TATA Communications Limited

September 12, 2024

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Issuer rating	0.00	CARE AAA; Stable	Reaffirmed
Non-convertible debentures	1,750.00	CARE AAA; Stable	Reaffirmed
Short-term bank facilities	2,667.00 (Enhanced from 1,792.00)	CARE A1+	Reaffirmed
Short-term instruments	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

For arriving at ratings of TATA Communications Limited (TCL), CARE Ratings Limited (CARE Ratings) has adopted a combination of full and partial consolidation of TCL, its subsidiaries, and associate companies. Reaffirmation of ratings assigned to bank facilities and non-convertible debentures (NCDs) of TCL consider the company's continued focus in providing digital solutions, in addition to its core connectivity business offering to enterprise customers, which resulted in steady improvement in its operational and financial performances, leading to a strong financial risk profile. This is further aided by completion of a series of acquisitions by TCL in FY24 (refers to the period April 01 to March 31), including Kaleyra Inc and Switch Enterprises LLP, which resulted in an increase in total operating income (TOI) by 18% to ₹ 20,967 crore in FY24. In line with its earlier expectations, profitability marginally moderated due to acquisition. CARE Ratings takes note of moderation in leverage, marked by net debt/profit before interest, lease rentals, depreciation and taxation (PBILDT) of 2.44 in FY24 owing to debt funded acquisitions. With expected synergies from acquisitions, PBILDT is expected to expand, resulting net debt (including lease liabilities) to PBILDT ratio to be below 2.0x by FY25, and thus, remains a key rating monitorable.

TCL's established customer base and significant presence in core connectivity, combined with company's strategy to provide digital solutions across 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. In CARE Ratings' opinion, TCL is well-placed in the market to capture the same. Consequently, TCL is expected to focus on 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 believes that TCL will continue to pursue similar inorganic growth opportunities without significant deterioration in leverage in the medium term, while retaining its niche market position. With majority shareholding of TATA Sons (TS)[@] (58.86% as on June 30, 2024), CARE Ratings expects TCL to continue to enjoy high financial flexibility, wider access to capital markets and need based support from the promoter group.

Ratings remain tempered by the company's exposure to global regulatory uncertainties, capital intensive operations, especially in core connectivity segment, inherent technological risks, and rising industry competition in TCL's business subsegments. CARE Ratings takes cognisance of the revised show-cause-cum-demand notices on adjusted gross revenue (AGR) dues received by TCL in FY24, leading to substantial amount of outstanding contingent liabilities. The management's articulation to rely on monetising its surplus real estate holdings and 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, largely mitigate the aforementioned risks.

Additionally, the rating assigned to the short-term bank facilities has been withdrawn, as the company has repaid the debt facility in full and there is no outstanding debt.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

Not applicable

Negative Factors

- Major debt-funded capex or investment or crystallisation of contingent liabilities, hindering restatement of the net debt/PBILDT (including leased liabilities as part of debt) ratio to below 2.0x by March 31,2025.

[1]Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.
@TS refers to TATA Sons Private Limited (TSPL, holding 14.07% as on March 31, 2024) and Panatone Finvest Limited (PFL, holding 44.80% as on March 31, 2024).

- 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 due to common management, shared brand name and operational linkages between the company and its subsidiaries. Entities considered for consolidating financials are listed in Annexure-6. 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 rising demand for data, following a favourable industry outlook. TCL is expected to continue re-investing substantial earnings in augmenting product offerings across business verticals.

Detailed description of key rating drivers

Key strengths

Strong and resourceful promoter group

TCL is a part of the over US$ 100-billion TATA group, comprising over 100 operating companies in several business sectors, including, communications and Information Technology, engineering, materials, services, steel, auto, financial services, energy, consumer products, and chemicals. The group has operations in over 100 countries across six continents, with its companies exporting products and services to 85 countries. Being one of the oldest businesses within TATA group, TCL is one of the largest telecommunication service providers and the group's strategically important company. By virtue of being 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. TCL is TATA group's strategic investment, and the limitation to raise additional funds through equity infusion, in case of 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 six segments, namely, data, voice, transformation services, payment solutions, rental business and campaign registry. 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 over 190 countries and territories, TCL handles one of every seven international calls and connects over 70% of the world's mobile carriers. It is the world's largest wholesale voice provider powering over 30% of the world's internet routes. It is also the world's largest wholesale voice provider submarine cable owner on-net mobile signalling, serving over 7,000 customers globally, representing over 300 of the Fortune 500 companies. This global reach and a strong pan-India presence allows TCL to be a market leader in many of the services it offers.

The company's focus remains on enterprise customers in the data segment, which is in line with industry trends of increasing data consumption. DMS segment continues to contribute ~82% to the TOI, followed by the voice segment at 8% in FY24. While the business seems concentrated in the data segment, the company offers services within the segment, partly mitigating the risk. TCL has a well-diversified and established customer base and does not earn revenues from a single customer exceeding 10% of the TOI. The company's business is spread across geographies, mainly including India (around 42%), the USA (around 19%), the UK (around 7%), and Singapore (around 5%).

Growth in scale of operations notwithstanding inherent challenges in inorganic growth

TCL's TOI grew by ~18% to ₹ 20,967 crore in FY24 on a y-o-y basis driven by a robust revenue growth in DMS segment of 22% with growth in most of the subsegments. Most of this growth was derived from DPS segment due to two large acquisitions viz. Kaleyra (providing integrated communication platform services) and SWITCH (providing managed media services). These acquisitions are expected to provide deeper penetration, new business opportunities, and a greater brand presence in global markets. While the company's Core Connectivity has displayed stable growth over the years due to a declining trend in off-take from service providers (wholesale) offset by a healthy growth in the enterprise segment, the DPS business, including 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 its management. TCL seeks to increase the share of DPS sub-segment in DMS segment to 60% by FY27 against 41% for FY24, through organic and inorganic expansion.

However, its PBILDT margin moderated to 20.17% in FY24 (24.14% in FY23), as anticipated, due one-time integration costs, relatively thinner margins of acquired business and change in product mix. Going forward, the PBILDT margin is expected to gradually improve as TCL capitalises on operational synergies resulting from integration of new businesses. The company's ability to successfully integrate and leverage the already existing customers of acquired businesses for upselling remains a key monitorable. Additionally, the company has a strong order book, leading to healthy revenue visibility. TCL reported growth of ~18% in the TOI in Q1FY25 compared to Q1FY24 with a PBILDT margin of 20.33%.

Measures implemented to enhance subsidiaries' performance

TCL's subsidiary businesses' (including payment solutions [PS] and transformation services [TS]) performance remained constrained in FY24, however, TCL is seen to be taking measures to enhance the same. 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; Stable/CARE A1+'). To enhance operational efficiency and address capital intensive nature of its operations, the company is transitioning to a franchise-led business model. In FY24, the company underwent a transition phase, resulting in constrained revenue and declined profitability. However, revenue generation capabilities continue to remain constrained due to competition from other payment solution technologies. 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; Stable/CARE A1+'). TCTSL's business was affected in FY20 due to an onerous contract, which affected revenue and profitability. The company exited this contract, while recording certain one-time costs, which led to deterioration in profitability in FY24.

Favourable demand outlook

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

However, 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 National Long Distance (NLD) business. The NLD business is low-margin owing to prevailing low prices in the industry, and the company also expects contribution from this segment to be minimal in future. The company continues to focus on the Enterprise segment, which will help it retain its market position. While the global economic scenario remains volatile due to the geo-political turmoil, CARE Ratings notes that TCL has been able to maintain stability in the procurement of equipment through efficient management of its supply chain and advance order placement through forecasting.

Key weaknesses

Moderation in leverage albeit expected to improve

The company's capital structure moderated in FY24 due to increase in debt levels arising from acquisition of Kaleyra with total debt (TD) at ₹11,264 crore as on March 31, 2024, against net worth of ₹1,669 crore as on March 31, 2024. Interest coverage also moderated, although remained comfortable at 6.56x in FY24. Owing to increase in debt levels and moderation in profitability the net debt (including lease liabilities) to PBILDT moderated to 2.44x as on March 31, 2024. With envisaged synergies from acquisitions, PBILDT is expected to expand, resulting in net debt (including lease liabilities) to PBILDT ratio to be below 2.0x by March 31, 2025, and thus remains a key rating monitorable.

Although the company's debt levels are moderately high, average cost of borrowings is low, at ~5-6%, as majority debt is foreign currency raised by international subsidiaries. The company has a natural hedge due to significant revenue and profit in foreign currencies, thus saving hedging costs.

Susceptible 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. Changes in licensing policy and regulatory framework across regions may adversely affect TCL's business prospects. Installation of low-earth orbit satellites is being explored to deliver affordable communication services across the globe. However, at present, this does not seem a viable alternative to fibre, being expensive to be deployed, time-consuming, and other challenges that arise in satellite communications, including susceptibility of network outages because of bad weather conditions and unviability of operations. However, considering unforeseen technological advancements 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, these risks are partly mitigated by the company's round-the-globe cable network, which routes traffic though alternative routes in instances of network disruptions. Emergence of other telecommunication service providers in building-up terrestrial and undersea cable capacities will pose a threat to TCL's competitive positioning. However, this is expected to take time, as laying fibre has a long lead time of 3-4 years and managing operations requires considerable experience, which acts as a potent entry barrier.

Capital-intensive nature of operations

Under-sea cable systems, which carry significant network traffic, are susceptible to replacement and upgrades for technological advancements or alternative cables towards the end of their life. This entails a huge capex outlay vital for continuity of network traffic. As undersea cable projects are expensive and have a long gestation period (almost 3-4 years), suitable replacement strategies will be required to be in place at appropriate times, so that services are not impacted. Inability to replace ageing undersea cables may disrupt connectivity and adversely impact operations.

Liquidity: Strong

TCL has strong liquidity with an unencumbered liquidity of ₹936 crore as on March 31, 2024. CARE Ratings takes note of refinancing in April 2024 of US$ 250 million of loans due in FY25, which will be repaid in FY30. Utilisation of the company's fund-based working capital limits were moderate (at 46% for 12-months ended May 31, 2024), which provides adequate liquidity buffer for exigencies that may arise. Average utilisation of non-fund-based bank limits also remained moderate at 44% for 12-months ended May 31, 2024. The company enjoys a significant level of financial flexibility as 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. The company also aims to become water neutral and zero waste to landfill by FY27 and have a customer greenhouse gases (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 three million women live positively impacted. Through 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 other factors. The level of compliance with policies remain strict with good quality financial reporting and publishing of adequate disclosure from the perspective of corporate governance.

Applicable criteria

Consolidation
Definition of Default
Factoring Linkages Parent Sub JV Group
Issuer Rating
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Withdrawal Policy
Service Sector Companies
Infrastructure Sector Ratings
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic 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 transfer of all assets and liabilities of the Overseas Communications Service (OCS) business of the Department of Telecommunications (DoT) to VSNL on April 01, 1986, the TATA group acquired 50% stake in the company in 2002 and changed its name to TCL in 2008. In March 2021, the Government of India (GoI) divested its entire equity shareholding of 26.12%, of which, 16.12% was sold to general public, while balance 10% was sold to Pantone Finvest Limited (PFL; a wholly owned subsidiary of TSPL) through an off-market inter se transfer of shares between promoters. As on June 30, 2024, TS holds a 58.86% stake, while balance 41.14% is held by 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 following segments: DMS, voice services (VS), transformation services, payment solutions, real estate and campaign registry.

Brief Financials (Consolidated) (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	Q1FY25 (UA)
Total operating income	17,879	20,967	5,660
PBILDT	4,316	4,229	1,151
PAT	1,801	970	333
Overall gearing (times)*	5.98	6.75	NA
Interest coverage (times)	9.98	6.56	6.68

*Includes lease liabilities
A: Audited; UA: Unaudited; NA: Not available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non Convertible Debentures	INE151A08349	29-Aug-2023	7.75%	29-Aug-2026	1750.00	CARE AAA; Stable
Fund-based - ST-Working Capital Limits		-	-	-	377.55	CARE A1+
Fund-based/Non-fund-based-Short Term		-	-	-	1990.99	CARE A1+
Issuer Rating-Issuer Ratings		-	-	-	0.00	CARE AAA; Stable
Loan-Short Term		-	-	-	0.00	Withdrawn
Non-fund-based - ST-BG/LC		-	-	-	298.46	CARE A1+

Annexure-2: Rating history for 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 2024-2025	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
1	Issuer Rating-Issuer Ratings	LT	0.00	CARE AAA; Stable	-	1)CARE AAA; Stable (27-Feb-24) 2)CARE AAA; Stable (05-Oct-23) 3)CARE AAA; Stable (08-Aug-23) 4)CARE AAA; Stable (14-Jul-23)	1)CARE AA+; Positive (26-Dec-22) 2)CARE AA+ (Is); Positive (15-Jul-22)	1)CARE AA+ (Is); Stable (16-Jul-21)
2	Fund-based - ST-Working Capital Limits	ST	377.55	CARE A1+	-	1)CARE A1+ (27-Feb-24) 2)CARE A1+ (05-Oct-23) 3)CARE A1+ (08-Aug-23) 4)CARE A1+ (14-Jul-23)	1)CARE A1+ (15-Jul-22)	1)CARE A1+ (16-Jul-21)
3	Non-fund-based - ST-BG/LC	ST	298.46	CARE A1+	-	1)CARE A1+ (27-Feb-24) 2)CARE A1+ (05-Oct-23) 3)CARE A1+ (08-Aug-23) 4)CARE A1+ (14-Jul-23)	1)CARE A1+ (15-Jul-22)	1)CARE A1+ (16-Jul-21)
4	Fund-based/Non-fund-based-Short Term	ST	1990.99	CARE A1+	-	1)CARE A1+ (27-Feb-24) 2)CARE A1+ (05-Oct-23) 3)CARE A1+ (08-Aug-23) 4)CARE A1+ (14-Jul-23)	1)CARE A1+ (15-Jul-22)	1)CARE A1+ (16-Jul-21)
5	Non-fund-based - LT-Bank Guarantee	LT	-	-	-	1)Withdrawn (27-Feb-24) 2)CARE AAA; Stable (05-Oct-23) 3)CARE AAA; Stable (08-Aug-23) 4)CARE AAA; Stable (14-Jul-23)	1)CARE AA+; Positive (15-Jul-22)	1)CARE AA+; Stable (16-Jul-21)
6	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (14-Jul-23)	1)CARE AA+; Positive (19-Jan-23) 2)CARE AA+; Positive (15-Jul-22)	1)CARE AA+; Stable (16-Jul-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	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
7	Debentures-Non Convertible Debentures	LT	1750.00	CARE AAA; Stable	-	1)CARE AAA; Stable (27-Feb-24) 2)CARE AAA; Stable (05-Oct-23) 3)CARE AAA; Stable (08-Aug-23)	-	-
8	Loan-Short Term	ST	-	-	-	1)CARE A1+ (27-Feb-24) 2)CARE A1+ (05-Oct-23)	-	-

LT: Long term; ST: Short term

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

Annexure-4: Complexity level of instruments rated

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

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities forming part of consolidated financial (as on March 31, 2024)

Sr No	Name of entity	Extent of consolidation	Rationale for consolidation
1	Tata Communications Transformation Services Ltd	Full consolidation	Subsidiary
2	Tata Communications Collaboration Services Pvt Ltd	Full consolidation	Subsidiary
3	Tata Communications Payment Solutions Ltd	Full consolidation	Subsidiary
4	Tata Communications Lanka Ltd	Full consolidation	Subsidiary
5	Tata Communications International Pte. Ltd	Full consolidation	Subsidiary
6	Kaleyra Inc	Full consolidation	Subsidiary
7	Novamesh Limited (w.e.f. 21 February 2024)	Full consolidation	Subsidiary
8	Tata Communications (Bermuda) Ltd	Full consolidation	Subsidiary
9	TC Network Switzerland SA	Full consolidation	Subsidiary
10	Tata Communications (Netherlands) BV	Full consolidation	Subsidiary
11	Tata Communications (Hong Kong) Ltd	Full consolidation	Subsidiary
12	ITXC IP Holdings S.A.R.L.	Full consolidation	Subsidiary
13	Tata Communications (America) Inc.	Full consolidation	Subsidiary
14	Tata Communications Services (International) Pte Ltd	Full consolidation	Subsidiary
15	Tata Communications (Canada) Ltd	Full consolidation	Subsidiary
16	Tata Communications (Belgium) S.P.R.L.	Full consolidation	Subsidiary
17	Tata Communications (Italy) S.R.L	Full consolidation	Subsidiary
18	Tata Communications (Portugal) Unipessoal LDA	Full consolidation	Subsidiary
19	Tata Communications (France) SAS	Full consolidation	Subsidiary
20	Tata Communications (Nordic) AS	Full consolidation	Subsidiary
21	Tata Communications (Guam) L.L.C.	Full consolidation	Subsidiary

Sr No	Name of entity	Extent of consolidation	Rationale for consolidation
22	Tata Communications (Portugal) Instalacao E Manutencao De Redes LDA	Full consolidation	Subsidiary
23	Tata Communications (Australia) Pty Ltd	Full consolidation	Subsidiary
24	TATA Communications SVCS Pte Ltd	Full consolidation	Subsidiary
25	Tata Communications (Poland) SP.Z.O.O	Full consolidation	Subsidiary
26	Tata Communications (Japan) K.K.	Full consolidation	Subsidiary
27	Tata Communications (UK) Ltd	Full consolidation	Subsidiary
28	Tata Communications Deutschland GMBH	Full consolidation	Subsidiary
29	Tata Communications (Middle East) FZ-LLC	Full consolidation	Subsidiary
30	Tata Communications (Hungary) KFT	Full consolidation	Subsidiary
31	Tata Communications (Ireland) DAC	Full consolidation	Subsidiary
32	Tata Communications (Russia) LLC	Full consolidation	Subsidiary
33	Tata Communications (Switzerland) GmbH	Full consolidation	Subsidiary
34	Tata Communications (Sweden) AB	Full consolidation	Subsidiary
35	TCPOP Communication GmbH	Full consolidation	Subsidiary
36	Tata Communications (Taiwan) Ltd	Full consolidation	Subsidiary
37	Tata Communications (Thailand) Ltd	Full consolidation	Subsidiary
38	Tata Communications (Malaysia) Sdn. Bhd.	Full consolidation	Subsidiary
39	Tata Communications (New Zealand) Ltd	Full consolidation	Subsidiary
40	Tata Communications (Spain) S.L	Full consolidation	Subsidiary
41	Tata Communications (Beijing) Technology Ltd	Full consolidation	Subsidiary
42	SEPCO Communications (Pty) Ltd	Full consolidation	Subsidiary
43	VSNL SNOSPV Pte. Limited (SNOSPV)	Full consolidation	Subsidiary
44	Tata Communications (South Korea) Ltd	Full consolidation	Subsidiary
45	Tata Communications Transformation Services (Hungary) Kft.	Full consolidation	Subsidiary
46	Tata Communications Transformation Services Pte Ltd	Full consolidation	Subsidiary
47	Tata Communications Comunicações E Multimídia (Brazil) Limitada	Full consolidation	Subsidiary
48	Tata Communications Transformation Services South Africa (Pty) Ltd	Full consolidation	Subsidiary
49	Tata Communications Transformation Services (US) Inc	Full consolidation	Subsidiary
50	Nexus Connexion (SA) Pty Limited	Full consolidation	Subsidiary
51	Tata Communications (Brazil) Participacoes Limitada	Full consolidation	Subsidiary
52	Tata Communications MOVE B.V.	Full consolidation	Subsidiary
53	Tata Communications MOVE Nederland B.V.	Full consolidation	Subsidiary
54	MuCoso B.V.	Full consolidation	Subsidiary
55	NetFoundry Inc.	Full consolidation	Subsidiary
56	TCTS Sénégal Limited	Full consolidation	Subsidiary
57	OASIS Smart SIM Europe SAS	Full consolidation	Subsidiary
58	Oasis Smart E-Sim Pte Ltd	Full consolidation	Subsidiary
59	THE Switch Enterprises, LLC (w.e.f. 01st May 2023)	Full consolidation	Subsidiary
60	Tata Communications Middle East Technology Services L.L.C (w.e.f. 22nd May 2023)	Full consolidation	Subsidiary
61	Kaleyra S.P.A.	Full consolidation	Subsidiary
62	Solutions Infini Technologies (India) Private Limited	Full consolidation	Subsidiary
63	Solutions Infini FZ-LLC	Full consolidation	Subsidiary
64	BUC Mobile Inc	Full consolidation	Subsidiary
65	Campaign Registry Inc	Full consolidation	Subsidiary
66	Campaign Registry Inc (Canada)	Full consolidation	Subsidiary
67	Kaleyra Africa Limited	Full consolidation	Subsidiary
68	Kaleyra US Inc.	Full consolidation	Subsidiary
69	Kaleyra Dominicana S.R.L.	Full consolidation	Subsidiary
70	Kaleyra UK Limited	Full consolidation	Subsidiary
71	Mgage Athens PC	Full consolidation	Subsidiary
72	Mgage SA de CV	Full consolidation	Subsidiary
73	United Telecom Ltd	Partial consolidation	Associate
74	STT Global Data Centres India Pvt Ltd.	Partial consolidation	Associate
75	Smart ICT Services Private Ltd	Partial consolidation	Associate

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

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About us:
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