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Institutional Investors and Analysts Day 2023 Transcript

MAIN SPEAKERS:

AS Lakshminarayanan, Managing Director and Chief Executive Officer
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Sumeet Walia, Chief Sales and Marketing Officer
Genius Wong, Chief Technology Officer and Head - Core & Next Gen Connectivity Services
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Rajiv Sharma, Head, Investor Relations
Chirag Jain, Deputy General Manager, Investor Relations

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Good evening, everyone.

It gives me immense pleased to welcome you all to Tata Communications Institutional Investors & Analysts Meet 2023.

Before we begin today's event, a couple of ground rules for a smooth flow. Request to please switch off all your electronic devices or keep them in silent mode. Kindly do not take any pictures/videos of the event and the content. A detailed presentation will be made available on our website by end of day today.

Some of the statements herein constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our intentions, plans, expectations, assumptions, and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are beyond our control. These forward-looking statements include known and unknown risks, and you are urged to view all forward-looking statements contained herein with caution.

Tata Communications does not undertake any obligation to update or revise forward looking statements, whether as a result of new information, future events or otherwise.

Rajiv Sharma, Head, Investor Relations

Good evening, everyone.

Thanks for all the time you've taken out to attend today's event. With enterprises getting digital, and devices getting smarter, the non-mobile part of the telecom story and the tech part of the story is set for disproportionate growth. Tata Communications is well positioned to be a part of this disproportionate growth which awaits us. Today, this evening, we've lined up some very interesting sessions and where we'll share our vision, strategy, ambition, and some very fascinating work that we are doing with our customers and our right to win in this space. Without further ado, we will start with the video which sets the stage of how we are positioned today, and post that we have our first keynote speaker our MD and CEO Mr. Lakshminarayanan. Thank you!

Amur S. Lakshminarayanan, Managing Director and Chief Executive Officer

Hi, Good Afternoon!

Very happy to be here today. What I intend to cover during my 30-minute session is just a brief look back on what is the strategy that we announced in early 2020, what have we covered and done so far and what are the results. And then we want to look ahead for the next phase of what we intend to do. So those are the two segments that I will talk about today.

First is, I think I have said this before, we are in a very, very good place. I'm happy that the execution has been solid behind a very sound strategy, and we are delivering on our strategy, and we will see how and what.

Just to recap on our strategy that we announced. We said that financial fitness is going to be both the goal and the element of the strategy. And for the growth levers, we said we need to look at the who, what, and the how. The who part was how do we deal with our customers, how do we organize ourselves, how do we go deeper with fewer, and how do we execute on that. What part was about transforming our products that were there to add layers of capabilities on top to build a platform and bundle that with a certain set of services to be able to deliver the solution to the customers. And the how part was essentially to bring the right operating model to the business and to deliver the right experience through the model of services as well as through automation. And underpinning the what and the how was our commitment on sustainability, our commitment on automation and AI. And importantly, to do all of this, we needed to build a foundation, change the culture. We had a strong signature culture called DRIVE. And we enhanced that to call it as DRIVE AHEAD, focusing on the six behaviours that we wanted to focus on internally. And this became the foundation and our mantra. This is the *strategy on a page* as we call it, and this is what we announced in 2020. Now looking at what we have done on that, that is each of the pillars of the who, what, and the how.

On the customer shift, as I said, we announced a team and reorganized the CST to focus on the larger customers to understand the context of the customers. Customers will have a single point of discussion with one team. And we supported that with other capabilities of service wraps and the product teams getting to the front of the conversation with the customers with our 1-3-30 approach. All of that has helped in having more meaningful conversations with customers. And if you look at the results, very pleased to see the million-dollar customers have substantially increased, and more importantly, even the $5 million customers, we have seen a good jump in the last three years. Our NPS score has always been high, at the top quartile, and in the last three years it has substantially jumped. Now, the aspect of NPS that we have to see is that you can be doing the same thing and delivering good NPS, but what we have been trying to do is completely change the product portfolio, the kind of conversations that we are having with the customers and getting into a lot more of complex services and activities with the customers. And we are still able to maintain that high NPS, which is really on the top quartile, which is very pleasing to see.

Now, on the change, that is the product to platform shift, through the rest of the sessions you'll have more detailed views on how these are changing and how these have shifted. This has helped us to drive along with the customer shifts to grow. If you look at FY21 and FY22, the incremental revenue that we delivered was around 900 crores, and in FY23 we have delivered around 1300 crores which is greater than the last two years put together. And that is what helped us to get to that 10 percent growth in FY23.

Now, on our other commitments on ESG, I think there's been a fantastic amount of work that is being done. We have a more holistic strategy on ESG now, which is an integrated framework. Previously, we used to do still good work on CSR, good work on sustainability but now we have a more holistic ESG strategy. And it's covering the three pillars of people, planet, and community. And if you look at people, there's a lot of work on diversity and inclusion with our Winning Mix program. Also, a lot of internal capability building with our learning academies. And we're very pleased to see that we are getting awards on Great Place to Work, not just in India, but across the geographies. On the planet side of things, we have set again fairly ambitious goals in terms of getting to a carbon neutral by 2030 and net zero by 2035. On helping our customers, this is a very interesting measure, last year if we had emitted “x” we are helping our customers save “6x” emissions through our products and solutions. And a good example of that is what we are doing in the media segment, for example, with Formula 1 and Formula E race. The Formula 1 has gone on record, they used to produce content on site and now they have taken all production to remote production, which we have enabled through our solutions to do that. And just by the fact that now they are producing remotely, all production happens remotely and centrally, if you will, this is the cloud version of media production. And we have been at the heart to enable this to happen. Just by doing this, they have not just saved on cost, but they have saved 30% on all the emissions that they used to have, which is a substantial saving, both in terms of cost as well as in the emissions that they're doing. And this is a great example of how and what impact we are making to the customers. Today, that is at “6x”, and we want to set ourselves a goal that we want to be able to save “20x” in terms of impact that we make to our customers. Also, we have other goals on water in terms of how much we save on consumption, how much we recycle, how much we want to regenerate to the water bodies that we consume from. And we have very high aspirations on that as well to become water neutral. And similarly on the recycling of the waste, we want to set a goal of zero waste by 2027. On the community side, again there's been some very fantastic work, again, very strong volunteering, every single employee is signing up to that. They are volunteering to very many major programs. And some of the examples are here including on Women Upliftment, there are series of programs that we're doing. But one example that touched me was a lady called Gauri in Pune, she gets married at a very young age and she's become a single mother raising children. And through series of programs that we've done, through enabling, through getting them to a road of entrepreneurship, and now also educating on digital means on how she can publicize what she's doing, that has delivered a great result. In fact, I have a quotation from what she had to say. She says, "Tailoring skills gave me new identity. The course taught me how to give quality finish to the products. I also learned how to use digital media like Facebook and Instagram for business promotion. This has benefited my business a lot and my products are getting a lot more demand, not just from Maharashtra but also from other states. I'm happy that I'm able to provide employment to other women. I'm thankful to the Idea Foundation and TATA Communications for this training and support which has enabled me to be financially independent and lead a very dignified life". This is just one example. The kind of impact this is creating is tremendous and we are motivated to do a lot more and this is hugely motivating not just for me but the entire company. We have touched three million women and our goal is to expand that to five million. A similar example in Project Nanneer, where the entire lake has been renovated and has done some phenomenal and fantastic work in terms of water conservation. These are some examples of what commitments we made and what we are delivering on these commitments.

And finally, all these, the who, what and the how, what has it delivered is the financial results. All of you are already aware of these in terms of our performance in EBITDA, the margin expansion, the PAT, the ROCE, and all of that. So, I will not go into the details of this, but this in essence summarizes on essentially the elements of the strategy and where we are today in terms of what we have done and what results it has produced.

Now what next? We called out as part of the last strategy, to say that we wanted to do a double-digit growth. We wanted to move our EBITDA margins from a 16% to a 22% to 25%. We wanted to get the ROCE, which was at 8%, to say that we wanted to move it to the 20s. That's what we said that we will do in the last three years, when we announced the strategy. And now we are looking at the next phase. I want to take a little step back and see what the environment is our customers are going to be operating in, in the coming years. And in that environment, what do we need to do?

We will continue to build our product to platform shift capabilities. We will stitch all the platforms to become a fabric, and I'll explain that a little bit more. And by doing this, we want to increase our relevance quotient with our customers. Again, typically, this relevance quotient is something that we use internally to see, how relevant am I to my customer? Am I only relevant to the head of network who wants to buy something from us, or am I relevant to a C-suite who is driving transformation in the company? And we want to be able to increase our relevance quotient with our customers. And by doing these, we want to be able to achieve an accelerated growth.

Now, what is the environment our customers are operating in? We are saying that the customers are moving into an era which we are calling as a hyper-connected ecosystem. They're going to be operating this hyper-connected ecosystem era. Now, connected ecosystems are something that we are all aware of. So, if you look at an airline company, airline company was always connected through the agents. They had holiday bookings for hotels and so on. And they had a network of other businesses that they were connected to in order to give that experience to their customers. Some of them even had business dealings with car rental companies for example. So, the businesses always were connected in some form or shape. If you look at insurance companies, similarly they had connections with agents, they had car repair shops and dealers whom they were connected with. So, ecosystems that the businesses were operating in was always an ecosystem which was connected. Now, what is hyper about it is the point that we want to talk about. The hyper-connected ecosystem that the businesses are really going at great pace, whether they like it or not, they're going to be in that space. This is going to have four characteristics. The first one is everything is going to be real-time. Real-time connectedness is going to be crucial. The second is, Anywhere On -

Always On, and that's going to be crucial. The third is, they have to be seamlessly collaborating, not just amongst themselves, not just amongst the people and their partners, but they have to collaborate with things out there. So seamless collaboration across all of that ecosystem, and all of them happening real time is the point. And finally, it will be intelligent and always learning. That's the environment that people are, our customers are going in to. And to illustrate this point, I want to talk about an example which I will briefly come to.

But in this environment, what are the things that are going to be important for them to consider? We think that they are going to be still strongly thinking about growth, but growth in a very different context. How do I make that ecosystem work and connect, and what kind of new business models can I come up with? And that business model driving the growth will be the mantra, as opposed to previously how do I expand regions, how do I expand this? This will be a business model driven growth. They will have to deliver a lot more superior experiences to the customers and the consumers. They have to innovate a lot more on products, innovate a lot more on services. Productivity and efficiency will be crucial, which always is. The agility of doing this business, because everything is happening in the real time, the speed is of the essence, business agility is going to be crucial. And finally, in this fast-moving environment, managing risk is going to be complex as well. And they have to be able to manage risk. And an important element of that is the trust, the trust that they have to earn with their consumers, the digital trust, the privacy of the data, all of that is going to be crucial in this environment. So, these are the five things that they are going to be looking at to see how I stay relevant to their customers. Now, how do I stay relevant to my customers so that they stay relevant to their customers is what we are looking at.

And in that world, just to emphasize the point, if you look at the Auto OEMs, Auto OEMs are very rapidly moving to a different world and different business model of becoming a shared mobility player. What is driving that change? It's the acronym that people talk about as *CASA*. And many of you already know that *CASA* stands for Connectivity, it's vehicle to everything. The A stands for alternative drive trains, it could be EV, it could be Hydrogen, it could be all of that, that is driving. And even if it is EV, how do you make sure that I give that experience to the customer? There are anxieties of range. How do you have the EV infrastructure in place so that the EV world can go? So, there's a lot of new things that are developing. Shared mobility, again, the consumer behaviour has to change to accept the shared mobility. And Advanced Driver Assist Systems, the ADAS. All of these are the four key drivers that people are anticipating will happen. And these will happen in various degrees because it involves the ecosystem evolution, it involves the customer behaviour changes. No manufacturer will know today how exactly it's going to play out. But having said that, all of them are betting on certain things that they have to do. For example, Tesla already has 6% of the revenues coming from the services business, and that contributes to nearly 65% of all their market cap. We know other players like Stellantis have announced, again, the same, they want to become 6%. They put a big number of 20 billion by 2030 from services. So, all of them are betting heavily on moving to that. I don't think they precisely know the evolution of how this is going to happen, because a lot of things are in motion, that is the world that we're going to see our customers where a lot of things are going to be in motion. They know the direction of travel, and they have to adapt and change and make sure how they can succeed. That is the world our customers are moving into.

And in that world, what are we going to do? We want to become the digital fabric. The reason I'm saying is we have a rich portfolio. And if you look at our Connected Solutions, our Connected Solutions are enabling right from the car. So, we look at the car as just another Edge node, having Edge compute capability and the connectivity capability that is mobile, all the way to the factories where we are enabling the industry 4.0, to the branches, to the Wide Area Network, and to the Cloud, and all of them being secure. All of them, you have visibility and manageability end to end. So, our vision of the digital fabric is while we have the individual components, how do I stitch all of them together to bring that visibility, to bring that manageability? How do I ensure that we bring a layer of intelligence, what we are calling as DILISA, which is driven by device intelligence, location intelligence, and situational awareness? The data that we have, and how do I create that, use that data to bring more intelligence to the users of the digital fabric? And all of this will be consumed through APIs. That's our vision. As our customers are moving towards that future, we think that we will also move towards this. Now, the precise evolution of how this will happen, as our customers don't know how exactly they're going to get their 6% of services revenue, I also don't know precise route map to how this will happen. But we will make it happen in parts. And that's the vision that we are driving the company towards.

Now, what are our key strengths today that will help us to get there?

We continue to invest in the strong portfolio of the products. We will continue to evolve these products to platforms. And in each of these spaces, and again, you will hear more in detail from the respective heads. On the Connected and Intelligent Infrastructure, we've introduced a lot of products, both on the network side to make internet more reliable, more dependent, and in the cloud side, how do I deliver a private cloud solution that has its unique characteristics that will deliver the benefits for our customers and to be able to manage it all of it in a secure manner with network and other security portfolios. And each of these products in the last three years have either incrementally got better, or we have launched completely new products to radically overhaul some of these things. And similarly, on the Connected Solutions, you'll hear about the MOVE and the IoT solutions that we have. And on the Connected Experiences, of course, both the collaboration side, as well as on the Connected Interaction Platform, or connected platforms for our customers, with the launch of the DIGO, Jamvee; so, a lot of product investments are happening. We will continue to invest in these products and continue to strengthen them.

Our differentiation, or how we like to see ourselves, what are the moats? One is strongly on the foundation of what we have, the connectivity. So, the data network, the voice network, the messaging network that we have, which is one of the best in the world. So, we have, like we say, 30% of the world's internet routes are our customers. What do we do about reach of the coverage, the global coverage that we have? What does it mean for our customers? For an enterprise customer, it means that if somebody has to connect something from here, from India to operations elsewhere or the international customers, we are able to give a more dependable performance across the network, with lesser hops and quality that they expect. Increasing customer relevance - the first thing to call out is we are a B2B specialist. And as a B2B specialist, we know exactly what enterprises require. We deal with them as enterprises and enterprises to enterprise, understanding their needs, what kind of solutions that they require, how do you deliver those projects. The services capability that comes with that, to be able to wrap all of these around to deliver them to that satisfaction. All of that is a muscle that we have built. And therefore, I'm calling this is a very unique place. There are not many players in the world who are in our space who can call themselves as a B2B specialist. We have an unparalleled breadth and depth of portfolios which we have been investing in. And what it enables us to do is now have conversations, not just with one player in the company, but across many players in our customers. And as I said, brings together a lot of services and technology capabilities that we can bring to bear to our customers. We've also had excellent coverage from the analysts. So, we've always had good Gartner coverage, and then we continue to remain in the top quadrant. But in the last few years, we have increased the number of coverages across all products. So, there are now 20 analysts who are covering us. And in terms of our financial and cultural enablers, we are shifting ourselves from who we were to become a com-tech player. Very healthy finances, which gives us the elbow room to invest. Transforming ourselves with all these capabilities, as I said, to evolve and to become a unique digital fabric. And incubating, we'll continue to incubate new solutions. And this journey has not stopped. We have to constantly look at what we need to do next. And that's the culture within the company.

Now, I keep saying the ComTech player. And I just wanted to contrast this to say there are traditional telcos. They are characterized by certain things. Largely, 90% of the revenue is coming from the B2C world. Most of the investments are focused on that. And the B2B is a nice icing on that cake. And they are characterized by probably higher EBITDA, but higher CAPEX as well, and low ROCE. On the other end of the extreme, you see the system integrators and others, maybe SaaS providers. They are characterized by, of course, they are enterprise focused, more custom solutions, and they have very high ROCE. Now, how do we characterize ourselves? It's somewhere as a ComTech which sits nicely between. So, the first metric to look at is, if this is a single digit ROCE and this is a high 30s ROCE, we are in the high 20s ROCE, so that's where we are. But everything else, in terms of how we do, we are not a services player, but we are delivering platforms and solutions with a wrapper of services on top of it. We have to still invest in our products, and product investments and building product capability is what we do. So, the characteristics of these two are very different. And we are, to some extent, already there. And our journey future will strongly position in that space. And that's what we're saying. Our evolution into a digital fabric capability, as we do, and combining with the moats that we already have and strengthening those moats, will position us very strongly to become the ComTech player.

Now, what does it all mean? And where does it take us?

Firstly, from our positioning standpoint, we want to become the digital fabric for our enterprises who will need to succeed, and we will help them to succeed in the hyper-connected ecosystem. So that's what we are setting ourselves as a mission. And by doing that, our relevance to the customers is going to increase. And that will help us to achieve our ambition, which we are setting ourselves, that we will double our data revenues in four years' time.

Sumeet Walia, Chief Sales and Marketing Officer

Good evening. Thank you, Lakshmi. So, Lakshmi has actually set out the ambition for us, as you would have heard, which is, you know, delivering on a 2x growth over the next four years. And that is going to happen at the back of our expanded portfolio. That's going to happen at the back of our ability to become more relevant to our customers. What I thought I'd do is to take you through how we are going to do this. So, what is our GTM strategy? How we are going to engage our customers and how we are leveraging this expanded portfolio to expand and grow our market to deliver that 2X growth. So, this is really, you know, a conversation that we keep having with our customers.

And based on our conversations that we have with our customers and not just our customers, but also research that we keep reading from various industry analysts, there are three major themes that are emerging for the coming year for the priorities that the CEOs are going to play out on. And, you know, if you look at these three themes, which are the themes which are in green, it comes as no surprise that given the current macros, you know, the three themes that are really focused on and two of them are around managing cost and then delivering on and enhancing productivity and efficiency. So, these two themes are themes that I think will, you know, become more predominant in FY23 and FY24, sorry, FI24 and FI25. Sustainability, as you can see, is also emerging as an important theme.

And for us, as Tata Communications and in our engagements with our customers, we have been seeing this theme play out, and it is becoming an important decision influencer in the decisions that many of our customers make globally as well. Now, you know, if you want to think about those themes and this is something that, you know, we've been looking at given the macros and given these priorities, how is it that our portfolio is playing into these themes really? And really what we see is there are three major areas that are going to become important and our portfolios and our priorities from a customer perspective actually blend into each other. So, if you were to take the first one, which is around cost transformation, and I'll play out all three of them in the interest of time, which is cost transformation, productivity, as well as sustainability.

But if you were to think about these three themes and the work that I'm going to just talk about, this makes us a very important and relevant player in the context of our customers' journey. And though the macros of cost and efficiency drive, you know, normally give you a little bit of nervousness. For us, we actually see this becoming a tailwind for our engagement with our customers because our portfolio is positioned very well to help the customers in these major three themes. So, I'll talk about each one of them in a minute and what we're doing. So, the first one is really around, you know, cost-led transformation. And on this area, we've actually delivered some excellent results. I've called out a couple of logos that we've been working with, and really over here it is more about modernizing the network infrastructure, delivering a more cloud-first, internet-first, next-generation network for our customers.

We have been working with One of the largest global banks in the last one year and we are helping them migrate and modernize their underlying network infrastructure. And this is across 55 countries globally. It is positioning our next gen IZO platform and committing back to them that we will have a 30% cost takeout for that entire network as well. The other area that we are focused on is around productivity and efficiency and this is an area that I think is also more relevant when you think about the future of work and how organizations are going to evolve from a future of work perspective. For us, as an example, we are working with one of the largest and the most respected airlines in the world, and what we are aiming to achieve with them and for them is really a reduction of 20% in their TCO as well as a 20% increase in their employee productivity.

And on sustainability, Lakshmi already spoke about that. I think the most fitting example is the work that we are doing with Formula One and Formula E and really using our media cloud and edge-powered solution, creating a remote broadcast model for them which is helping them reduce freight costs, Formula 1 with whom we have been a partner with for a long time has actually delivered a 34% reduction in their freight which is creating a significant amount of sustainability benefits for them Formula 1.

Our expanded portfolio also is actually leading us to create a wider addressable universe and it is helping us in three real ways. The first is around new customer segments, the second is around new buying centres and the third is around new areas of participation and I will talk about each of them in a minute. So, one around new customer segments. So, on new customer segments as many of you all have been involved and have been working with and seeing us over the last many years. Our focus and our sweetest spot have been working with large global MNCs and that is an area that we have been able to create the greatest amount of momentum for ourselves. But given our expanding portfolio, we are now able to serve even enterprises who have got deep capillary in region or in country or home networks if you will.

And that has given us a great opportunity to participate in an area or a set of enterprises that we couldn't do earlier. You know, one of the examples is really a large ASEAN food delivery and ride hailing app and we were able to work with them. They were looking to modernize their infrastructure to take Indonesia as one country and we were able to modernize that entire infrastructure for them. You know, four years, five years back, we were not able to do this for them in such a targeted way in one single geography. So that's at the back of our expanded portfolio, how we've been able to address really new customer segments. Also, what’s happening is at the back of our customer and our expanded portfolio, we are also able to address new age digital natives.

And I'll talk about an example a little later, but that's all giving you a sense of how we are able to address new customer segments because our expanded portfolio allows us to participate in a more wholesome manner with that market and that segment universes. The second is around new buying centres. You know, Lakshmi spoke about the fact that, our portfolio is allowing us to talk into not just the CIO organization but we are going beyond the CIO organization because much of our newer portfolios don't necessarily talk only into the technology and the CIO related organization but talk into the marketing organization, talk into the innovation organization, talk into the operations organization and that has given us the opportunity to participate in many more buying centres in the organization.

For example, we are working with one of the leading auto players in India who has been a long-standing customer to us and to who we have delivered largely a network and a connectivity solution, and we are now speaking and delivering for them a stronger customer experience solution as well. And bulk of that conversation is not happening with the CIO and the technology team, but with the marketing and customer experience team. And so that is new wallet shares that we are getting exposed to in our same customers.

And lastly are around new areas of participation, really. And this is linked to our growing services capability. And this services capability is actually adjacent to our product and our portfolio capability. And at the back of those service capabilities, we are increasing our scope of engagement with our customers. We are able to participate in a much broader way in our customers' journey. So, for example, you know, in areas around assessment, in cloud migration and transformation, those are areas that earlier we were not able to participate. Now we have started to gain that muscle and participate a lot more, and that's opening up new areas that was not available to us earlier.

Given our relevance to our customers and given these priorities that I spoke about earlier, I think it's giving us great amount of confidence that we are well positioned to grow and scale. And let's see how that is actually happening and that brings me to how we are organized from a market perspective. So, we really have three pillars on which we are building our GTM or our go-to-market strategy. And the first one, as you can see over here, is really around focusing on growing our wallet with our existing customers.

And within that, it's a two-pronged approach really. So, one is our top accounts, that is accounts where we have a larger share of mind, we have a larger share of wallet, and really it is about penetrating deeper in these accounts. And here, growth is largely going to come by innovation-led transformation. And that opportunity to engage the customer more meaningfully and more wholesomely at the back of our expanded portfolio will give us a much larger role to play with these customers or our top customers. The second is around our growth accounts and these are accounts where, you know, obviously we have a higher headroom for market share growth and really here we are more focused to benefit from our deep account management that I will speak about in a minute. Through our deep account management, leveraging the power of our, expanded portfolio we are capturing many more buying centres.

So, the opportunity for our growth accounts because of our intimacy with our customers, because of the expanded portfolio, because of our exposure to new buying centres is giving us a lot more velocity with these customers.

The second is really around our focus on our international markets and really, I see our international markets as an opportunity where we have the highest headroom for our growth, and it continues to be an area of investment and focus for us. You know I must also admit our current market share if anything is very low, and I think we can command much more than where we are in our relative share or our relative position in most of our international markets. And for that we have an aggressive growth strategy.

We have invested over the last 12, 18 months in creating more feet on street on customer facing roles and the strategy is really going to be led by customer acquisition. So, it is really acquisition of new customers and the headroom that we have is something that we think will give us the greatest results in our international markets. We are also leveraging on alliances. So, we are working with a set of OEMs and SI partners which will help us to broaden and deepen our go-to-market strategy and expose us to relationships through these alliance partners as well.

And the third is really around our India market position. And we have a leadership position in the enterprise data business in India.

We continue to strengthen that, and we continue to invest in that. And really over here, our focus with our existing accounts or our top accounts in India, where we have large multi-year relationships and the intimacy with the customers is strong, is to focus on driving much more multi-product engagement, driving a more vertical and a vertical use case-led approach so that we can start differentiating and bringing many more use cases to life beyond just selling point products and point services with these customers.

So, our deepen the wallet share motion with these top customers is going to be driven by that approach. We are also wanting to scale some of the emerging enterprises that we are working with as a part of our overall segmentation of focus of choice of accounts. And we are invested in and creating and nurturing, you know, a low touch digital model.

That model has started to crank up and we think that there is more to be had through that wallet and through that approach really. I spoke about our expanded portfolio earlier.

Accounts which had traditional brick-and-mortar engagement models have started to invest in D2C as well. And that we see is a new customer segment and that's a segment that we think we can play strongly into and that's an area that we are trying to build our muscle and build our capability in as well.

It's important to also share because this GTM strategy is not a strategy that we are constructing today, and we will start working on as we move forward. This is a strategy in motion. So, it's important for us to also share with you how are these markers doing for us and how are we performing against each of these markers. And I try to call out a little bit of, you know, a granular view on how we are doing. So, on our wallet share, our large deals, that is deals which are over a million dollars, is up actually 84% on a two-year basis. Our product penetration ratio, which is the number of products and the number of conversations that we can have with our existing customers is up 10% in the last two years in our top 300 accounts. If you look at our international markets, which is really an acquisition-led strategy, we have over a 50% growth in the number of new logos that we have signed. Many of these logos have much more headroom to grow now that the engagement is set, and the entry has been made that will give us a long way and much more opportunity to engage and mine these customers in the future as well. And importantly I think our digital platforms and services offering where a large part of our muscle, our energy and investments have really gone. Our DPS funnel has grown by over 50% in the last two years. So, this is to give you a little bit of you know colour to how the business is shaping and where the success is really coming from. And in India where we have been very focused on our top accounts where we have had deep relationships, multi-year relationships, over 60% of our revenues come from our top 100 accounts in India and from a digital model and emerging business nearly 70% of all the business that we do with these enterprise or these emerging enterprises are actually going through on a low touch digital platform if you will. And that's how we are engaging our customers in India and building that scale for them.

I think, you know, Lakshmi spoke about we are a B2B specialist. Now, what does a B2B specialist mean? This is something that comes to us naturally. This is what we do at our very core, which is really helping us focus on our customer relationships. Our GTM approach and strategy is really pivoted on driving customer intimacy. And in doing that, and that customer intimacy is being built by deep account management across the lifecycle of our engagement with our customers. And there are three key areas on which we engage our customers. One is around the listening posts that we have with our customers. And we have, when I say listening to posts, these are opportunities for us to engage and hear from our customers as to, you know, what are their priority areas, how are we doing with them, what are the areas they want us to improve, what are their future roadmaps, etcetera. So, it gives us a good listening post platform where we can capture these inputs, feed it back into our teams to help either improve our own portfolio proposition or improve our service delivery or our capability of delivery back to our customers. The second is where we actually, to my mind, have an industry-leading structure around is our customer success teams. And really these customer success teams are really enabling a broader and deeper engagement with our customers. And this is really helping us becoming a partner of choice in our engagement with our customers. And this is a journey, but I think we have the structure around our customer quite well laid out and customers are seeing much more appreciation in the way we engage them versus with some of the other players and how they are engaging. And finally, this is a journey. And so, for us, it's also about competency build and bringing a lot more arbitrage of knowledge, engaging and changing the engagement model with our customers. So, developing a lot more industry, vertical view of how we want to engage our customers, technology leadership and innovation and co-innovation with our customers are all areas that we want to invest in. You know, I spoke about the fact that we've already invested in customer-facing teams over the last 18-24 months, and we are starting to see early results of that. Our funnel adds for the last 18, 24 months is up 30%. So, as we've been adding the teams and the teams are getting productive, we are starting to see in the engagement and the funnel starting to also grow for our markets in which we have added our teams.

I wanted to summarize all this with a bit of a case study on how our engagement has evolved with our customers. And this is a good way to, you describe how the engagement is growing. So, I've taken an example of an ongoing engagement. It's an engagement with a large global auto manufacturer. And I've tried to indicate all of the points what I spoke about earlier, which is touching the new buying centres, looking at our expanded portfolio and how we are delivering against on each of them. And so, over the years, we have been, and we continue to build a much stronger relationship with the customer across the business units. And it's important to also understand that the customer themselves are undergoing a transformation. And the customer has a very high growth ambition and is operating in an environment that is fairly challenging as well for them as, from their customers or their market in which they operate. So, with this backdrop, we have been able to influence the customer, at the back of our deep account management, multiple touch points that we have been able to create. First, we have actually participated, influenced, and added value across all of the areas that you see over here. So, as you can see, we have been able to touch the product itself, that is the car in this case, and we have been helping them to create and enabling a connected car experience for them. For their end customers. They are very passionate about their customer experience; we've been able to deliver what they call as modern luxury experience for their end customers. Even going into their factory and their manufacturing and industrial operations, we are trying to see how we can enable a smart factory engagement with them. And bringing it all together is the digital enterprise, if you will, that they are focused on. And we are trying to create an agile, cloud-first, express way of the infrastructure for them on which they can build a lot of other capabilities. And really, this has effectively helped them to deliver a modern luxury smart car. And our engagement with them is driving that outcome. This is really a sample of our long-term engagement and how we want to build our relationships with our partners, sorry, our customers. We see this to be a very value-driven approach, which will add value to our customers and add value to ourselves as well.

On brand and reputation, I'm not going to touch too much in the interest of time, but safe to say that creating awareness and driving more credibility for us is an ongoing journey. We continue to invest in it. We are seeing good results around it. We have made significant progress. We are getting recognition not just from industry watchers and industry analysts, but even global media houses and industry bodies. All of this actually contributes very positively to our customer engagement. All of this adds a lot more credibility and therefore customer trust in us as well. Likewise, we are also using multiple platforms to showcase our strengths. I've called out three platforms over here. We've spoken about one of them, which is our Formula One, Formula E platform, or other sporting platforms that we have. And really, here, the idea is to create an immersive, live showcase of our portfolio. And we invite our customers, and we show them the power of what we can do, and the power of what we are doing for some of these media and these sporting platforms and to my mind in many cases it's really the ceiling of the relationship and the ability for us to really demonstrate to our customers what we can do with them. The other is around our customer experience centre, and this is where we bring our use cases to life for our customers. And you know many of you are based here in Bombay you know I invite you to come and also visit our experience centre. I think you will get a greater insight on all our use cases and the journeys that we are working with many of our customers. And lastly, we are working with a lot of industry partnerships. We have been working with CII over the last three years. We have created with them a centre of digital transformation. It is really to help the government of India's national mission on digital India, and this is an investment we have done to create a broader awareness and driving digital and digital awareness leading to digital transformation for enterprises in India.

I want to leave you with finally what Lakshmi spoke about that we will deliver a 2x growth in the next four years. I want to leave you with what is the colour of that growth and what our success will look like in the next four years. So really this is where we are today across the parameters that I spoke about whether it is our India market position I think we will continue to be not I think I know we will continue to be leaders in the India market. In our international market where we are relatively a peripheral player today, we will become a very strong challenger in all the markets of interest for us in our international markets. Our million-dollar customers that is customers where we have our growing and large relationships will contribute over 50% of our revenues. This is a part of our deeper engagement with our customers. And finally, our digital portfolio which is our digital platforms and services portfolio will contribute more than 50% of our total revenues that we have as a part of our overall pie. So, in summary I think I am very, very confident. I think we have the market opportunity. We have the market permission. We have the right strategy. We have the right talent. We have a relevant portfolio to deliver on the ambition of 2x for the next four years. Thank you very much. Thank you very much.

Kabir Ahmed Shakir, Chief Financial Officer

Thank you, Sumeet. Such a pleasure to see all of you. I hope I get to meet most of you after the event is over and exchange more thoughts and notes. In the next 10-15 minutes, I intend to take you through the key tenets of the finance strategy. Nothing has changed and this is what you saw two years ago and sometimes the bedrock of any strategy should remain unchanged and for me that is the finance strategy. We have made tremendous progress in each of the three pillars of the finance strategy. We have made conscious effort in weeding out all legacy issues and becoming a truly compliant organization. It's probably evident when you actually read our notes, so I don't intend going into that. Just leave that comfort with you. I intend to talk about the other two pillars, the fit to compete and fit to grow. You saw the metrics that Lakshmi put up earlier. Probably this metrics by heart than I do. Quite often when I meet you one on one, you probably correct me with the better reflection of the numbers that about the company than I personally do. But what I want to do is talk about what and how did we drive this outcome. So, it gives you the comfort that this is sustainable and then we will keep that going forward. In no particular order, although, you see some pointers there at the end of the slide, the most important thing in this organization was to move away from not only looking at deal profitability, but also going to deal cash flow and every employee eyeing returns and breathing the language of ROCE. So, that we are able to consistently deliver return to all our stakeholders, not just our customers, but also to our investors as well. Optimizing cost going with a war on waste and I will repeat again, any cost that does not add value to my customer has no business to be in my P&L. So, we will ruthlessly eliminate all such costs, away from P&L and continue to optimize our P&L. We have made quite a bit of progress in tax efficiency, whether it is restructuring of our supply chain operations and legal entity structure or investing in international markets getting them to be profitable so we can utilize the NOLs there and array of things to improve our effective tax rate. Taking the deal cash flow through into the entire company and simplifying processes whether it is receivables, whether it is our own internal delegation of power authorities that we actually give to people to bring in agility and speed in the organization which then gets reflected in the cash conversion cycle that we see, therefore, we see the improvement reflected automatically in whether it is free cash flow or whether it is debt to EBITDA or whether it is ROCE because it has just an infectious effect in all the health parameters that we can talk about. And having a very robust CAPEX framework, we have to invest, we have to continuously invest but if we need to invest and fuel that investment, we also need to infuse in the organization as much as we bring in agility and speed, we also want to infuse discipline. We also want to give a robust framework and allow for freedom within the framework. So, it is not the same rules that govern every piece of investment. Customer success-based CAPEX, no limit. Go get revenue and if you are able to demonstrate value to our customers, we will invest provided it meets the NPV IRR thresholds. Maintenance CAPEX will be ruthlessly looked at and will operate with the cap. And strategic CAPEX is where we then take management calls and look at the future and continue to invest. So that's one great thing that we have now embedded in the last two years in the company. Talking about the fit to grow model, it all starts with delivering profitable growth, taking the proceeds of that profitable growth, and reinvesting back into the business, getting capabilities organically or inorganically which goes and adds, and fixes go to market gaps, portfolio gaps which in turn drive growth and get into that virtuous circle of growth. What have we delivered so far in this? If you look at it, we have invested in infrastructure and innovation and in our people capabilities. The number of people that we have added in the last two years is visible over thousand FTEs is what we have added in Tata Com. And all of that is coming in from us taking the profitable growth and reinvesting in people capabilities. We also went on to fund acquisitions, two of them and might I say we have a good active funnel as well. But what is delightful for me is that we have closed the switch acquisition, aa from internal accruals so, basically working capital funded and the money that was otherwise locked in a dead way has been released to go and acquire a revenue generating asset which is extremely strategically important for us. And I want to touch upon as we revved up this M&A engine within Tata Com, I want to give you comfort on what are our operating principles with which we are looking at acquisitions going forward. It will be meticulous. We do believe we have a huge responsibility. It needs to have a strategic fit and it needs to create value for all of us and that will be our guiding principles and with that let me go to the next slide and give you an elaborate as to how the switch acquisition makes sense for us and why did we do this and if we just juxtapose those three operating principles and how does it work for the media business. We are proud of it. It does wonders. I mean you see how many references Lakshmi and Sumit made of our partnership with Formula 1 and Formula E. So, I think we have got a great capability in the media business. We have about 25% market share. We have been growing at 33% CAGR so it is a great business, but we largely been a global-to-global player, global sports to global audience. What Switch gave us? Great piece of asset, predominantly present in the US sports, regional to regional space, both on transmission and also on production. So, for us, it makes meaningful strategic sense because we are now able to offer more to our customers. The PPR, the product penetration ratio that Sumit alluded to is something which is quite visible here because now there are more products that the customer can get, from me as Tata Comm. Strategically fits, great asset that came at a great value, so creates, enormous amount of value creation, for our shareholders. And that will be our guiding principle when we, rev up our M&A engine as well. Improving balance sheet is not an end in itself. Had we not done that, I don't think we would have had the license to start dreaming about a 2X growth. So doing that was extremely important for us. And having done that, there is no room for complacency. Maintaining that momentum is as difficult and as hard and as important as delivering the improvement that we have done in the last two, two and a half years. So, we will continue to have the focus on a healthy balance sheet so we can fuel the growth momentum of the company. It also is very important because I want to make right investments in order to improve the relevancy quotient with my customers. What does that do? We will take this money invest in GTM. A lot of our headcount increase that we have has been in feet on street more in the international markets clearly aligned with the priorities that Sumeet talked about. In the product areas as well in the digital platforms and services portfolio, we will to strengthen our portfolio and drive scale both organically and inorganically and that is the bedrock for us to deliver a 2x growth in 4 years and that's what we want to see our data business propel to a different growth trajectory than what we have been used in the past in the recent past to what we want to take it to the next four years. And now comes to my final slide. While we achieve the 2X, I also want all of us to remember the markers, the ambitions that we have that will guide us to this 2x. We will continue to maintain our 23 to 25 long term ambition. Now for a year or a quarter if I slip behind 23 and this year due to switch, we will go below 23. We are not really fussed about that because as long as I have the principles of being meticulous, driving a strategic fit and creating long term value for my shareholders, I am not really fussed about or worried about one quarter or one year here and there, but we are committed to the 23 to 25% EBITDA range. We are committed to a debt of 2X. Now we are at 1.3X as we speak today. So, we have done very well in our cash flow generation, and we have of course gone ahead and eliminated debt. It is because the external environment was such that we are having supply chain issues and whatever order we place; we are not delivered on time, so we did not pay for it. So, I was sitting with cash and that cash went in paying down debt. But our ambition is to be under 2x actually with our improving profitability and improving balance sheet, we can even go up to 2 and half to 3X without breaking our covenants and in any way compromising our credit rating. We will continue to increase our Capex and 300 million is the range. As I said for customer success-based CAPEX there is no limit there is a guidance but there is no limit because each of them generates NPV and IRR and the more I do the better it is, and I don't want to take my eye off ROCE. We will continue to deliver greater than 25% return on capital for Tata Communications. I want us to pause and reflect about the shape of the financials and the shape of the P&L and balance sheet that this company has been making and draw this from three years to know to four years from now. Yes, we are proud of our telecom heritage but what we want to be is a Comtech player and that Comtech player is not empty words. That is getting reflected, not only in our financial modelling, but it is also reflected in our hiring, it is reflected in our innovation, it is reflected in our go-to-market. You can find that infectious energy cutting through the entire organization and therefore even the financial metrics should speak of a Comtech player. With that let me hand over to Genius and Srini.

Genius Wong - Chief Technology Officer and Head – Core and Next Gen Connectivity Services

CR Srinivasan - Chief Digital Officer and Head – Cloud & Cybersecurity Services

Hello!

In continuation to what Kabir spoke, what we're going to do now is talk to you about Connected Infrastructure. So, as the previous speakers set the context, there's a lot of change that is coming through. We want to be a Comtech player, we want to look at things in an integrated fashion. And the portfolio that we're going to present is going to talk about how Connected Infrastructure plays in an integrated fashion to deliver a differential value to our customers.

You know, Connected Infrastructure plays a significant part in our digital portfolio. Our digital portfolio revenue in FY23 was about Rs. 4,539 crores. Connected Infrastructure includes services like NextGen connectivity, cloud, hosting, and security services, and it was at Rs. 1,961 crores in FY23. But Connected Infrastructure has been growing at a 19.2% CAGR between FY20 to FY23.

So, you heard about the five business objectives or business drivers that are common across most enterprises. The first one is borderless growth, which is either capturing customers' ambitions to grow across geographies or breaking boundaries to create new business models. The delivery of superior customer experience and also bringing product innovation much quicker to market, and the continuous drive to improve productivity and also efficiency, either through business process re-engineering or automation & AI. And of course, business agility. It is important for us to have the ability to adjust quickly to dynamic market requirements, to align resources to business needs, and also align cost and revenue. And of course, managing risk, whether cyber risk or other enterprise risks caused by external factors. However, it is very difficult for any enterprise to achieve all these business objectives if they only have a traditional network architecture setup. And that is why enterprises have to go through digital transformation and network transformation. As part of network transformation, they will have to reimagine and improve their networks. They will have to redesign their security posture, rethink about their multi-cloud connectivity solution, and revisit how they can deliver superior user experience under this new transformed network.

What is the new Connected Infrastructure network that can deliver the business objectives? The new Connected Infrastructure, first of all, has to be future ready. It has to be able to onboard new technologies, and able to capitalize new technologies' benefits quickly, thus bringing business agility. It has to be performant. It has to be consistent, and reliable so that you can deliver superior customer experience. And also, it has to be programmable, so that on-demand changes can be made according to dynamic business requirements. And of course, security has to be embedded in the entire design and not as an afterthought. So how should enterprises go about building this connected infrastructure?

I'll now hand it over to Srini to take you through what is required to build this connected infrastructure.

If you look at the connected infrastructure stack that we are talking about, there are multiple disparate components that are at play for an enterprise. There are 10 puzzle pieces here. And enterprises at different stages of evolution have to deal with these in different forms. If you were to take the example of a user in an office wanting to access an application of his company, he has to go through multiple blocks and that has to happen seamlessly. He has to go through the LAN infrastructure that can be both wired and wireless LAN. He has to go through the SD-WAN and security infrastructure that's another block that he needs to traverse. Then he has to go through the connectivity that can be either private or public connectivity or that can be purely internet connectivity. From there, he has to go and access the cloud applications for which the multi-cloud infrastructure comes into play. And if you look at the whole thing, security has to be weaved in because you want the end-to-end journey for the customer to be secure. If you look at any enterprise infrastructure, there are five to probably ten disparate solutions that are at play in an enterprise estate at this point in time, depending on what stage, whether they have acquired companies, the complexity varies, but all of them have the same context and colour when you go and talk to them about connected infrastructure. Now, all of this, when they are independent solutions, you need the policy, the configuration, and all of that to be done independently, which makes it really a difficult task for the enterprise, because they have to get the rightly trained people, they have to get the right skills and the partners to do it, and what really happens is they don't get an end-to-end visibility and view of the infrastructure, and thereby performance becomes a challenge. We spoke in the earlier slide; we need to have a performant network that's future-ready and et cetera. And this really becomes a stumbling block in digital transformation and performance. So that is a challenge that we want to address with our connected infrastructure portfolio.

So, what am I talking about here?

We want to simplify this problem for enterprises. We want to offer them a comprehensive portfolio that allows them the ability to, at different points in their journey, pick and choose from this portfolio of services that we have for them. Some companies may be doing security transformation, we are able to play into that conversation. Some companies may be doing a LAN transformation, we can play into that conversation. Some companies may be struggling to improve performance on the cloud conversation, we can do that. Overall, we bring it all together on our TC^{X} portal where policy management of disparate solutions, and the integration challenges that we have are well addressed on TC^{X}, and TC^{X} offers them an ability to give them end-to-end visibility of the entire life cycle of this Connected Infrastructure. For example, the customer can see his order, he can see his inventory, he can see the changes that happen on that infrastructure, and from there he can go and see the performance, the dashboards, and then the uptime availability, analytics, and the reporting. So, it's an entire life cycle that we offer to our customers in the simplified portfolio.

So, what is our right to play in this Connected Infrastructure space? Of course, as enterprises are shifting their traffic onto the Internet and cloud, they need a very dependable Internet connectivity to deliver mission-critical business traffic. Our IZO™ Internet WAN platform is one of the world's most comprehensive, predictable, dependable Internet connectivity platform that is built and designed for business. That actually gives us our right to play. And of course, our ability to offer connected infrastructure solutions in 160 countries gives the reach customer required for the business. And our IZO™ Multi-Cloud Connect product is addressing multi-cloud connectivity requirements. And of course, the most important thing is our technology expertise that we have, combined with virtual simulation platforms that you've seen in some of the other slides that Sumit talked about, allows us to actually test our hypothesis, our concepts before we bring it to the market or work, hand-in-hand to co-innovate together with customers. And finally, we are accelerating our investment in Connected Infrastructure based on a multi-year roadmap to ensure that our Connected Infrastructure solutions are future ready.

Okay, thanks, Genius.

What's our right to win? We take single-point ownership for this entire solution for our customers, end-to-end delivering value. When a customer looks at the challenges in a Connected Infrastructure space, one of the key challenges is trained people who have the ability to design and implement the solution and manage it end-to-end.

That is a challenge that we address well. We can engage regionally with customers and deliver globally because we have teams that are distributed across the globe. One of the models that we have perfected is that we can deliver first time right solutions to our customers. In the SD-WAN space, we have 99.8% first time-right delivery for the customer. That is something that we focus on. And when it comes to the end-to-end compliance of the solution, we have the ability to do that for them. And TC^{X}, which is our customer portal, is the one-stop, or the one window in which they can get all the information about the services that we provide to them. They don't need to look anywhere else. And in the subsequent case study that comes up, I'll talk about how we are delivering this and using all these capabilities, our skills, the people that we have, the technology, the platform, and the integrated play that we have created to deliver a complete solution for our customer and how this portfolio applies.

This is a medical technology firm that's global and has over 18,000 plus people working out of 100 locations. And as a medical technology firm, they have multiple information systems and IT infrastructure. They have intellectual property, which they need to protect. They have manufacturing locations across the globe that they need to connect. And of course, they have a distributed workforce that needs to connect effectively. So when we engaged with the customer, the set of challenges that they came to us with is that we have an existing network that doesn't perform the right kind of function that we want the network to perform, which is we are not able to do things in an agile fashion, the quality of the network is a problem, cyber security is an issue, we want to do more things, it doesn't work well for voice and video, we want an agile partner who will listen to us and do things a lot more effectively. These were some of the challenges. And they had a roadmap to be played out for their infrastructure, and that was a three to five-year roadmap that they had. And cybersecurity was one of the key things that they called out.

And they wanted us to take all of these challenges and find a solution. So, we worked with the customer to create a solution that addresses all of their requirements. So, what did we do for them? We rolled out a global network that's a combination of both internet and private lines for them. We rolled out an SD-WAN solution that connects their entire office infrastructure, and as one can imagine, this is a large customer with a global footprint, 100 locations, so they have different types of offices. They actually have six types of offices, beginning from a small office to a large office to their headquarters to the manufacturing firms to their R&D. Each one needed a different kind of solution because that's the template that they wanted to create for scale. And each one had to be highly secure. And each one had, unlike a normal company, the reason why I took this as an example is unlike a normal company, they were regional R&D teams, which means they were creating intellectual property in different places and that needed to be protected. And as one would have it, they wanted this intellectual property to be archived, vaulted in central locations at different points in time. So, the network had to really perform at its peak when they're doing that and still not impact business usage. That became a real big requirement for them. And they also wanted, one of the key things that they had as a problem in the earlier setup is that they had no proper solution for remote workers to connect to them. VPN, they called out as a big risk because they were not able to give a proper solution. And we started implementing this for them just before COVID. So, they reaped the benefits of the new solution that we provided because we could help them connect the remote workforce very effectively. So, from SD-WAN, they also wanted one more capability which is I want to put my applications on the public cloud. Some of the core applications need to go there. Can you help me ensure that your SD-WAN extends to the cloud and give me the cloud connectivity that I'm looking for and the scalability that I'm looking for? We did that for the customer. They have cloud firewalls. They have policy-based access to various applications. They are doing periodic application data vaulting, which our network supports because it has characteristics to adaptively traffic shape. So those are capabilities that we've been able to do, including extending the connectivity to the cloud. So this is essentially a stack where we have touched all areas of connected infrastructure, as one could see, beginning from the SD-WAN to the security, you know, posturing practices, to the hybrid WAN capability, which is using the mix of private and public networks and being able to give them a secure web gateway where customers their internal users can browse the net, you know, very securely, and the multi-cloud connect, giving them the ability to ship applications to the cloud if they so wish. And one of the things that we also additionally did is because video and collaboration was an issue, we've been able to provide to this customer - our collaboration portfolio of services as well, and they're a collaboration customer as well. We continue to deepen the engagement with this customer. They continue to engage us on newer topics and how they can scale their infrastructure, and we continue to grow the conversation with them, and that's what Connected Infrastructure allows you to do. And one of the other things that they had as a serious challenge, which TC^{X} really helped them address, is inventory - what kind of infrastructure lies in which kind of location, and who's using it, and they wanted it on an API, so that we are able to provide them that inventory information on an API that they can consume, and they also wanted to see all of this inventory organized by the type of sites, the utilization, and the capacity planning so that they can plan ahead of time because it's a large network spanning so many countries. They wanted to really plan ahead of time, and that's something that the Connected Infrastructure allows them to do, and plus scale out on their security infrastructure. So that's the example of how we've rolled out Connected Infrastructure to a customer, and how that keeps drawing the customer into doing more with Tata Communications and expanding the capability of the infrastructure.

So, this is the next case study, use case.

This is actually a multinational food chain. And one of the key objectives they have is they want to redesign the entire network architecture across all the existing and new stores. And the objective is to improve the in-store customer experience through high-speed internet and also secure Wi-Fi access.

Because what customers have today is that every store has a completely different design, and it is also provided by different providers. It is causing inconsistency in customer in-store experience. Plus, it is almost impossible to launch targeted campaigns at each of their stores. That is reason why they would like to completely revamp this architecture. So, what we went in and offered to them, is a combination of IZO™ SD-WAN with high-speed internet and also managed Wi-Fi access and LAN solution, also enabling secure persona traffic management capability for the customer. We have also gone in to standardize the solution design for each of the store and make it uniform across every store. And with that, using this standardized template, we can streamline the deployment that allows us to deploy each store in a much quicker way. So, whenever they open up a new store, we can deploy the solutions in that store much more quickly. And also, what we have provided them is our guest Wi-Fi management portal and also management platform. Where we provide secure and also easy authentications for guest Wi-Fi, and also at the same time segregating these in-store customer traffic at the stores from internal traffic. With this setup, the customer in-store experience has improved significantly. And this enhanced their brand business value for them. But we did not stop there, the platform we provided and created is future ready. We have all the guest Wi-Fi insights, as well as footfall analytics, which we can provide to the customer, where they can build customer engagement or loyalty program based on this information and launch these programs in the future. So, we are not just addressing the problem and requirements of today, but also enabling them for future new business models.

We're going to quickly take a look at the Connected Infrastructure market size. When we look at IZO™ Internet WAN, it has a market size of 94 billion from FY24, growing to about $98 billion in FY 27. Although this market is growing only at 1.4% CAGR, but as most enterprises are transforming the network from MPLS to hybrid to internet, this is a large market that we can play in. So, we should look at the market absolute value rather than just the percentage growth. IZO™ Multi-Cloud Connect is our software-defined interconnection platform that provides enterprises with the capability to self-serve, to go on demand, pay as you go, to establish multi-cloud connectivity as and when they need it. And also, the platform provides visibility and also analytics to allow them to simplify multi-cloud networking operations. This is a fast-growing market at 17% CAGR between FY24 to 27 growing 2.7 billion to 4.3 billion. The managed Wi-Fi and LAN market that we just talked about in the earlier use case, as we see enterprises embracing wireless-first architecture, we see enterprises revamping their stores, their branches, their offices, or their factories with this wireless-first kind of architecture. This market is growing at 8.3% CAGR from $11.9 billion in FY24 to $15.1 billion in FY27. And of course, the SD-WAN and network security portfolio is also growing at 17% CAGR from $9.1 billion in FY24 to $14.7 billion in FY27. While you are seeing all this as individual addressable market, where it all presents significant growth percentage for us. But the key for us is that this is also integrated portfolio that we can play in. As you can see in the use cases, we are delivering integrated solutions across the stacks. Hence while we have a right to win in each one of them independently, our collective ability to offer this integrated solution actually strengthen our right to win in this Connected Infrastructure space.

Okay, not only do our customers appreciate what we do for them, we present our capabilities to analysts and the community of analysts have been kind enough to appreciate a lot of the work that we have done around each one of these portfolios. If you take the network services portfolio, we've been in the leadership quadrant of Gartner, magic quadrant for network services for 10th year in a row. And it's a significant achievement considering the fact that year on year, Gartner looks for what have you done incrementally to sort of deliver value to your customers. In this report, when they rated us for the 10th time in the leadership quadrant, they looked at the new services that we created under IZO™ WAN. They looked at network and on-demand services that we are able to offer to our customers. They also looked at our ability to offer IZO™ Multi-Cloud Connect, which is the ability for customers to connect to different clouds from our infrastructure, and they appreciated that and thereby we continue to stay in that leadership quadrant. And the work that we do, the multi-year roadmap, we're confident will sort of help us stay there. In terms of the other areas of Connected Infrastructure, I want to talk about SD-WAN, where the analyst firms have called out that our capabilities are comprehensive. The TC^{X} portal that we have, where we have the ability to do policy management and orchestration of multiple SD-WAN platforms and still give a single view to the customer is something that's very well appreciated by the analysts. If you look at the managed security services part of the portfolio, one of the things that analysts deeply appreciate is because we run a large network, we have a lot of access to traffic in terms of metadata of the traffic that flows through the network. And five-six years ago, we stood up a platform that would analyse this data and look at it in real time and process it and derive insights from that data. And that, if you see that platform, churns out a lot of insights because as you can imagine, if you have to have a cyber security threat propagate, you need a network medium for it to propagate. And we sort of are able to see threats ahead of time on our network. And that we have summarized as a threat feed and offered to our customers. So when they look at our MSS capability, managed security services capability, and our cyber security capability, one of the things besides having the relationships with the OEMs, besides having the partnerships and the ability to integrate all of this well, and the TC^{X} portal, one of the things that they look for is what are you doing, how are you having the depth to sort of go and win that conversation with the customer and build credibility with the customer. So, the work that we do around our analytics and the network information and insights that we derive and the threat feed that we provide to our customers actually helps us in improving credibility with our customers and win on the cybersecurity conversations and that's what they've called out in some of these reports. So, with that, we come to a close of the Connected Infrastructure presentation and I would request Madhu to be on stage along with the team.

Thanks everyone. Thank you.

Madhusudhan MR, Executive Vice President, Collaboration & Connected Solutions

Arijit Bonnerjee, Vice President, India Sales

Avneesh Prakash, Vice President, Mobility and MOVE™

Before I start the presentation, I just want to take us back to what we briefly touched upon last time. We spoke about Tata Communications DIGO which was just launched, I think around this year. And also, we showed what the Tata

Communications, more of the concept stage, what that means to us. We also spoke about MOVE, which is my mobility IoT platform, which was in the making as the various use cases which we are building. I just took you through a story of what that MOVE means to each one of us in the context of an enterprise usage. I just want you to spend a day with me. Now, just to demonstrate, this is what we said in terms of Tata Communications DIGO. This is what we conceptualized, and these are the customers to whom we have been serving. This is what my MOVE platform itself means to us. Just about next one minute, we'll just spend through this video, what this means to us.

In a world fuelled by seamless connectivity, technology touches every aspect of our daily lives. Let's take a glimpse into a day where possibilities unfold with each interaction. From the moment we wake up, the power of connectivity is at our fingertips.

Even our vehicles are integrated, providing us with timely assistance. With just a few taps, we can find the nearest charging station and book a slot. Our journey continues with the assurance of a charged vehicle. Our devices are always in sync, seamlessly updating us with valuable insights and data. Even our entertainment needs are anticipated and effortlessly managed. Regardless of borders, we stay connected with our loved ones and trusted partners. Communication knows no boundaries, bridging distances with ease.

As twilight descends upon the world, technology enhances our surroundings.

Smart solutions illuminate our path, making our journey safer and more efficient. With each passing day, Tata Communications continues to empower a hyper-connected world. Tata Communications, powering hyper-connected ecosystems.

So, what does this mean? We heard Lakshmi talking about 14,000 crores moving into 28,000 crores. In that FY23, 14,000 crores what these digital platforms and solutions itself means to us, this constitutes 4,539 crores. That is the value of the digital platforms what we are talking. Within that over the next course of about 10- 15 minutes we will talk about what this collaborations are the customer interaction platforms what Tata Communications, DIGO and the mobility platform which is MOVE and the broader IoT itself in terms of whether it is cellular or non-cellular how does it mean to us that itself is growing too close to about 50% of the broader digital portfolio what we have been talking about. So, what does this mean? When you look at this customer interaction platform, which is Tata Communications DIGO, or the experience platform, which is InstaCC, or the Global Rapide, which is our cross-collaboration, stitching, orchestration layer, what we have launched within Tata Communications that serves, you name the industry, whether it is BFSI, whether it is healthcare, whether it is automotive, logistics or ITS or any of the tech industries what we could think of. That is where and what is the market, when you see this, it is just the interaction platform which is Tata Communications DIGO, itself is close to about 20 billion by FY24 and growing at 22% plus CGAR. So, the point here is that when this broader collaboration which includes interaction and the collaboration orchestration when you look at this, this is a market where there are tons of interactions happening, there is tons of cross channel communication that is happening. How are we able to intelligently stretch this? That's where is Tata Communications, DIGO comes into that picture. That's where we also looked at, there are quite a lot of challenges which we have been seeing in terms of the calling within the enterprises, where you will see Jamvee fits into the picture. When you move into that Internet of Things, which is where the communication into the things, not the human to human, human to the thing as such, which is where our non-cellular as well as the cellular part of the connectivity management itself came into the picture. The market size which is 20 billion which is at a non-cellular, 30 billion or 40 billion at a cellular part of it, which is where the growth when we looked at it, it is 17% or the 19% which is the market which we have been playing. It goes back to the context what that move itself is supposed to be moving in. So, what does this mean in terms of the use cases or in terms of the relevance or in terms of the right to win. If I just pick on interaction as the platform, when the use cases being irrespective of the industry what we see, what do they need? They need that omni-channel experience which basically means that across the channels of communication, there has to be an orchestrator which talks about the ease of communication that happens and then there has to be a contextuality built into it. There has to be a kind of analytics which basically talks about the various communication that has been happening. So there has to be a connect between the brand engagement and the individual consumer who have been doing it, be it in a marketing context or be it in an enterprise context, which is where Tata Communications comes into the picture through this Tata Communications DIGO. One, being globally present, that becomes the biggest right to win for us. Number two, having this cross-channel communication and the ability to connect into various the CRM platforms itself will become another huge strength for us. Then the strong enterprise presence which we have been able to drive in. When you combine these things, this becomes one of the compelling propositions a compelling proposition where that what we launched last year and then hence the progress what we have been able to see. If I just move this conversation into a collaboration experience as all of us know all the enterprises have got lots of collaboration platforms like some of your various cloud communication platforms like Microsoft or Cisco or whatever. When you look at this one thing what they would look at it is that how do you one look at to the enterprise infrastructure what they have, how does that become fit into their need, how does the employee experience of those enterprises who are consuming those collaboration platforms, how is it being, how do I assess the infrastructure, how do you deliver those infrastructure, how do you manage from starting from An end to the B end? How do you look at that? That is exactly where that my Global Rapide platform came into the picture. One, it can give a one single window for all of those various collaboration platforms, or it could also be a design agent for to assess and economically how do you utilize. That's where we looked at as you all would know. Recently we launched our Jamvee platform. What is Jamvee here? Jamvee is basically a cloud calling platform. And everybody will ask what is so different in this? What's new in this? If you see that when in any of the collaboration of enterprises platforms what we have seen. Two big problems we will see. One problem being the whole calling it happens within the close user group, number one. Number two, if they are supposed to be calling outside of their within ecosystem of collaboration, the cost of that calling would be different which basically means that either it is not economical or there is a lack of my able to communicate either through a PSTN or a mobile connectivity outside of the collaboration app, which is where Jamvee came into the picture, which addresses both, one, economics, number two, the traceability, number three, the security with which the whole voice calling would happen, number four, within that, with a click of a button, they will be in a position to make a call, whether it is within the organization or whether it is outside of the organization. That is where the relevancy factor came into in addition to what that we do as a Global Rapide platform. This leads me into how it takes me into the next bucket of connecting to the things. Broadly what are all the problems which we see? One, in any of the things for that matter identity becomes one of the key requirements, which is Identify. The second one, having a connectivity with that identification will become the next must have things. Then finally it comes your ability to interact. Basically if you have to remember this, IOT of Tata Communication, which is MOVE, which is private network or non-mobile network, when you combine these things, these three pillars will become one of the key things how the whole, the genre, with my customer interaction platform, which is Tata Communications, DIGO, if you have to put this, one identification, which is your EKYC authentication, and all of them will come into that one bucket of it. Connectivity, irrespective of the technology, irrespective of the service provider, irrespective of the geography, wherever it is, and with quality of service, what you would think of, that's where my MOVE platform comes into the picture, which is where there is an insights, there is an analytics, there is an intelligence, there is a relevance to the kind of connectivity, what you would do, and also it is a cost. Then finally, it comes into that my interaction, the mode of interaction could be any of the channels what you can think of, whether it is voice, whether it is messaging or whether it is any of the channels of communication. That's where if I had to broadly define how this whole move itself works, which is what we tried to show it in that video, which is where it looks at one, cross channel, number two it is cross geography, number three it is quality of service at the time, at the location what you are looking at it and also my ability to define and design many of the use cases which are coming out of these three broad pillars of it. Of course, all of them will come under the umbrella of the security of the whole communication that happens, which is where we would look at where have these, the whole construct what we, what I have been talking, where is it we have deployed this? That is where my unboxing comes into the picture. I would invite my colleague Arijit to come That is where my unboxing comes into the picture. I would invite my colleague Arijit to come on stage just to share his experience. Time at the location what you are looking at it and also my ability to define and design many of the use cases which are coming out of these three broad pillars of it. Of course, all of them will come under the umbrella of the security of the whole communication that happens, which is where we would look at where have these, the whole construct what we, what I have been talking, where is it we have deployed this. That is where my unboxing comes into the picture. I would invite my colleague Arijit to come on stage just to share his experience of how this customer has consumed these services itself actually. Thank you.

Thank you, Madhu, and very good evening, ladies and gentlemen.

What I want to share with you is a story which has a very high degree of relevance to our daily lives. And the story is about one of India's largest quick commerce aggregators with almost over 2 billion dollars of $2 billion of gross merchandise value. They are present in more than 500 cities. They have more than 3 lakhs delivery partners. And they deliver more than 2.5 million deliveries a day. And all of us in our daily lives would be dealing with some of these quick commerce aggregators. And we have our joyous moments and not so joyous moments with them, right? You order Your guests at home you order some food. After 45 minutes you get a call saying the most important item is not available. So, what do I do? Do I cancel the order? Do I refund your money? You don't want the money to be refunded. You want you want you want that particular item, right? What if that call could have come in the first five minutes of your ordering? You get up on a Sunday morning, you realize there is some important grocery missing, you order that and again the same thing happens. You make a wrong entry, the payment has happened, you want to cancel the order. But when you are calling the contact centre, you have a long wait time. And by the time the order is shipped, if you could really get in touch through any channel to the aggregator so that this issue would not have happened. So, we have our own issues and I'm sure all of us in our daily lives would have encountered it. Looking at it from the Quick Commerce aggregator's view, they also have their own set of challenges because what got them here, immensely successful, will not get them to the next 500 cities, will not help them get the next $2 billion of GMV, etc. And this is where, if you look at the ecosystem of a quick commerce aggregator, you have the key players, you have the customer, you and me, you have the merchants, you have the delivery executive, you have the contact centre executive, and of course, the organization itself. So, these are the ecosystem players. And like Lakshmi said, they were always connected. That's why they reached $2 billion. But the issue is, how do you go to the next level? Because this is becoming an increasingly competitive space. And they have their own challenges, right? When we started engaging with them and when they approached us. They had outsourced their contact centre to multiple organizations, more than 30, located across 50 different geographic locations. Right? The inbound calls, waiting time. So, if there was an issue, the issue which I said that you only come to know after 40 minutes that something is not available, when the delivery executive used to call the contact centre, they used to have waiting times more than 10 to 15 minutes, just to get through to the contact centre agent. Because of the outsourcing to multiple contact centre organizations, there was no single view, which led to huge operational inefficiencies. The organization could not get a single view of their entire landscape. They had more than 40 applications. So, for the contact centre agent, when you're calling, or when a delivery agent is calling, to really solve the problem, they had to go and access multiple applications, all adding to that experience of yours and mine, in terms of wait time, et cetera. And of course, all this, more wait times, more time to solve the problem, led to direct productivity issues of the contact centre agent and also the delivery executives. The delivery executives could have delivered 10 orders a day. They were able to deliver only 5. All this leading to loss of revenue for the organization and, of course, loss of customer satisfaction. So, when they approached us with this problem, what we realized was that they had a good, connected ecosystem, but what was missing was the hyper-connected ecosystem among all the stakeholders. What was missing is that real-time and always-on engagement. What was missing is a true omnichannel experience of seamless collaboration between these channels and the stakeholders. What was missing is the intelligence exchange between the various channels. So, our solution to them was really helping them transform their current landscape of this ecosystem, build a digital fabric for them through our platform-centric approach. And that is where we used our Tata Communications DIGO, which is our customer interaction platform, and Tata Communications InstaCC, which is our contact-cantered platform, to help them build that digital fabric to give them a unified, seamless, omnichannel experience across all these stakeholders. And of course, this was clubbed by our unified licensing VNO, where earlier they were making calls through the PRI lines. Today they were able to make it. And there were multiple PRI providers to them. And today, they are only using our unified license, which is making their calls and the communication much more efficient. Now once we were able to establish this, the proof of the pudding is in terms of the tangible benefits that this organization achieved. First, now that they didn't have multiple call centre and, you know, people calling from all over, they're a huge problem. Every contact centre used to bill them for log-in hours, so that my agents have logged in for solving your customer problems for x number of hours. And because of the lack of unified view through multiple contact centres, there was a huge log-in hour discrepancy. So, the bills they were getting is much higher. This unified platform of Tata Communication InstaCC helped them reduce that log in hour by 10%, which is clear saving of their TCO. Time to call back, if a delivery agent from the ground is calling the contact centre agent, you should, like I said, 10 to 12 minutes. That came down by eight minutes, clearly, which meant more improved productivity of the delivery executive. With this entire thing, they were able to optimize the number of agents by 15%. So, for example, if the work was getting done by 100 agents, but because of their long hold times, their need to access multiple applications, et cetera, they had a 15% improvement on the number of agents who were now delivering the same performance which they were doing before. Then the example I took that you have punched in a wrong order, you want to kind of get it resolved, you call the contact centre. As customers, we want it to be resolved in the first call. But what was happening there is that that problem was more than a 10% problem. 10% of their call volumes were not getting addressed in the first call. That now has come down to 0.7%. The average handling time of a customer call has reduced by 30 seconds. All this leading to two very important parameters. One, directly impacting the bottom line of the company positively, directly impacting increased revenue for them, and most importantly, a significant improvement of the customer satisfaction. So, in a nutshell, what we did was to really help, deliver, or take care of their business issues by helping them create a hyper-connected ecosystem through a platform approach of our digital fabric, and most importantly, making a very positive impact in the lives of yours and mine.

Thank you.

Into that next use case, which basically picking up from what we spoke about MOVE, connecting various global automobile, one of the big global automobile companies, that's where I would like to invite Avneesh. I am here. Thank you. Thank you, Madhu. Good afternoon, everybody. So, when Arijit tells you one story, I have to do one better. I'll tell you three stories, okay? The first one is down the memory lane. The second one, I would love for you to come along with me on a geographical terrain. And the third one, I'll tell you a customer story. So, I don't know how many of you were there in Mumbai about 25, 30 years back. Can I see by a show of hands, if you don't mind? Very few, right? I saw Mumbai getting built, the roads getting built. And I used to drive a pretty normal car. I still drive a very normal car by the way. And you know what happened? I used to go from Churchgate to Powai and the ride was something like this. Thankfully, I upgraded a car, and the ride became something like this. You know what this was? The suspension of the car was so good that I had a very smooth ride when everything below the car was going haywire. And that was luxury. That was physical luxury. Right? What we try to do at MOVE today is kind of a digital equivalent of these shock absorbers. We keep the cars connected across the world, irrespective of how the connection and how the networks behave underneath. And that's one of the core value propositions. You know, all of you, I'm sure, drive great cars. Why is this connectivity so important, right? Let's ask that question. When you and

I go and buy a new car, what are we looking for? Of course, you know, we look for physical comfort, which has continued through the evolution of mankind. We look for engineering excellence. We look for great sound box infotainment. We look for the ability of the OEM to continue to stream better features, you know, feature on demand is a great thing, right? And how does it all happen? It all happens because vehicles are getting more and more software defined. It's just to give you a sense of reference. A modern-day car has 100 million lines of code inside the car. Compare that with a Boeing Dreamliner, which has 14 million lines. Can you imagine the complexity? Now, people define the cars in multiple different ways. It's a vehicle on road, of course. It's a lounge on four wheels, the data centre on four wheels, it's a smartphone on four wheels, irrespective of how you define it, the factors, irrespective of how you define it, the factors, the cars of the future, the cars of today.

Modern luxury is going to be built on software-defined vehicles and anything which connects them and connectivity for this software-defined vehicle is paramount, right? Just imagine you bought your best possible car. Let's go on a trip, right? You go to Lonavala and on that little blind curve, when everything is going fine, right, the network goes, right? You don't have great music. The backside of your vehicle, where you might have your kids sitting, they suddenly lose their Amazon Prime. And you know, when are we going to get there? Dad, when are we going to get there? Starts to happen. The maps go haywire. What has suddenly happened? The connectivity goes, right? You're suddenly reduced to a physically comfortable vehicle, which I had 25 years back, right? That can't be a scalability model. That can't be an evolution, right? And that's the kind of promise that we bring to the market, right? Here's a story of a luxury auto company. Of course, they are one of the leaders, very iconic brand. The challenges for them were very similar to any other OEM. They produce in one country, they distribute the cars in multiple countries, right? All of us, when we land in a new country, we are used to our mobile phones as switching to the best available operator, right? We don't even think about it, how that happened. For a car to be shipped from one country to 150 markets and still be able to connect to the right network is a big deal or was a big deal for them, right? In those countries, there was unreliable network. So, you can imagine that somebody producing a car in Mumbai, this is not a Mumbai car maker by the way, can they have any chance of determining what the quality of service or quality of network would be if the car landed in Brazil? Probably not, right? So, the network, uncertainty of the network was an unknown. Unreliable networks were a reality. The cost of connectivity was huge. You can imagine the customer experience they were delivering to their own customers, right? And there was a very high touch operation. So, when the car landed in Brazil or when a car landed in US, just the amount of effort it took to get the car out of the dealership into the hands of the driver was immense. Not to mention the immense complexity of maintaining that car on the road. Those were the complex issues that they were facing. MOVE, with its intelligent and context-aware connectivity around the world, was the solution. But I want to call out a few things here. Connectivity by itself was one of the value propositions. The move platform today has a view of network connectivity of multiple different network operators around the world whose connectivity we aggregate, and we orchestrate. What does that mean? For the end customer, the connectivity stays the constant. We abstract the complexity. So, your car will stay connected, irrespective of whether it is this operator or that operator giving you the best quality of service. And we hide it, we abstract it, and you get the best service. Not only that, looking at all this data, we are able to derive some very, very meaningful data insights. And I'll give you one example of what that data insight is and how it is applied and how OEMs are using it. And that's just the quality of service. Imagine if I was to tell you what the connectivity on your mobile phone will be at 7.39 p.m. tonight, where you will be and what your connectivity will be. Do you imagine how many use cases you can spring out of that? I'll tell you about one-use case and the use cases are immense. So anyways, we delivered a global platform to the OEM, which connects the vehicles across the board. The time it takes for them to ship or to ship out the vehicle from the dealership in the hands of the drivers or the customers has reduced dramatically. The customer experience has dramatically increased. Madhu and Arijit spoke about the whole context of identity of the consumer. It's very important, right? In many, many geographies, identifying the buyer is extremely important, right? Doing the KYC is very important. Here's a platform which does KYC for all countries in the world, and that's a big deal, right?

I mentioned about the data insights.

We know how the networks perform across the world. Using this intelligence, we are able to predict which network will behave how for a given vehicle at a given point in time. Just imagine the power of that statement. It can be used to improve the driver experience because now I know when you are traveling from your office to your home, what connectivity you will be subjected to. Imagine what that can mean to a first responder vehicle. I can keep the vehicle connected at all points of time. For this customer, we could use that intelligence to predict the right time to push down data into the car. I mentioned that these cars are 100 million lines of code. When an equipment has so many lines of code, your phone gets updates every day, right? Or not every day, every so often. The laptops get updated. So do the cars. But in many cases, these updates just fail because there is no network availability. But now, if I know that your car will be connected for this period of time at such a time on Saturday, I just push the update at that time, right? So, it ensures a much higher update of software, of data packs inside the car. And that's a tremendous advantage. So overall, what we provide is, of course, an ability for the car to connect, a very secure mechanism to off-board the data from the car into secure networks of the customer, an ability to perform analysis of that data from multiple different dimensions, the quality of service being one of them, and using our ability to switch networks, putting all this together, we were able to reduce the total cost of ownership by about 20%. So that's one of the stories, how we are enriching, how we are enabling this OEM to simplify and amplify the user experience, the customer experience of the drivers and their own customers. And vehicles are not the only ones we are connecting. We are actually empowering, and we are actually connecting the infrastructure on which these vehicles run. So, this is just another example of, you know, how we are illuminating smart cities. You saw that in the video as well. Here's the case of a smart city, one of the largest cities in Saudi Arabia. They took an initiative to turn the city into a smart city, a very, very citizen-centric view of what the citizen needs, not what the technology can do, right? So, they took a very citizen-centric view of what the citizens needed, and they came up with a charter. One of the biggest things that they wanted to do was just smarten up the lighting infrastructure. It had an implication on the efficiencies, on the expenditure, on the citizen safety and environmental impact, right? So, we went ahead and implemented an end-to-end solution, which today powers over 80,000 streetlights. Well, this is just this example. I think we power over a quarter billion lights across even in India. So that's the kind of solution we implemented. And of course, the benefits in real tangible terms were tangible energy savings, a fundamental reduction in the cost of operations and maintenance. Of course, the lamp glow rate has improved to close to 95%, streets are illuminated, the safety of the citizens is actually enabled and of significant impact on the environment, 10,000 metric tons of carbon dioxide emissions, that is a reduction. So that is how, that is just another example of how we are enabling cities with the technologies and the solutions stack that we have. Thank you, ladies and gentlemen. That's the last story I wanted to take you through. Thanks.

Rajiv Sharma: Now we will open the floor for Q&A. Just give us couple of minutes and we will start the Q&A session. Just a quick reminder, given that we have the entire senior management here, please restrict your questions to strategic level. Yes, we can start the questioning now.

Deepti Chaturvedi: Okay. Thank you again for the presentation. My first question is for Lakshmi. You said you are looking to double your revenues by FY27. This is nearly doubling of your growth from where you are currently. So, is your growth guidance backended? Because if we look at the last 12 months, the company barely struggled to reach double digit growth. And from here to double your revenues, we are talking about doubling of the growth rate itself. So that is my first question.

Lakshmi: It is not a guidance, it's the ambition to double our revenues.

Deepti Chaturvedi: Because if we look at the last 12 months, the company barely struggled to reach double digit growth. And from here to double your revenues, we are talking about doubling of the growth rate itself. So that is my first question.

Lakshmi: So, what is your question? You are challenging that I cannot grow, what are you trying to say?

Deepti Chaturvedi: No Sir, my point is, if we look backwards at last four quarters.

Lakshmi: That's fine, so, I think the, I have laid out why I think I can grow. We have talked about how we are strengthening the platforms. We have talked about what is the upsides available in the markets and that is the reason why we are setting ourselves this goal to be able to say we want to double the revenues. So, you cannot look into the past and extrapolate the future. If I had done that three years ago, we would not be where we are today.

Deepti Chaturvedi: I understand and while it is not a comparable for another competing operator that I am talking about, but that operator grew nearly 60% higher than your growth rate. So, I mean, what is exactly changing in the near term for the growth to accelerate to double digits now?

Lakshmi: I think I have answered all the questions. You have seen the presentations in terms of what is getting strengthened. I am not quite sure how to answer this question.

Deepti Chaturvedi: Okay, I will ask Kabir then the other question. While you are looking at doubling of revenues, I am surprised that the margin range still remains at 23 to 25. Can you just elaborate why would that be the case? If the growth is going to accelerate and the revenues double, why would profitability intrinsically remain at these levels?

Kabir: Thanks Deepti for asking that question and let me try and unpeel because there are multiple moving parts within this. My DPS portfolio inherently is at a lower margin compared to my core connectivity portfolio. Core connectivity will continue to grow in low to mid-single digits, which means you can do your math as to if I need to double my data revenues, then what should the DPS portfolio need to grow at. And even if I were to look at a good improvement from what current EBITDA margin levels are, and we will improve that as well, the headwind that I will have just because of the lower margin portfolio growing faster, is going to actually erode my profitability from my current levels. It is going to push me down to 20 and 21 levels. But I also have laggards, and we need to pull up those laggards to get back, to that level of 23 to 25. In addition to this, the next three years, two to three years are super important for this company. We are making a huge transformational shift. We are already in the middle of it. That is the reason why I use the word that we have a huge responsibility. It will be irresponsible of us if we do not take the margin expansion benefit that we are getting by doubling our data revenues and reinvesting them back into the new areas that we see. Now, what is that reinvestment going to be? How much per year? Which portfolio? Honest answer- I do not know. But one thing I know, if I do not invest, I can give you a better margin projection for the next year or a year thereafter, but then five years from now, we will soon reach a stagnation because the product life cycles in the industry that we are, we want to be and the aspiration that we have of a ComTech player, we would not have invested in it and we would be not even be a credible player and it will be a survival issue for this company. So, it is extremely important that we continue to keep investing into it. So, each of those investments will have value creation. They will have their NPV-IRR, and they will have investments that are needed in the front, and it will give me returns at the back end. Am I saying that every such initiative will be a 100% successful? Again, I do not know. But should we be doing the right things in the organization? We had Avneesh speak about a few examples. All of these are super exciting. There is going to be connected everything. And when we are going to be connected to everything and if connectivity is going to play that role, it is incumbent on us as Tata Communications to really start partaking in those products, in those services and be relevant to our customers. And now the quality of the conversation that we are having with our customers is no longer that of procurement, it is that of co-creating solutions, t is about engaging with their customers, it is about retaining their business, it is about improving their stickiness with their customers. So, we are super excited to be present in that conversation. And therefore, we need a lot of investment. Investment in industry solutions, investment in customer relationships, investment in product engineering and platform capabilities. So, a humongous amount of investment that needs to happen. And I am not going to shy away from any of those investments. We will not be irresponsible that we will go back to the teens of EBITDA. And even in this situation where we are going to have, maybe departing from the EBITDA, we will endeavour to deliver at least double-digit EBITDA growth, so at least we are maintaining that level of hygiene and rigor in there. But Deepti it is a complicated maths of multiple moving parts, and we need to tread this really carefully and well.

Deepti Chaturvedi: Thank you for the detailed explanation. But can I ask you, you all give a breakup of revenues between India and overseas. But can you give some color as to how the profitability of India business versus your overseas compares because India centric enterprise operator has margins which are over ten percentage higher than your aggregate margins. So, is it that the overseas business currently drags your aggregate?

Kabir: Deepti, I don't want to get into, the comparator because these are all end of the day, as financial analysts here sitting in the room, there are a lot of allocations that are, rife in there. When you have a huge consumer business and how you allocate the cost on what keys, or what allocation drivers you use, to the enterprise business vis-a-vis the consumer, so, there is a lot of detail, that sits into it. I am not saying they are wrong; I am saying I just do not know. So, I cannot comment on that comparator. Our international business is now becoming profitable and more profitable, as we speak, because we were impacted by top line. We did not have the top line for that kind of cost structures that we had. The Project Align that Lakshmi kicked off when he came into the company gave us the margin benefits because we right-sized the organization, only customer-facing roles sat in those geographies, and anything else, we brought them to India or to any other location that makes sense. It does not have to sit in the high-cost location. So that right sizing we have done once. That does not mean that we will continue to only incur costs only in India. If we have growing relationships in overseas markets, we will continue to invest resources out there. So, it is going to be a situation of step changes in fixed cost absorptions that we will see. So, we will, yes, put in ten resources in the geography initially to start with, it is not going to give me revenue, but then they will scale up, it will give me revenue, then I will invest more. But short answer to your question, international geographies are now becoming profitable as we speak.

Sanjesh Jain: Good evening, all. Sanjesh from ICICI Securities. Couple of questions. First on the revenue side, when we are aspiring to grow from 14,000 to 28,000 crores in terms of revenue, how much do you expect it to come by organic growth where we have a product portfolio which we have built, we have solutions built and how much you think you will require an inorganic hand to pull that up in terms of product portfolio, which is the services where you think we still need to fill that product portfolio within our larger bucket, particularly in the digital side of it. Does this also include an acceleration in the revenue growth for our core connectivity, or this is predominantly being driven by our digital solutions?

Lakshmi: I will take the last question. The core connectivity, we have been maintaining that it will be in the low to mid-single digits. And that is what we expect that trajectory to keep. So, there is no acceleration there. So, a lot of acceleration will need to come from the digital portfolio. On the inorganic side, see, Kabir talked about it. We do have the ability now to go looking for and scouting for opportunities. But our growth is not going to be predicated, I am not going to bulk up my revenues purely by doing the inorganic growth. So, to answer the other way the question, I don't have a predetermined number of how this 14,000 is going to go to 28,000 and I'm going to fill so much gap through inorganic. then I am predetermining what I would do. Now, the way we would do is more strategic, to look at the opportunities. Does it fit into my portfolio? Does it enhance my capabilities? Does it bring me more customers, geography expansion? I think all of that that we talked about, if that fits in, then we will acquire. And if that acquisition then brings the top end, it will bring the top line. So, I am not going to say it is all excluded, but it is not a premeditated number that we have that out of this growth so much needs to come from an acquisition. I hope that answers. Now on the question on where we want to go, look at, in all the portfolios, if you have to accelerate either for markets. So, if you look at, again, taking the example, I can only take the media business example. The media business, what we acquired from Switch, it gives us the geography expansion of being able to play in a region to region play, which we did not have before. From a technology perspective, a lot of technology they used, and we used to be similar. It brought the additional product capability of production, which we did not have. So that is an example. That is exactly how we will look at all other portfolios. That it brings an ability to address a market where currently we are sub scaled and we can address the market, or it brings a product capability that will significantly strengthen what we already have.

Sanjesh Jain: Fair, but from the growth perspective, last two years from the investment perspective because of supply chain issues, because of various other issues, our investment has lagged our guidance in terms of CAPEX. Will this in the near term create a barrier for us in terms of driving the growth? Will this journey of acceleration be more say one or two years down the lane when we have completed the investment in terms of upgrading our fibres, upgrading our capability, putting more proof of concept, establishing ourselves as a more challenging operator in the international play? Or do you think this can kickstart very soon with the help of 1,000 employees we have deployed in the international market in terms of feet on the street? How do we see this journey?

Lakshmi: You are just rephrasing Dipti's question whether it is all back-ended or front-ended, or will it be even? I am not going to answer that question. So, we are setting out a long-term view of where we want to be. And we are setting out our ability to hit that based on what we see in the markets and how the customers are going to propel themselves into a new hyper-connected era. And in that, they have their own challenges. I gave the example for that reason, so when a large global OEM says, like, by 2030, I want to be 6% of the revenues, and if you go and ask them how precisely you're going to do it, I can give it to you in writing and guarantee that they will not know exactly what they're going to do. So, this is a goal. The reason I am saying is our customers are doing all this transformation. We are making our products and platforms more relevant. And by doing so and increasing how we are engaging with our customers; all of these engines will need to fire, and that is when we can. And we are now saying that we have the platform, we have the capability, we have now that confidence that from the past, we have built all these things up to aspire for much greater things than what we laid out three years ago.

Sanjesh Jain: Fair, No, fair, fair. But my simple point was that can is this low investment can be a near term challenge for us? Do you think so?

Lakshmi: No, I do not think so. I mean, obviously the low investments as we called out earlier because some of the approved Capex are going to get spent this year more cash will be spent. But other than that, the supply chain issues we have called out. I mean, we are going to treat all of those as business as usual. The first few quarters we said that yes, there are supply chain issues now it is business as usual. We must deal with those risks, and we are dealing with those risks. So, I cannot call that out as a risk for not growing.

Sanjesh Jain: With the digital services, where do you think we have, say, a significant edge globally where we can create a difference in terms of growing it to a, say, $500 million product within the digital services, which are the one, two products you think within the next three years can be of a revenue size of over $500 million for us?

Lakshmi: I do not want to do a disservice to the portfolios. My expectation is that all portfolios have that capability.

Sanjesh Jain: Fair. One on the cost side, we have called off a lot and I think I have debated, argued with Kabir on this is repair and maintenance. We are talking of increased capex; we are talking of upgrading the fibre. Will it proportionately help us bringing down the repairs and maintenance? It is as high as our capex. So how do you see that line item helping you in terms of either propelling the margins from here or at least protecting you? How is this line item going to help and when are we going to see a decline in this line item?

Kabir: Sanjesh we'll take the nitty-gritties, and details offline. What I want all of you to walk away from is the ruthless war on waste. We see a waste that will be eliminated. And you have seen that come through in the last, two, three years already in the P&L. And we will go one after the other, and there is no gospel, and they will all be eliminated. On R&M, what I have given the authority to the teams is to look at both OPEX and CAPEX put together. Do not be constrained and sometimes we do this disservice as accountants when we box people and give targets and KPIs and do not drive the economic value and the economic outcome. So as far as I am concerned, you want to trade off, OPEX versus CAPEX, go ahead do that as long as I can, do the right thing, out here. So, I am not worried about individual line items, but all of these things need to add up. And in answering the earlier question from Deepti as well in the margin construct, we have built in efficiencies saying that look I need to get "X" number of efficiencies. Now where is that going to come from? I do not know but that is the target. And let me not underestimate the creativity of my employees. When given a target they will find the right ways to delivering that particular target. It can come from R&M of course. Yes, we will do zero-based budgeting and push them harder as well, but elsewhere and more to come as well. So, I would say at the top management level and even I will take the liberty of answering the question like Lakshmi said, we have looked at the market opportunities that each of our product portfolio today offers. And we believe, we truly believe that we can capture those opportunities and get to that 28,000 crore and doubling our data business. Otherwise, we would not have stuck our neck out and do that. Have we got every T's crossed, every I dotted? No. But do we know roughly how to get there? Yes. Do we know roughly that organically we will get there, maybe, in some areas we may need an inorganic push. Yes, what is the name of the target, which geography? I do not know. But that's not how strategies are done. If I knew everything, on a piece of paper, then there is somebody else who can actually come and run this business for us. But that is the exciting part. Today I go with a lot of mixed feelings and optimism that we have, this lovely vision in front of us in the next four years. A lot of cautious apprehension that how will I get there, but that is what will make me get up from bed tomorrow morning and I can talk for my colleagues as well, that is the positivity with which we go. So, I cannot exactly tell you, oh I did not grow at that rate in the last three quarters so how will I grow? This is not the answer for me not to dream as to where we need to get. Same story for ROCE, three years ago we were at single digit of ROCE and if you had to dream on this day, which is exactly what, Lakshmi and GMC spoke to me when I joined the organization, that we were dreaming for this day. But in order to be here, we needed to be at a greater than 25% ROCE. And I have told you this, I have met and told others also, we did not know how to get to 25 when we called out and said the target was twenty-five. But we got there, and we are taking the same approach towards revenue as well. We will get there.

Sanjesh Jain: Just one last question. On the international market, last three years has been very challenging for us versus the domestic market. What makes us confident or what has changed for TATA Comm or what were the barriers we have crossed now to believe that the international market will deliver for us?

Sumeet: So, you are specifically talking about markets outside India, International markets. So, like I commented earlier, three things are what we have been doing in the last three years. One, we have invested in front-end teams. That investment, like I presented, is also paying off because that is starting to show much more increased customer interaction and therefore funnel that we are starting to see. Two, I think the successes that we have had of the past are starting to become good proof points for the future. And that is giving us a much stronger seat on table for many new opportunities where otherwise we would have had less to show to our customers and therefore struggle to get and earn the customer's credibility. Those successes of the past are helping us get to the momentum of the future and that is giving us confidence that is also reflected in the color of our portfolio as well. And finally, I think, to your point on, the last two years, there has been also enterprises where, they have gone back and looked at how digital technologies are going to transform their own businesses. And like I said, I think the year ahead, because of some of these macros and some of these priorities, I think that will work in our favour. So, the macros working in our Favor, the investments that we have already done, the work that has happened in the past, earning us a seat on the table is reflected in the funnel. All of this is giving us the promise of what lies ahead of us, and those momentum indicators will demonstrate to revenue outcomes for us.

Sanjesh Jain: Any data point in terms of how the funnel has grown for international business for us?

Sumeet: So, what I presented was our international business.

Sanjesh Jain: No, from the funnel perspective, say, what is the order book growth for FY23 which gives us a confidence for a growth for FY24.

Rajiv Sharma: Sorry, Sanjesh will not be able to share these data points. But I think what you can look at is that when we presented Connected Solutions and Connected Infrastructure, the incremental revenue opportunity is more than 20-25 billion USD over the next few years. Forget what we can churn from this market as challengers. So, there is enough opportunity in terms of incremental revenue, but we do not share these data points and will not be able to disclose them.

Nimit: Hi, Lakshmi. This is Nimit. Thank you so much for sharing your aspiration. I think, especially for a complicated company in a sector, it is very helpful to see what management is aiming for over the next three to four years. And especially given the fact that you have achieved your previous aspiration, it adds a lot more credibility. So really appreciate that for what you are aiming for. My question, I have two questions, and I want to draw a little bit on your experience when you were with an SI company. Let us assume that we are in FYI27, you met your aspiration, we are sitting in a similar room. The two questions I have for you are, do you think that the importance of this Comtech vision that you see or a sub-sector that you see, do you think the relevance of that keeps going up for the end enterprises? So, what is embedded in that question is, is your aspiration right now primarily share gain because we are punching below our weight, or you also see the sector or the Comtech role grow into importance and further keep accelerating as the world moves towards digital. That is question number one. And question number two, in the emergence of the Comtech space, do you think we have a good short five, ten, fifteen years down the line to have the same leadership our sister concern TCS has in the SI world? That our sister concern TCS has within the SI world. Could Comtech be the next SI, Could Tata Comm be the next TCS?

Lakshmi: I think the game for us especially in the international market, largely is going to be taking a greater market share, which is taking the market share away from incumbents. And I have been saying that is the opportunity that we have. So that is what we are going to be focused on, so the market share. On the ComTech side, on the comparators, we really have a very unique opportunity because if you look at this space, you will see other players who also do Multicloud. I will take names, people like Mega ports who just multi-cloud do, there are players who do just SD-WAN solution, there are players who will just do certain things. We have a portfolio which will truly enable the enterprises to experience the digital fabric. I do not think there are any other players currently who will be able to do all of the things that we are talking about. Now, you might say that, are we biting off more than we can chew? And the reason why we are doing that is the individual portfolio themselves can grow as we build out the platform. And all I am doing is if I can construct parts of digital fabric, the customer will see a lot greater value in doing so. By combining certain capabilities of what we have in MOVE and the capabilities what we have in DIGO. We can create use cases for an EV charging station ecosystem with OEMs and so on, which is very unique for us. Similarly, we can create in other parts of the fabric a solution and a capability that customers will see uniquely in us. So that is a very unique opportunity that we are seeing. And that is why we are saying that vision of becoming the digital fabric for enterprises in the next three to four years, if you can achieve that, we think that we will be truly a unique player in the world. Now, I do not want to draw comparators with SI because I clearly put out, right? SIs are on one extreme; they have very different characteristics of running the business. Telcos have very other characteristics of running the business. And we are in the middle where we are going to position ourselves as ComTech player. And there are already some players, but they have only unique point solutions. They do not have the complete digital fabric capability.

Nimit: No, so again, just the comparison only was because you have been through that journey. And again, for the SIs, when you look with 2020 hindsight, Y2K was like the chasm that really led to the creation of that. Did COVID, the whole move out there, network infrastructure upgradation has always been this promise, but no one has really paid attention to it because you do what you do. When you talk to your customers, when you see it, do you feel that there is a big pent-up demand which will translate over many years? Market share gain is one aspect but with the market itself, which has been for a very long period of time, there's been not growing very rapidly, not had enough mindshare in the C-suite. Is that – does the mindshare in the C-suite increase as the end market over time? Maybe not just the core connectivity but adjacencies, extensions, does it overall start picking up in relevance and could we then not only gain market share but also emerge as a leader in that space?

Lakshmi: I think so, that is why we have desegregated this time. And if you remember three years ago and we put out the statistics on how much is the network spend. And in the network spend, the overall network spend was increasing by only a small percentage point, two, three percentage points. But at that time, we said that we see that this entire spend area is going to churn. It is going to churn because people are moving to internet, people are moving to cloud. And that is going to create opportunities. And today's presentation, you saw how we have broken that down. So, the network itself, moving to internet, how much of that is going to be the market? How much is the new market that is getting created because of multi cloud connect capabilities. If you aggregate all of that and see overall network spend, it will still be, again, in the 2% mark. We are addressing specific opportunities of what is happening within that world and trying to address those opportunities. To some extent, therefore, we are participating in a world where it is churning, and that part is going to grow, and we want to participate in that growth. That is what the multi cloud connect opportunity is, for example.

Nimit: One final stab of the same thing, just to get clarity. Say three years from now, today you spoke about $1 million and $5 million accounts. Is our sub-industry capable of having, three years from now, $20, and $50 million accounts? Or is that just inherently harder to have in the space in which we operate?

Lakshmi: It is possible to have.

Deepti Chaturvedi: So, Lakshmi, I have another question for you, and this is on the India market. Here enterprises are spending, it is an expanding market. Do you foresee any regulatory risk, or I will be specific, private enterprise networks. Do you believe if government allows that primarily to 5G operators, it could be something that, is that a risk that you foresee that companies like yourself not being able to do as much in industrial internet versus 5G operators going forward.

Lakshmi: I think specifically on India market Dipti, you called out in our growth, and I think overall in India market, we have been growing very comparably. I would like you to look at the data, peel it down, and see that and we can talk to you about it. And that is why we called out that in the chosen areas we operate, we are still the number one B2B player. And we will defend that, and we are going forward. Now this private network is an opportunity. We see that as a global opportunity, not just in India. And we are looking at that as an Industrial Connectivity as a Service opportunity, where multiple technologies will be at play. Whether it is the LoRAWAN, or with Wi-Fi 6 or with even LTE and 5G. Today, the reality is, both in India, we have set up the, first is, do we have the capability to address that? Yes, the answer is, yes, we have all the capability to address that. We built the stacks; we have shown in our centre of excellence. Customers are coming and not just seeing that but using the labs to showcase and prove the use cases. Even in international markets, the challenge that our customers are going through, which has been a challenge in the IoT world, is how do I build a business case for this? What is going to be my return on investment? IoT was the sexiest thing, and it still is, but it has not really delivered the promise. If you look at Gartner projections on what IoT would be, fifty billion devices connected and how big the market is, and what they said that many years ago and what it is now, it is not delivered on the promise. Just because there is a new technology, it will give it a fillip, but whether it will give all the benefits is yet to be seen. I am not saying that it will not be. That is, therefore, we are building that capability. Even in the international markets where we are engaged, customers are taking very careful steps in investing this to see what return on investments are going to come. And we believe in India, the same thing will happen. It will take time for the market to mature. And to your question on regulatory, yes, we are talking, and it is all over the news. We are imploring the government to say that they must open it up. Keeping that in the hands of a few individuals or a few companies will not help the enterprises to realize the benefit because the market has to open up, there has to be a discovery, people have to see the benefits, then people can get the benefits. So, it will be a stepwise process. We are hopeful and confident that we will be allowed to play what we are asking to play for the benefit, not just for us, but for the benefit of the enterprises and the industry as a whole. And we will see what results are to come.

Aliasgar Shakir: Hi, Ali from Motilal. So, a couple of interesting presentations on the Collaboration and Cloud in the digital platform piece. Just if you could give some more color over there in terms of what are the capabilities, if at all we need to add any, or is the portfolio good enough for us to drive the growth that we are building. We also spoke about the market opportunity and the kind of growth that industry, that market can see in the next three to five years. So, do we have the capabilities built there? Do you think we will have to strengthen that portfolio? Just more color in those portfolios if you can?

Lakshmi: I think, in a sense, Kabir answered that question. See, to say that I have all the capability and I do not need any more investment, you are not in a digital play at all. Tell me, which digital company has said that I will stop investing in R&D and product development and based on what I released three years ago, I will grow? Is there any single company that you can think of?

Aliasgar Shakir: So, I am just looking at the areas where if you have.

Lakshmi: All areas. Why do I have to call out, as I said, even in our network, I think Genius has called out. Even in our core network, we are having to make investments, not just in the physical fibre, but in terms of how do I make that network more intelligent? How do I make it more on demand? And on top of that, we are creating services. So, we cannot be in a digital product and digital platform play and assume that my investments are done, and I am now start going to reaping benefits for the future? That will not happen.

Aliasgar Shakir: And on the CAPEX side, you mentioned that we will be looking for M&A. So, for this growth that we are targeting, is a $300 million guidance intact or you think this is just for the next year and maybe we should think that this will grow with the revenue?

Kabir: No, this is only for the next year. So, it will grow in line with the revenue. We are around 10 to 12% of our CAPEX to Revenue ratio. We will get some scale benefits, somewhere, but then there will be certain investments that will be needed. So, it is a waterfall chart, Ali. So, if you unpeel that, you will see efficiencies come in some areas and then investments needed, in the other areas. So, the three hundred million is the near-term guidance. Obviously, if I double my data business, I will obviously have higher Capex by FY27. By no means is three hundred million for FY27.

Aliasgar Shakir: And just if you can call out for Switch, you mentioned that next year that will have probably some bearing on your margin. So, should that be just, for FY24 or how should we look at Switch?

Kabir: Yeah, largely FY24, a little bit which will probably trickle into next year, but because the first-year integration, costs and, all of that which happened. The first year is what is going to be margin dilutive and it will take us below the

23 guidance that I, that the long-term ambitions that we have for the business. So, this year we will marginally dip below that. But I am hoping, next year we should be able to recover most of what we lose.

Question: Thank you. Yes. Can you share some more color on this Connected Infar market size, each of the products, where do we stand, and what aspiring our market share likely to be, or number position which we aim in next three, four years?

Lakshmi: We have that information, but we have not called out in the presentation. And clearly, that is not something that we want to disclose at this point in time. So, you are asking each of the towers that we presented, in multi cloud connect, the market data was available, right, in terms of that, so, you are asking within that, what will be our position in four years' time?

Question: What are we likely to do to become top three or something like that, some more colour on each of the products?

Lakshmi: No, I would rather, see being the top three would take us to a number, not to 28,000 crores, it will take us to a much bigger number. So, we must be in the international market where we have a lot of these numbers growth which you saw in the multi cloud connect and all will largely come from international markets and then from India. So, we are getting to become a more meaningful player and as Sumit called out now, we are not in all the conversations, we are still peripheral. And hopefully by that time, we will be a very meaningful challenger. And even that, see, I do not have to be the top three to do this number. I think we can take a very meaningful share of those and still aspire to what we have to get to.

Question: But what we need to do to be there? Or is it like five years or seven years or 10 years or something, which you must have thought over, right?

Lakshmi: How technology will evolve three years later, I would listen to anybody who can say how it is going to evolve. How can we call out? See, we have to take some medium-term goals. Our aspiration, for example, the multi cloud connect. The industry is going to evolve. That is a new category where people are. And the way people used to do now, they can still continue to do. But there is a new way of doing multi cloud connect, which will give customers the flexibility, the reliability, and the agility that they seek, which is where this category is coming into play. And we are beginning to play in this category. Now, we cannot say that there are going to be other players who are currently providing a SASE solution, who are doing that, they will not come into that place. They will come into it. This place is going to evolve. But it is very exciting for us because that's a new category that is emerging. We are investing in that. We already have some products ready, which we are going to be launching in a quarter or so. And we want to participate in that journey. And our hope is that we will do meaningful things and participate in that very meaningfully to capture that market to a meaningful extent. Now, whether we become, if I can become, no, I do not have to do anything else. Just doing that, if you saw the data, and if I become the top three, then I do not have to do anything else. So, it depends on how each of these are going to evolve, how competition landscape is going to evolve over a period of time. And therefore, we are saying that there is a big opportunity, we are investing, we know today's competition, and based on that, we have a strategy on how to play against the competition. We have a right to play, we have a right to win, and that is what we are going to take to the market.

Deepti Chaturvedi: Kabir, I have one more question for you. You outlined your ROCE target and your cash flow generation, but you have an embedded asset of about 750 acres of land sitting on the balance sheet. It is one third at least of your market cap. Do you have any long-term plan for that asset which is probably value unlocking for shareholders?

Kabir: Yes, Dipti. I will probably repeat what I have said before. We have a very well-articulated and a clear real estate strategy. We have categorized our assets, into various buckets and I would ideally like to, ideally, because it is not in my hands, I would like to time the monetization of those assets versus the business needs that are there. I also will be irresponsible if I do not, I cannot forget the huge contingent liability that is sitting in my balance sheet as well. I mean, it is contingent, that is why it is contingent liability. But if some of it were to fructify, I also need to have some counter, in my balance sheet as well. But I am not going to kind of reserve that for that eventuality to materialize and I do not even know the timing of when we will have clarity on that either. So, this is going to be a little bit of a tightrope walking for us. Even to monetize all the assets that I have, we're just running around, we are now on fifth gear in the last two years, I can promise you that, that we're going on clearing titles and making them ready for monetization. Small properties, you see every quarter trickling in, we have started monetizing that. The big ones have a lot of tangles there and they need to be, entangled and they need to be worked upon. The team is working on overdrive, to get them ready, to then take a call, how will we monetize? Is it selling or is it revenue generating or something else? I do not know, there are multiple things, in the air. But as soon as we have more clarity on it, I will get back to you. But for now, I have very clear action plan and my real estate team is on overdrive.

Manish: Hello, this is Manish from Nirmal Bang Securities. My question is on the narratives coming from digital market, this artificial intelligence related boom. So how the Tata Communication will be participating in this opportunity. Your comments please. Thank you.

Lakshmi: We had called out even three years ago that AI is going to be important. That is only accelerating as we saw from all the noise, we are hearing from ChatGPT. I was just reading an article in FT today that somebody said that ChatGPT, to gain the full productivity benefits of all these promises, and that article says that it is going to take another five to ten years. The way we want to look at this is, firstly, how do we use AI for our internal efficiencies? And we have a set of programs on how we look at it. The second is, how are we going to use that on our platforms? What data do we have, and how do we use that data and use AI to add more intelligence to the digital fabric, which is what I called as the DILISA layer, in terms of how I make use of the device intelligence, the location intelligence, and bring all the things together to be able to deliver. In the case of Move, Avneesh presented on how do I present the best window for a SOTA push, right? So that involves a lot of data, and using certain machine learning capabilities is what we are doing. So, we are going to be looking at each of the products. What role can AI play? What data do I have? How do I enrich the data? And how can I use the AI? So that is the journey that we are on. We cannot precisely say how that will play out and how much of benefit that we can reap from that. That is yet to be played out. I think the answer is sufficiently vague, it is deliberate, because I do not know the precise road map on how it is going to evolve.

Manish: The second question, recently there is a report from the Bain capital which talks about the internet economy in India will be five times by 2030 and when I look at your projection on data revenue doubling by 2027, so do you see the incremental revenue of data majorly coming from India operations in this time frame?

Lakshmi: I would not say it is majorly coming from India. India, we want to be, continue to be the major player in the B2B market space. And Sumeet called out certain segments where customers are going direct to consumer which is largely playing to the internet economy as to how they go direct to their consumers as opposed to the previous channels. So, we are developing our offerings to address those kinds of markets. So, the markets that the food delivery company that Arijit talked about is in the new age economy and we are trying to be much more meaningful to them. And we were not meaningful to them three years ago because we were selling them a network product and these companies do not have too many branches and so on. Now we are trying to become more relevant to those companies and as we become more relevant, we will participate in that, and we will grow there. To answer your question on precisely the doubling, will it happen double here and double there, we have the charts, but we are not going to split that. Overall, from the market perspective, we think there is a lot more headroom in both the spaces.

We will continue to be number one and we will play there. And in the international market, we are not a very meaningful player and there is a much higher gain that we can achieve in those markets in selected spaces and that is what we are going to be targeting.

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