. Nevertheless, the management's articulation to rely on monetising its surplus real estate holdings and the promoter's need-based support, in case of crystallisation of large contingent liabilities, thus maintaining a leverage below the threshold level of 2.0x on a sustained basis, mitigates the aforementioned risks to a large extent.

TCL has repaid the entire outstanding amount of the NCD issue on April 19, 2023, and there is no outstanding under the said issue as on April 26, 2023, thus the ratings assigned to the NCD instrument have been withdrawn with immediate effect.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

@ TS refers to TATA Sons Private Limited (TSPL, holding 14.07% as on March 31, 2023) and Panatone Finvest Limited (PFL, holding 44.80% as on March 31, 2023)

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

Not applicable

Negative factors

- Any major debt-funded capex or investment or crystallisation of contingent liabilities, leading to an increase in the net debt/PBILDT (including leased liabilities as part of debt) ratio above 2.0x on a sustained basis.
- Reduction in the shareholding of TS® to less than 51%.
- Weakening of linkages with TATA Sons Private Limited.

Analytical approach: Consolidated

A consolidated approach has been adopted on account of the common management, the shared brand name, and the operational linkages between the company and its subsidiaries. The entities considered for consolidating the financials are provided in Annexure-6. Furthermore, comfort has been factored in for TCL being part of the TATA group, by virtue of which the company enjoys a significant level of financial flexibility and access to capital markets.

Outlook: Stable

TCL is expected to sustain its strong financial risk profile on the back of expected growth in its revenues and operating profitability through organic and inorganic means amid the rising demand for data, following a favourable industry outlook. Furthermore, TCL is expected to continue re-investing substantial earnings in augmenting the product offerings across the business verticals.

Detailed description of the key rating drivers

Key strengths

Strong and resourceful promoter group

TCL is a part of the over US\$ 100-billion TATA group, which comprises of over 100 operating companies in several business sectors, namely, communications and Information Technology, engineering, materials, services, steel, auto, financial services, energy, consumer products, and chemicals. The group has operations in more than 100 countries across six continents, and its companies export products and services to 85 countries. TCL is one of the largest telecommunication service providers and strategically important companies within the TATA group, being one of the oldest businesses. By virtue of being a part of the TATA group, with TSPL holding a 58.86% stake (directly and indirectly), TCL continues to enjoy a high level of financial flexibility including the ability to raise funds from the capital market. Furthermore, TCL being a strategic investment for the TATA group, the limitation to raise additional funds by way of equity infusion, in case of any significant capex or investment for suitable business opportunities, is also mitigated.

Dominant position in the global network with a diversified business profile and an established customer base

The company has a notable presence in multiple segments, broadly classified into five segments, namely, data, voice, transformation services, payment solutions, and rental business. TCL owns and operates the world's only wholly-owned fibre optic sub-sea network ring around the globe – the TATA Communications' Global Network (TGN). With a presence in more than 190 countries and territories, TCL handles one out of every seven international calls and connects more than 70% of the world's mobile carriers. It is the world's largest wholesale voice provider and powers over 25% of the world's Internet routes. It is also the world's largest wholesale voice provider submarine cable owner on-net mobile signalling and serves over 7,000 customers globally, representing over 300 of the Fortune 500 companies. This global reach, combined with a strong pan-India presence, allows TCL to be a market leader in many of the services it offers.

The focus of the company remains on the enterprise customers in the data segment, which is in line with industry trends of increasing data consumption. The DMS segment continues to contribute around 79% to the total operating income (TOI), followed by the voice segment at 12% in FY23. While the business seems concentrated in the data segment, the company offers various services within the segment, partly mitigating the risk. TCL has a well-diversified and established customer base and does not earn revenues from any single customer exceeding 10% of the TOI. Furthermore, on a standalone basis, no single customer contributed more than 10% to the DMS revenue and the five major customers in the voice segment contributed around 2.5% of the segment revenue during FY23. The business of the company is spread across geographies, mainly including India (around 44%), the US (around 14%), the UK (around 7%), and Singapore (around 5%).

Improving operational performance

The DMS segment of the company displayed a growth in revenue of 10.30% during FY23 on a y-o-y basis with growth in most of the sub-segments. Majority of this growth was derived from the enterprise core connectivity, cloud, hosting, and security services and incubation services. While the core connectivity business of the company has displayed stable growth over the years, the DPS business, which includes bundled services provided by the company on top of core connectivity, has grown significantly. This growth is backed by increasing data requirement by enterprises shifting to cloud platforms and requirement for data security and management of the same. Furthermore, TCL seeks to increase the share of the DPS sub-segment in the DMS segment to 50% by FY27, through organic and inorganic expansion, for which the company has planned targeted acquisitions, which are expected to boost revenue and provide deeper penetration, new business opportunities, and a greater brand presence in the global markets. However, its overall PBILDT margin is likely to moderate to 21-23% due to absorption of integration costs. The ability of the company to successfully integrate and leverage the already existing customers of the target companies for upselling remains a key monitorable. Additionally, after stabilisation of the operations post-COVID-19, the order conversion is expected to gradually normalise, and with a strong order book and efficient logistics management, CARE Ratings expects stability in operations for the long term.

Expected growth in scale of operations notwithstanding inherent challenges in inorganic growth

In the DMS portfolio, core connectivity contributes 68%, followed by DPS and Incubation services at 29% and 3%, respectively. While TCL endeavours to improve revenue contribution of DPS to 50% by way of organic and inorganic growth, core connectivity exhibits a single-digit growth of 7% due to a declining trend in the off-take from service providers (wholesale), which is being offset by a healthy growth in the enterprise segment. The TOI of the company increased by around 7% during FY23 on the back of healthy demand and stabilisation of operations post subsiding of obstacles faced during FY22. With this stabilisation, the average conversion time for deals has decreased and the company has been able to build a strong order book, leading to revenue visibility. The major growth driver for the company remained the DMS segment, which displayed a y-o-y growth of 10.30%.

Furthermore, its PBILDT margin marginally moderated to 24.14% in FY23 (25.27% in FY22) on account of changes in the product mix, increasing input costs amid continued supply chain issues, and an increase in employee expenses. Going forward, the PBILDT margin, although expected to moderate on account of the planned acquisitions entailing recurrent integration costs, will continue to remain healthy at around 21-23%.

Sustained improvement in the leverage

The capital structure of the company remained robust with improvement during FY23 on account of the accretion of profits and scheduled repayments. The total debt (TD) of TCL stood at ₹8,580 crore as on March 31, 2023, against a net worth of ₹1,434 crore as on March 31, 2023. Although the debt levels of the company are moderately high, the average cost of borrowings is low at around 4-5% as majority of the debt is foreign currency raised by international subsidiaries. Furthermore, the company has a natural hedge due to significant revenue and profit in foreign currencies, which helps in saving hedging costs. As TCL plans to refinance the US\$ 200-million debt repayments due in FY24, the debt coverage metrics are expected to remain strong. Furthermore, the interest coverage remains strong at 9.98x in FY23 while the net debt to PBILDT ratio improved from 3.09x as on March 31, 2019 to 1.58x as on March 31, 2023.

Improving performance of subsidiaries

The performance in TCL's subsidiary businesses [including payment solutions (PS) and transformation services (TS)] improved during FY23. The PS business includes providing infrastructure-managed services and incidental activities to the banking sector and is carried out by TCL's wholly owned subsidiary, TATA Communications Payment Solutions Limited [TCPSL; rated 'CARE AA-; Positive/CARE A1+']. During FY23, the operations of the company stabilised and there was an increase in the revenue and profitability on the back of the remodelling of business operations with the inclusion of a franchise model. However, the revenue generation capabilities continue to remain constrained on account of competition from other payment solution technologies.

The TS business includes business transformation, managed network operations, network outsourcing, and consultancy services to telecommunication companies around the world, which is carried out by TATA Communications Transformation Services Limited [TCTSL; rated 'CARE AA-; Positive/CARE A1+']. TCTSL's business was affected in FY20 due to an onerous contract, which affected both, revenue and profitability. The company exited this contract in FY21 and could stabilise its operations during FY23 with an improvement in profitability and achieving positive PBILDT.

Favourable demand outlook

Data has become a key growth enabler of the industry, with the average data consumption per subscriber per month displaying a strong growth after the COVID-19 pandemic-induced cultural changes and adoption of work-from-home and virtual education. Data requirement has significantly increased due to Internet-driven applications such as over-the-top (OTT), IPTV, etc, coupled with the advancement of media quality and technology. Furthermore, with global digitisation, data requirement by enterprises has also increased with the demand for cloud and other managed network services. This is boosting investments towards optical fibre cable (OFC) network expansion throughout the country. Thus, fibre has become extremely vital for supporting the burgeoning data traffic. As TCL already has a large network of subsea cable and terrestrial cable network in India, the growth opportunity for the company remains high.

However, the consolidation of telecommunication service providers in India, with competitors setting up their own OFC infrastructure, has resulted in a decline in TCL's service provider core connectivity and NLD business. The NLD business is a low-margin business owing to the prevailing low prices in the industry and the company also expects contribution from this segment to be minimal in future. Resultantly, the company continues to focus on the enterprise segment, which will help it retain its market position. While the global economic scenario remains volatile on account of the geo-political turmoil, CARE Ratings notes that TCL has been able to maintain stability in the procurement of equipment through the efficient management of its supply chain and advance order placement through forecasting.

Key weaknesses

Susceptibility to regulatory and geo-political uncertainties, technology risks, and increasing competition

The telecommunication sector globally is surrounded by industry-specific regulatory uncertainties and continues to face challenges in terms of new technologies being developed. Given its global presence, TCL is subject to geo-political changes. Any changes in the licensing policy and regulatory framework across regions may adversely affect TCL's business prospects.

The installation of low-earth orbit satellites is being explored to deliver affordable communication services across the globe. However, the same, at present, does not seem a viable alternative to fibre on account of the same being expensive to be deployed, time-consuming, and other challenges that arise in satellite communications, including the susceptibility of network outages on account of bad weather conditions and unviability of operations. However, considering unforeseen technological advancements in order to grow and remain competitive, TCL will be required to adapt to these changes and make investments in research and development (R&D).

The undersea cable is also susceptible to physical disruptions, which may lead to loss in connectivity for prolonged periods of time, as repair works will not be instantaneous. However, the aforementioned risk is partly mitigated by the company's round-the-globe cable network which routes the traffic through alternative routes in instances of network disruptions. Furthermore, the emergence of other telecommunication service providers in building up terrestrial and undersea cable capacities will pose a threat to TCL's competitive positioning. However, the same is expected to take time, as laying fibre has a long lead time of three to four years, and managing the operations requires considerable experience, which acts as a potent entry barrier.

Capital-intensive nature of operations

The under-sea cable systems, which carry significant network traffic, is susceptible to replacement and upgradation for technological advancements or alternative cables towards the end of their life. This entails a huge capex outlay vital for the continuity of network traffic. As undersea cable projects are expensive and have a long gestation period (almost three to four years), suitable replacement strategies would be required to be in place at appropriate times, so that the services are not impacted. The inability to replace ageing undersea cables may disrupt connectivity and adversely impact the operations.

Liquidity: Superior

TCL has a superior liquidity profile with unencumbered liquidity of ₹1,769 crore as on March 31, 2023, including ₹1,010 crore cash and bank balances and ₹760 crore liquid investments in mutual funds. Against this, the company has ₹2,541 crore debt repayments scheduled for FY24, of which, the company has already repaid NCDs of ₹525 crore in April 2023 and is expected to refinance US\$ 200 million (around ₹1,650 crore), leaving only around ₹400 crore repayments for the remainder of FY24. The utilisation of the fund-based working capital limits of the company largely remained minimal (at 0.70% for the 12-month period ended May 31, 2023), which provides a sufficient liquidity buffer for any exigencies that may arise. The average utilisation of the non-fund-based bank limits also remained low at 34% for the 12-month period ended May 31, 2023. Furthermore, the company enjoys a significant level of financial flexibility by virtue of being part of the TATA Group.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks

Environment	The company is taking measures to be carbon neutral by FY30 and net zero by FY35. This apart, the
--------------------	---

	company aims to become water neutral and zero waste to land fill by FY27 and have a customer GHG emission reduction potential of 20x emission by FY27.
Social	The company is taking initiatives such as the Project School of Hope & Empowerment (S.H.E) through which 3 million women live positively impacted. Furthermore, through the project Nanner, the company has restored lake water in Chennai and planted 6,000 native trees since September 2022.
Governance	Sound governance practices with strong management well versed in ESG parameters and various other factors. The level of compliance with various policies remains strict with good quality financial reporting and publishing of adequate disclosure from the perspective of corporate governance.

Applicable criteria

[Policy on default recognition](#)

[Consolidation](#)

[Factoring Linkages Parent Sub JV Group](#)

[Financial Ratios – Non financial Sector](#)

[Issuer Rating](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Service Sector Companies](#)

[Infrastructure Sector Ratings](#)

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Telecommunication	Telecommunication	Telecom - Services	Telecom - Cellular & Fixed line services

The company was incorporated on March 19, 1986, as Videsh Sanchar Nigam Limited (VSNL) (a wholly owned government entity). After the transfer of all the assets and liabilities of the Overseas Communications Service (OCS) business of the Department of Telecommunications (DoT) to VSNL w.e.f April 01, 1986, the TATA group acquired 50% stake in the company during 2002 and changed its name to TCL during 2008. In March 2021, the Government of India divested its entire equity shareholding of 26.12%, of which 16.12% was sold to the general public, while the balance 10% was sold to PFL (a wholly owned subsidiary of TSPL) through an off-market inter se transfer of shares between the promoters. As on March 31, 2023, TS holds a 58.86% stake, while the balance 41.14% is held by the public.

TCL owns and operates the world's only wholly owned fibre optic sub-sea network ring around the globe and is the world's largest wholesale voice provider. It 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 mainly mobile global roaming and signalling services, transponder lease, telex and telegraph, and television up linking.

TCL's businesses are primarily divided into the following segments: DMS, Voice Services (VS), transformation services, payment solutions, and real estate.

Brief Financials (Consolidated) (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	16,737	17,879
PBILDT	4,229	4,316
PAT	1,485	1,801
Overall gearing (times)*	10.76	5.98
Interest coverage (times)	11.74	9.98

A: Audited UA: Unaudited; Note: The above results are latest financial results available.

*Includes lease liabilities.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - ST-Working Capital Limits	-	-	-	-	282.00	CARE A1+
Fund-based/Non-fund-based-Short Term	-	-	-	-	440.00	CARE A1+
Issuer Rating-Issuer Ratings	-	-	-	-	0.00	CARE AAA; Stable
Non-fund-based - LT-Bank Guarantee	-	-	-	-	220.00	CARE AAA; Stable
Non-fund-based - ST-BG/LC	-	-	-	-	275.00	CARE A1+
Non-Convertible Debentures	INE151A07051	17-Apr-2020	7.48%	19-Apr-2023	-	Withdrawn

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Issuer Rating-Issuer Ratings	Issuer rat	0.00	CARE AAA; Stable	-	1)CARE AA+; Positive (26-Dec-22) 2)CARE AA+ (Is); Positive (15-Jul-22)	1)CARE AA+ (Is); Stable (16-Jul-21)	1)CARE AA+ (Is); Stable (17-Jul-20)
2	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (14-Apr-20)
3	Fund-based - ST-Working Capital Limits	ST	282.00	CARE A1+	-	1)CARE A1+ (15-Jul-22)	1)CARE A1+ (16-Jul-21)	1)CARE A1+ (18-Jan-21) 2)CARE A1+ (17-Jul-20)
4	Non-fund-based - ST-BG/LC	ST	275.00	CARE A1+	-	1)CARE A1+ (15-Jul-22)	1)CARE A1+ (16-Jul-21)	1)CARE A1+ (18-Jan-21) 2)CARE A1+ (17-Jul-20)
5	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (14-Apr-20)

Sr. No.	Name of the	Current Ratings			Rating History			
6	Fund-based/Non-fund-based-Short Term	ST	440.00	CARE A1+	-	1)CARE A1+ (15-Jul-22)	1)CARE A1+ (16-Jul-21)	1)CARE A1+ (18-Jan-21) 2)CARE A1+ (17-Jul-20)
7	Non-fund-based - LT-Bank Guarantee	LT	220.00	CARE AAA; Stable	-	1)CARE AA+; Positive (15-Jul-22)	1)CARE AA+; Stable (16-Jul-21)	1)CARE AA+; Stable (18-Jan-21) 2)CARE AA+; Stable (17-Jul-20)
8	Debentures-Non Convertible Debentures	LT	-	-	-	1)CARE AA+; Positive (15-Jul-22)	1)CARE AA+; Stable (16-Jul-21)	1)CARE AA+; Stable (17-Jul-20) 2)CARE AA+; Stable (14-Apr-20)

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - ST-Working Capital Limits	Simple
2	Fund-based/Non-fund-based-Short Term	Simple
3	Issuer Rating-Issuer Ratings	Simple
4	Non-fund-based - LT-Bank Guarantee	Simple
5	Non-fund-based - ST-BG/LC	Simple
6	Debentures-Non Convertible Debentures	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Annexure-6: List of entities forming part of the consolidated financials (as on March 31, 2023)

Sr. No.	Name of Companies/Entities	% Stake
	Subsidiaries (held directly)	
1	TATA Communications Transformation Services Ltd	100.00
2	TATA Communications Collaboration Services Pvt Ltd	100.00
3	TATA Communications Payment Solutions Ltd	100.00
4	TATA Communications Lanka Ltd	90.00
5	TATA Communications International Pte. Ltd	100.00
	Subsidiaries (held indirectly)	
1	TATA Communications (Bermuda) Ltd	100.00
2	TATA Communications (Netherlands) BV	100.00
3	TATA Communications (Hong Kong) Ltd	100.00
4	ITXC IP Holdings S.A.R.L.	100.00
5	TATA Communications (America) Inc.	100.00
6	TATA Communications Services (International) Pte Ltd	100.00
7	TATA Communications (Canada) Ltd	100.00
8	TATA Communications (Belgium) S.P.R.L.	100.00
9	TATA Communications (Italy) S.R.L.	100.00
10	TATA Communications (Portugal) Unipessoal LDA	100.00

11	TATA Communications (France) SAS	100.00
12	TATA Communications (Nordic) AS	100.00
13	TATA Communications (Guam) L.L.C.	100.00
14	TATA Communications (Portugal) Instalacao E Manutencao De Redes LDA	100.00
15	TATA Communications (Australia) Pty Ltd	100.00
16	TATA Communications SVCS Pte Ltd	100.00
17	TATA Communications (Poland) SP.Z.O.O	100.00
18	TATA Communications (Japan) K.K.	100.00
19	TATA Communications (UK) Ltd	100.00
20	TATA Communications Deutschland GMBH	100.00
21	TATA Communications (Middle East) FZ-LLC	100.00
22	TATA Communications (Hungary) KFT	100.00
23	TATA Communications (Ireland) DAC	100.00
24	TATA Communications (Russia) LLC	99.90
25	TATA Communications (Switzerland) GmbH	100.00
26	TATA Communications (Sweden) AB	100.00
27	TCPOP Communication GmbH	100.00
28	TATA Communications (Taiwan) Ltd	100.00
29	TATA Communications (Thailand) Ltd	100.00
30	TATA Communications (Malaysia) Sdn. Bhd.	100.00
31	TATA Communications (New Zealand) Ltd	100.00
32	TATA Communications (Spain) S.L	100.00
33	TATA Communications (Beijing) Technology Ltd	100.00
34	SEPCO Communications (Pty) Ltd	73.17
35	VSNL SNOSPV Pte. Limited (SNOSPV)	100.00
36	TATA Communications (South Korea) Ltd	100.00
37	TATA Communications Transformation Services (Hungary) Kft.	100.00
38	TATA Communications Transformation Services Pte Ltd	100.00
39	TATA Communications Comunicações E Multimídia (Brazil) Limitada	100.00
40	TATA Communications Transformation Services South Africa (Pty) Ltd	100.00
41	TATA Communications Transformation Services (US) Inc	100.00
42	Nexus Connexion (SA) Pty Limited	100.00
43	TATA Communications (Brazil) Participacoes Limitada	100.00
44	TATA Communications MOVE B.V.	100.00
45	TATA Communications MOVE Nederland B.V.	100.00
46	MuCoso B.V.	100.00
47	NetFoundry Inc.	100.00
48	TCTS Sénégal Limited	100.00
49	OASIS Smart SIM Europe SAS	58.10
50	Oasis Smart E-Sim Pte Ltd	58.10
	Associates	
1	United Telecom Ltd	26.66
2	STT Global Data Centres India Pvt Ltd.	26.00
3	Smart ICT Services Private Ltd	24.00

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Rajashree Murkute Senior Director CARE Ratings Limited Phone: +91-22-6837 4474 E-mail: rajashree.murkute@careedge.in
Relationship Contact Saikat Roy Senior Director CARE Ratings Limited Phone: +91-22-67543404 E-mail: saikat.roy@careedge.in	Maulesh Desai Director CARE Ratings Limited Phone: +91-79-4026 5656 E-mail: maulesh.desai@careedge.in
	Prasanna Krishnan Lakshmi Kumar Associate Director CARE Ratings Limited Phone: +91-120-4452014 E-mail: prasanna.krishnan@careedge.in

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For the detailed Rationale Report and subscription information,
please visit www.careedge.in**