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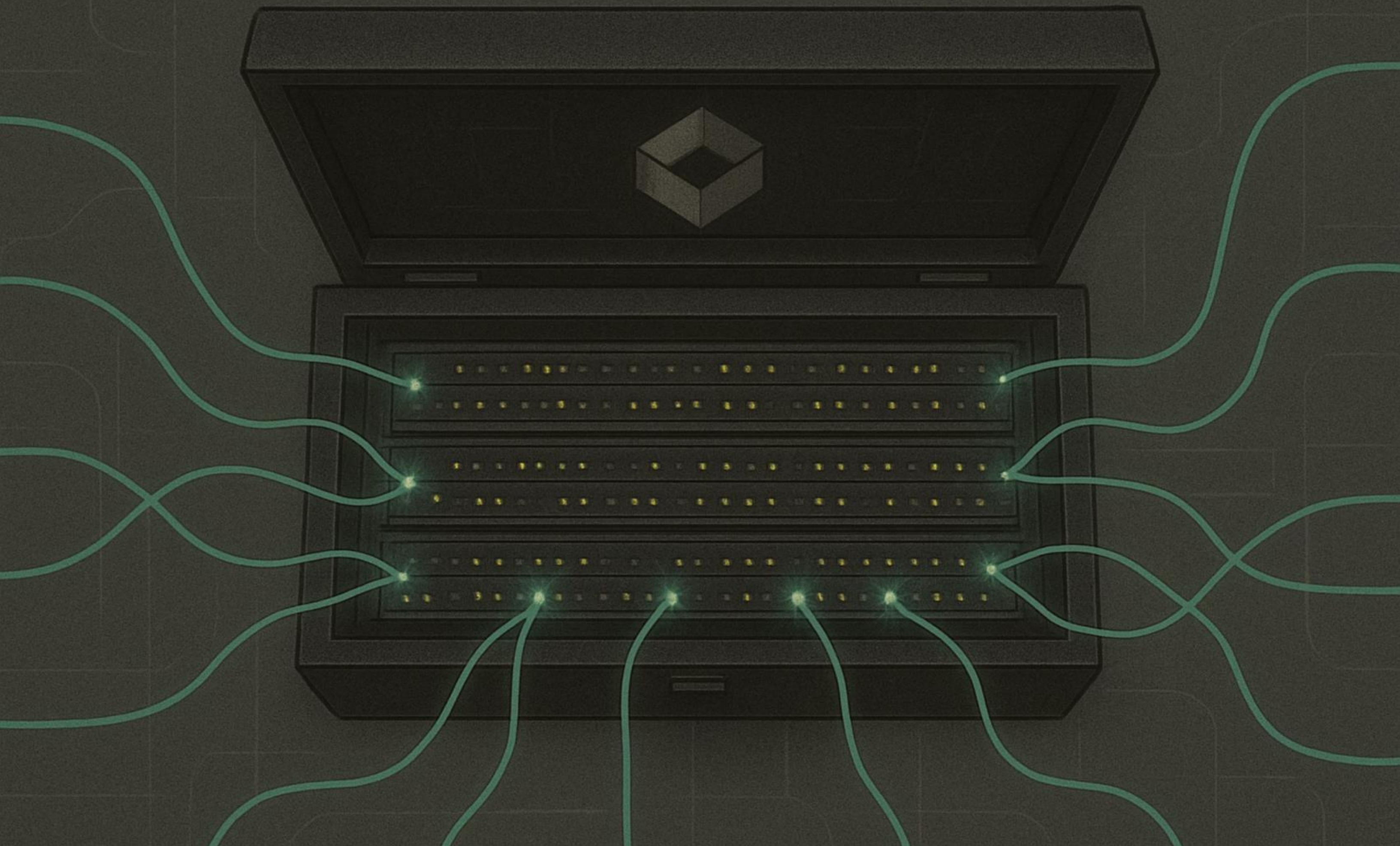
INDIA | IT SERVICES | COVERAGE INITIATION

JM FINANCIAL

Black Box

Unboxing growth



A global digital infrastructure integrator with marquee F500 clients; play on rising Data Centre demand

Turnaround journey transitioning from stabilisation to growth; Improved deal inflow/order book lends confidence

Guidance implies growth inflection from 2QFY26; initiate with BUY and TP of INR 670

Black Box

Unboxing growth

Black Box is a digital infrastructure service provider, enabling global corporates to build-out and manage enterprise networks (Private LTE, Cloud Networks, LAN/WAN) and connectivity (Fibre, IoT). It counts Fortune 500 companies such as Bank of America, Meta, Intel, Disney, etc. as its clients.

We identified Black Box as a potential play on India's data centre (DC) growth story (see Data Centre 101: India's Cloud Moment). In fact, Black Box's core competence in networking and connectivity has lent itself well to capture rising DC demand globally. USD 340mn+ DC deals from a global social media giant over the past 12 quarters underscores the potential.

Importantly, Black Box's financial fortunes - after being acquired by AGC Networks, an Essar Group company - have turned. In the first phase of its turnaround, the combined entity (now called Black Box Ltd) expanded EBITDA margin by 420bps over FY22-25, delivering 40% EPS CAGR over the same period. The company is now embarking on its next phase – growth. Revamp of its sales structure - verticalised Go-to-market (GTM) - is now complete. Focus is on scaling the top 300 accounts even as it prunes tail accounts. The results are already visible. Order book has improved to USD 504mn (+7% YoY). Pipeline has swelled to USD 2.5bn, per our estimate. It has set itself a target of USD 2bn revenue (FY25: USD 705mn) by FY29E, including USD 600mn of inorganic contribution, implying 18% organic CAGR.

Black Box's FY26 guidance and near-term outlook indicates growth will likely inflect in 2QFY26, before accelerating in 2HFY26. We conservatively model 14.2% USD revenue CAGR and 31.2% EPS CAGR over FY25-28E. We initiate coverage with a BUY rating at TP of INR 670, valuing it at 30x forward EPS (1x PEG). Sustained macro-economic uncertainty is a key risk to our estimates and rating.

About Black Box: Black Box Ltd, in its current form, came into being after AGC Networks acquired the financially distressed Black Box Corp. in 2021. AGC Networks itself had evolved through partnerships and acquisitions, including JV with AT&T and Avaya to become a significant player in the unified communication and IT Solutions space. The Black Box acquisition added DC, digital infrastructure and cybersecurity capabilities, making the combined entity a global digital infrastructure integrator. Major constituents of its revenue are US (71%; FY25), Technology vertical (28%) and System Integration services (85%).

Turnaround – Stabilisation to growth: The current management, helmed by Sanjeev Verma, has been executing a multi-year turnaround. The first phase was focussed on improving cost structure through rightshoring, bringing customer operations/shared services resources together in Bengaluru CoE, repricing contracts, exiting low-value, non-accretive clients, to name a few. Result has been 420bps margin expansion over FY20-25. The ground work for the next phase – growth – is complete as well. It has verticalised its GTM approach, adding leadership muscle. Focus is to penetrate the top 300 accounts with a multi-geography approach to expand wallet share. c.USD 220mn of order inflow in 4QFY25 reflects eary signs of success. 13-17% revenue guide for FY26 underscores management's confidence on growth strategy.

Building data centre's digital backbone: Black Box executes complex networking and connectivity set-up for large enterprises, airports and data centres. It has carved out data centres as a separate service line to capture the growing DC demand. Black Box has won USD 400mn+ orders in DC since 1QFY23, including USD 340mn from a US social media giant alone. Significant capex committed by this and other hyperscalers in the US opens up a large opportunity for Black Box. It is also trying to participate in these hyperscalers' DC capacity expansion in India, making it a play on India's DC story as well. Black Box intends to increase its DC revenue from 15-20% currently to 25% by FY29.

Initiate with BUY;TP of INR 670: We build 14% USD revenue CAGR over FY25-28E, below the ask rate (18%) to reach company's FY29 target of USD 1.4bn organic revenues. We model 110bps margin expansion, driving 31% EPS CAGR over the same period. We value the stock at 30x, reasonable given the EPS growth. Initiate with BUY.

Recommendation and Price Target	
Current Reco.	BUY
Current Price Target (12M)	670
Upside/(Downside)	32.9%

Key Data – BBOX IN	
Current Market Price *	INR504
Market cap (bn) *	INR84.5/US$1.0
Free Float	24%
Shares in issue (mn)	169.1
Diluted share (mn)	170.8
3-mon avg daily val (mn)	INR189.8/US$2.2
52-week range	716/313
Sensex/Nifty	84,059/25,638
INR/US$	85.5

Price Performance			
%	1M	6M	12M
Absolute	4.6	-22.5	55.8
Relative*	1.4	-27.9	46.5

*To the BSE Sensex

Financial Summary					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	62,816	59,669	67,017	77,399	90,030
Sales Growth (%)	-0.1	-5.0	12.3	15.5	16.3
EBITDA	4,262	5,374	6,084	7,359	9,061
EBITDA Margin (%)	6.8	9.0	9.1	9.5	10.1
Adjusted Net Profit	1,377	2,048	2,746	3,549	4,675
Diluted EPS (INR)	8.2	12.1	16.1	20.8	27.4
Diluted EPS Growth (%)	478.9	48.0	32.7	29.3	31.7
ROIC (%)	52.3	45.6	35.1	35.7	39.5
ROE (%)	35.4	33.0	30.6	29.3	28.8
P/E (x)	61.0	41.2	31.0	24.0	18.2
P/B (x)	17.5	11.1	8.2	6.1	4.6
EV/EBITDA (x)	20.2	16.5	14.6	11.8	9.3
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 27/Jun/2025

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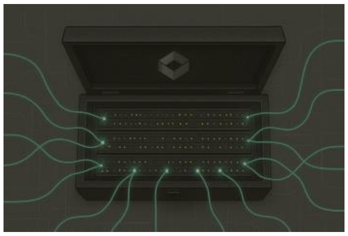
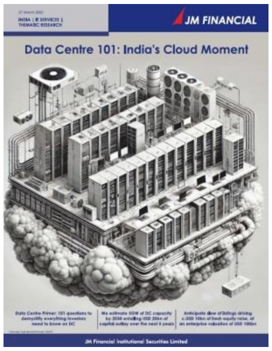


Black Box is different from IT Services firms. It operates at the digital infrastructure, that is, building out and maintaining the network/connectivity layer of large organizations – enterprises, airports, Data Centres. Its services, in true sense, fall under "keep the lights (or LAN) on" category. These make its services essential, and hence, relatively immune to macro instability. It has brought its house (read cost structure) in order and is now ready to accelerate growth. A renewed sales strategy, focused approach to mine large global clients and burgeoning Data Centre opportunity underpin its growth outlook. We initiate with BUY. For details, read on.

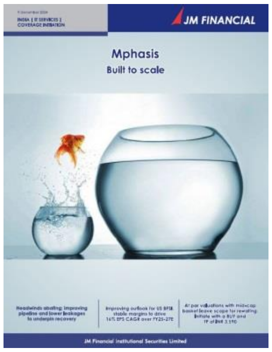
RECENT REPORTS



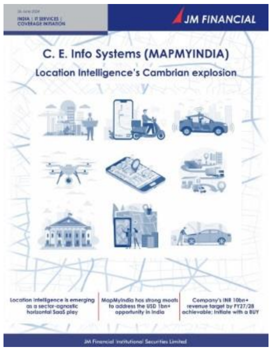
Data Centre 101

Healthcare BPO

Hexaware



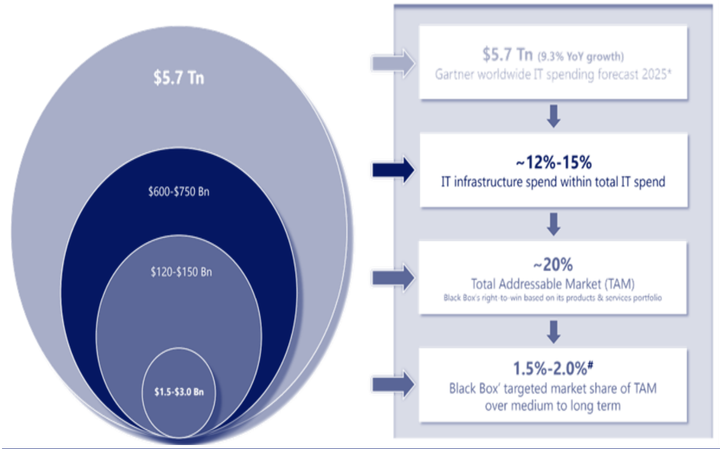
Mphasis



C.E. Info Systems (MapmyIndia)

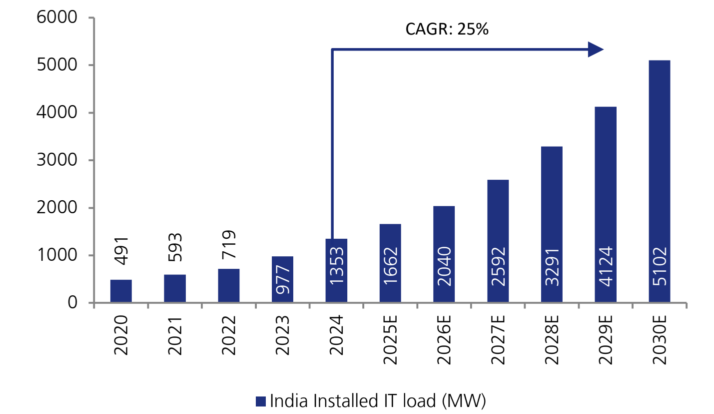
Focus Charts

Exhibit 1. Black Box is targeting USD 1.5bn-3bn share of its defined TAM of USD 120bn-150bn
IT spending industry size 2025



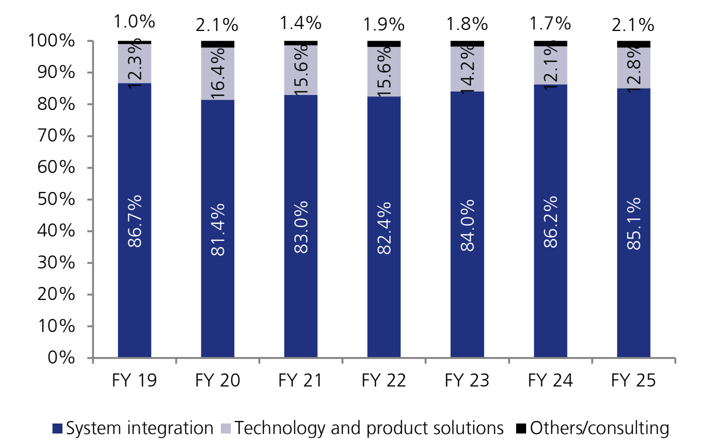
Source: Company, JM Financial

Exhibit 2. Black Box is a direct play on the growing Data Centre demand; We estimate a 25% CAGR for India's installed DC capacity
Installed IT load (MW) – India



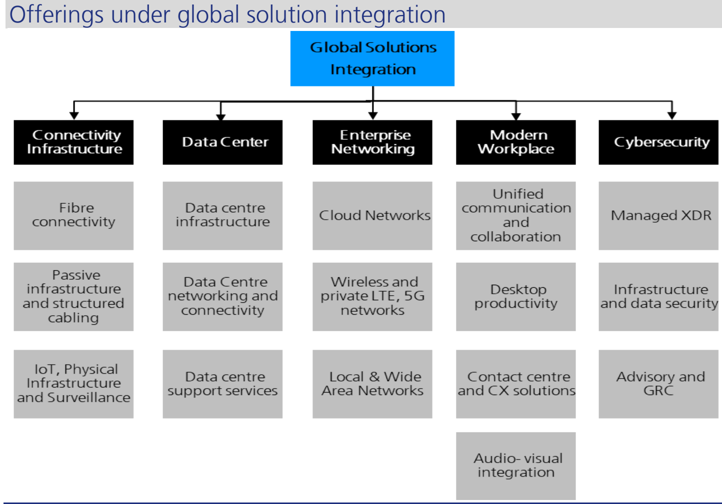
Source: Cushman & Wakefield, India Mobile broadband index, Ericsson, JM Financial estimates

Exhibit 3. System integration is the core revenue stream for BBOX
Revenue distribution(USD) among segments -%



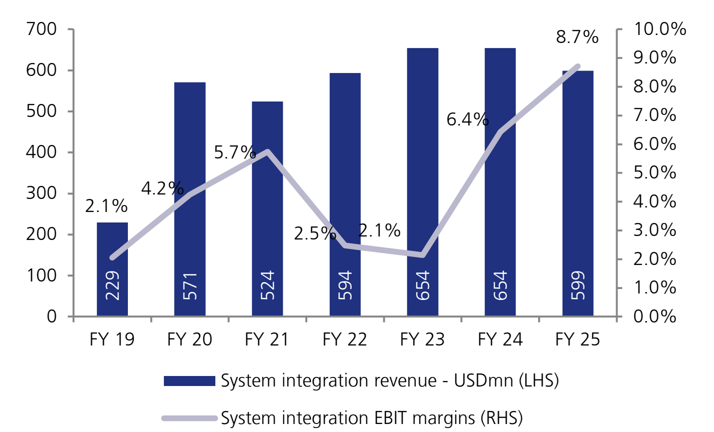
Source: Company, JM Financial

Exhibit 4. BBOX's services span entire digital infrastructure layer
Offerings under global solution integration



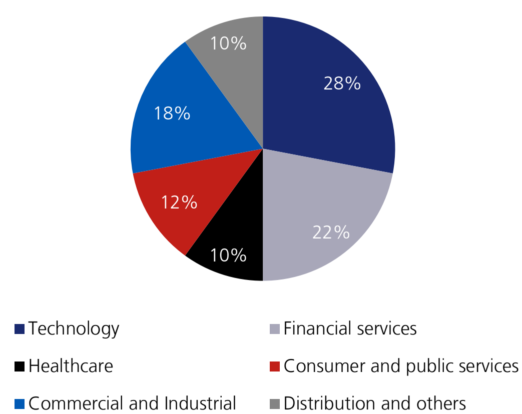
Source: Company, JM Financial

Exhibit 5. BBOX's strategy to prune low-value tail accounts shrank System integration revenue, though improved EBIT margins
System integration revenue – USDmn and EBIT margin - %



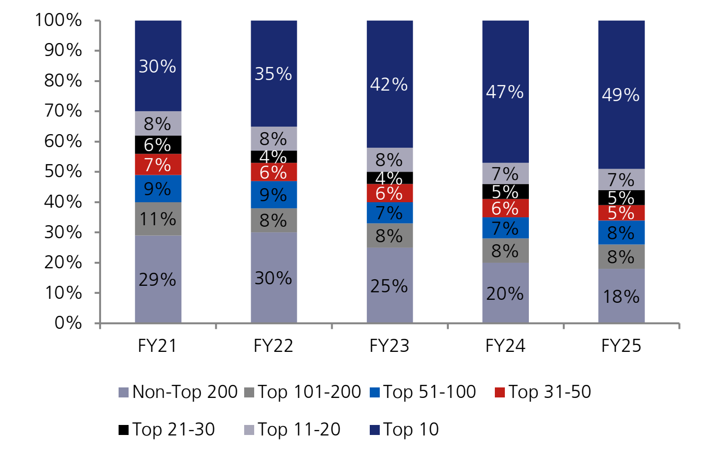
Source: Company, JM Financial

Exhibit 6. Technology, financial services, consumer and public services contribute 60%+ to revenue
Revenue by industry split- FY25 (%)



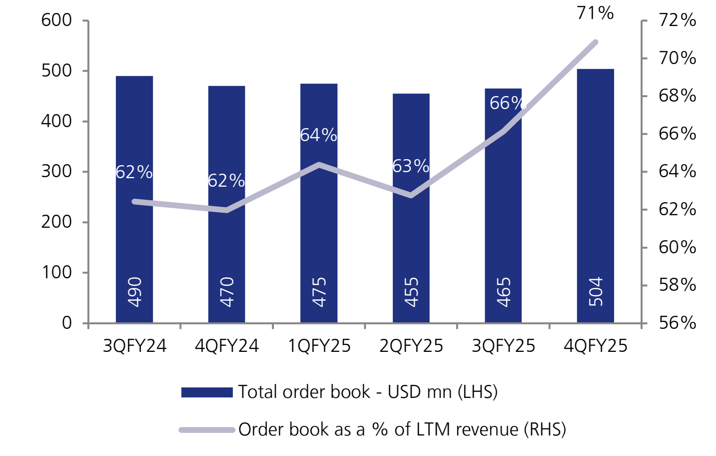
Source: Company, JM Financial

Exhibit 7. Top-10 accounts have led the growth, focus is now on scaling top-300 accounts through verticalised GTM strategy
Revenue concentration among top clients - %



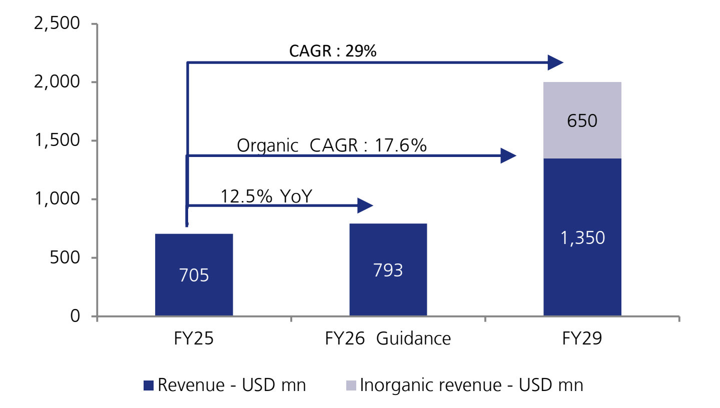
Source: Company, JM Financial

Exhibit 8. Strategy of verticalised GTM with new sales leaders has already started to reflect in improving order inflows
Total order book (USD mn) and order book as a % of rev. (%)



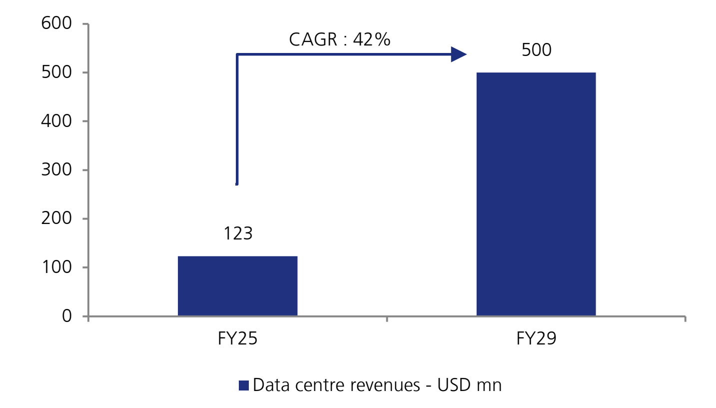
Source: Company, JM Financial

Exhibit 9. Black Box targets to reach USD 2bn in revenue by FY29 (USD 1.4bn organic) through organic growth and acquisitions
Growth target – FY29 (USD mn)



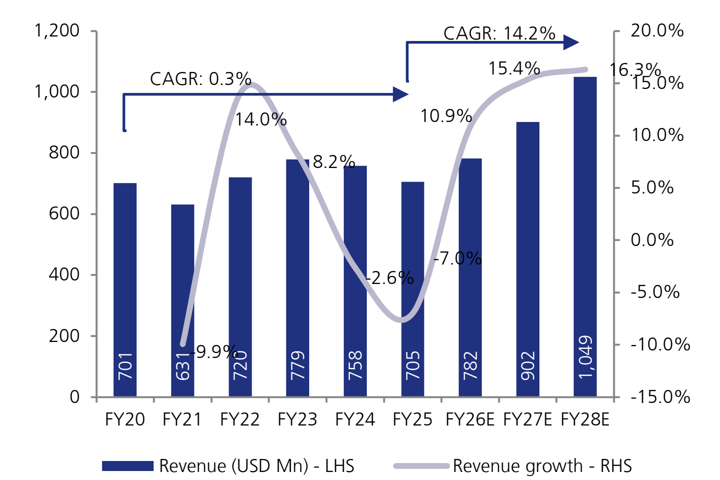
Note: FY26 revenue guidance stated here is midpoint of guided range. FY29 organic revenue target at USD 1.3-1.4bn, inorganic target of USD 600-700mn. Source: Company, JM Financial

Exhibit 10. Black Box expects DC revenue to contribute 25% of total in FY29, implying CAGR of 42%
Data centre revenue – USD mn



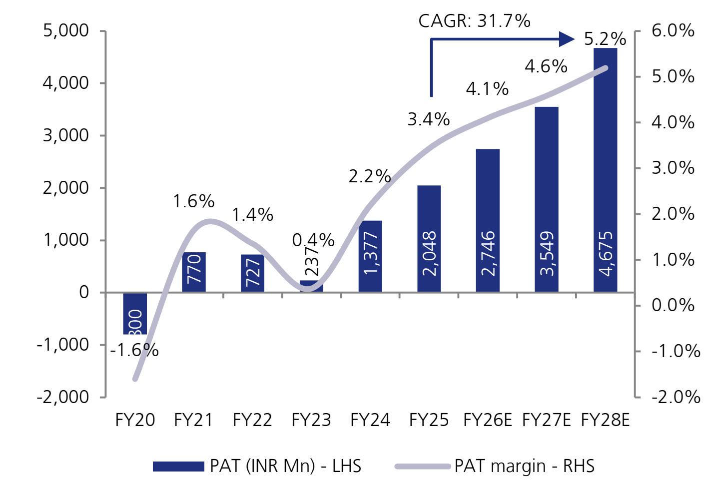
Note: FY25 DC revenue calculated at 17.5% (15-20% stated) of total revenue. FY29 DC revenue calculated at 25% of FY29 revenue. Source: Company, JM Financial estimates

Exhibit 11. Focus was on profitability since FY20; focus now on growth with refreshed GTM and client rationalisation out of the way
Revenue (USD mn) and Revenue growth YoY (%)-FY20-28E



Source: Company, JM Financial estimates

Exhibit 12. PAT grew 8.5x between FY23 and FY25 as operations were stabilised; we expect PAT CAGR of 31.7% during FY25-28
PAT (INR mn) and PAT margin (%) –FY20-28E



Source: Company, JM Financial estimates

Investment thesis, Valuation and Risks

Key investment rationale

Primed for growth

Black Box is executing a multi-year business turnaround. In its first phase (FY21-25), the company focused on margin accretion through tail-cutting, operational efficiency, and improving client quality. From ~13,000 client contracts (upto 50mn contracts), it has rationalised the portfolio of smaller clients to ~1,100. It aims to benchmark all clients at a minimum revenue threshold of USD 1mn. With the margin expanding from 4.8% in FY22 to 9.0% in FY25, a significant part of the margin expansion efforts are now behind.

The company has already embarked on the second phase of its turnaround journey, that is, growth. This entails building vertical-wise Go-To-Market (GTM) teams to bring industry/domain focus in its sales efforts. It wants to focus on the top 300 accounts, improve win rates (from 20% to 25%) and expand wallet share through multi-geography approach for these global clientele. Its efforts are already yielding results. The company's order book has improved to USD 504mn by FY25, up 7% YoY. With a strong pipeline and focus on improving win-rates, order book should continue to shore up, aiding future growth.

Play on growing data centre opportunity

Black Box's competence in digital infrastructure – Connectivity (Private LTE, 5G) and Networking (Fibre, IoT) – in a large complex enterprise setting has lent itself well to capitalise on rising data centre (DC) demand. Black Box gets around 10% of capex spent by a hyperscaler on DC build-out as project fee. With the top-4 hyperscalers committed to spend USD 350bn on DC capacity addition, the opportunity in front of Black Box is immense. Its strong relationship with a large US-based social media client, where it has won USD 340mn worth of orders for DC set-up, gives it a strong referenceable client in the market place. It plans to leverage that in order to expand its footprint in other hyperscalers, both in the US and in India. It has carved out data centre practice as a separate horizontal to deepen focus and plans to increase its DC revenue share to 25% by FY29 (from 15-20% currently).

"Keep-the-lights-on" nature of services insulates Black Box from uncertain macro

A significant part of Black Box's services offerings – networking, connectivity – can be classified as essential for modern enterprises, data centres and other segments Black Box caters to. It should, therefore, help limit the impact of lower discretionary spends and curtailed IT budgets on its growth outlook. Moreover, Black Box's improved cost structure gives it advantage over sub-scale vendors to price appropriately and win market share in the current cost constrained environment. Project orders provide Black Box the opportunity to upsell managed services and maintenance contracts. There has been a consistent increase in this annuity like order book (managed services order book has gone up from 29% in 3QFY24 to 36% in 4QFY25). Annuity business lends revenue visibility and has greater profitability.

FY26 guidance suggests growth inflection in 2QFY26

Black Box has guided for 13-17% revenue growth (INR terms). Its guidance is underpinned by strong order inflow in 4Q (USD 218mn; JMFe), which is likely to ramp up from 2QFY26. Assuming a flattish 1Q, the guidance implies that growth will accelerate to 6-19% YoY from 2Q-4QFY26. Stronger growth should bring operating leverage too, driving margin expansion. FY26 PAT guidance of INR 2,650mn-2,850mn implies a healthy EPS growth of 29%-39%.

Medium-term revenue target implies sustained high-teen growth ahead

The company has set itself a target of USD 2bn in revenue by FY29 (from USD 708mn in FY25). It expects organic revenue to scale to USD 1.4bn by then, while acquisitions will contribute the rest. The organic revenue target itself implies a CAGR of 19% from FY25-29E. A large market opportunity, especially data centre, apart from the structural changes effected in the business model – bringing account focus on top accounts, getting seasoned leaders on board with extensive client relationships, verticalised GTM strategy for focus verticals – should help the company sustain growth momentum over the medium term, in our view. Gradual improvement in margin profile (from current 9% to 10-12%) means earnings growth could be higher. 28% EPS CAGR delivered over FY21-25 lends confidence in the company's ability to execute. That should translate into better earnings multiples for the stock.

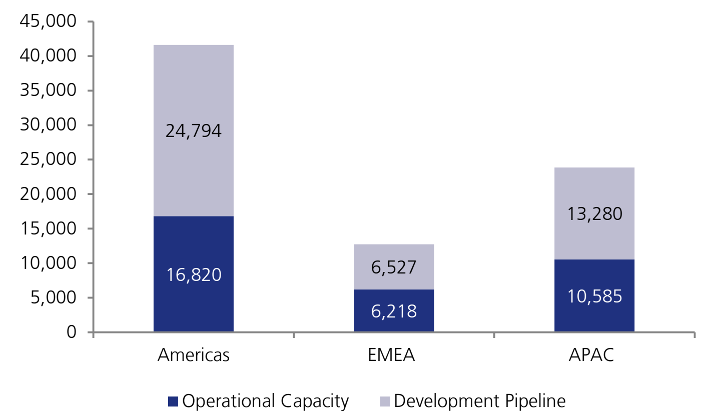
Industry dynamics

Data centre opportunity – globally and in India: Global data centre capacity is expected to scale from 33.6GW in 2024 to 78 GW over the medium term, driven by hyperscaler build-outs and rising demand. US continues to see aggressive build-outs, with significant capacity in the pipeline and low vacancy rates. In parallel, India has emerged as a structurally under-penetrated market. Installed capacity has risen from 977MW in CY23 to 1,352MW by Marc'25, with a further 2.3GW expected by 2028. Announced investments in India exceed USD 15bn, translating to ~2.8GW of capacity in the pipeline.

Global IT spending trends: Global IT spending is projected to reach USD 5.27trln in 2024, up 7.5% YoY, with digital transformation emerging as the key driver across categories. Enterprises are prioritising cloud-first architectures, AI & automation, and cybersecurity, with IT services, data, and software commanding a growing share of spend. Cybersecurity investments have become non-discretionary, with market size projected to rise from USD 546.5bn in 2024 to USD 878.5bn by 2028.

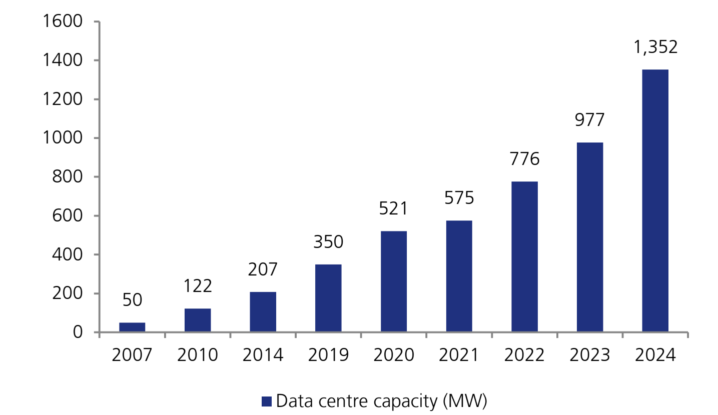
Total Addressable Market (TAM): Global IT spending is projected at USD 5.7trln, of which 12–15% is expected to be directed toward IT infrastructure, translating into a TAM of USD 600–750bn. Within this, Black Box defines its specific addressable market - aligned to its service portfolio across digital infrastructure, system integration, data centres, enterprise networking, cybersecurity, and modern workplace solutions - at USD 120bn-150bn.

Exhibit 13. In Americas, 1.5x of current capacity in development pipeline. 1.25x for APAC
Operational capacity vs. Development pipeline (2024) - MW



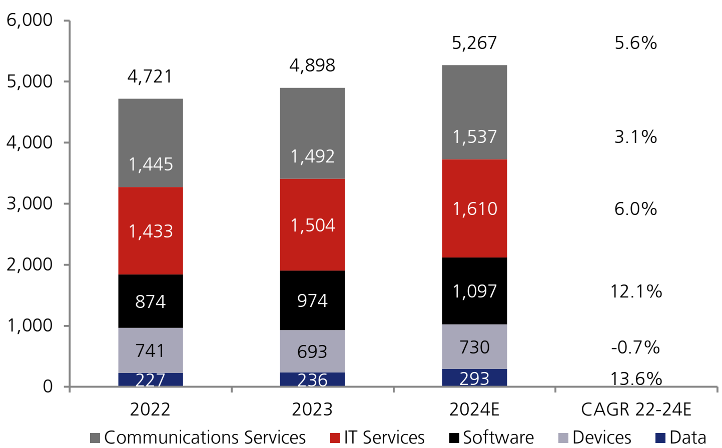
Source: Cushman & Wakefield, JM Financial

Exhibit 14. Data centre capacity in India grew at a CAGR of 27% since 2020 and 23% since 2014 to reach 1,352GW in 2024
India's data centre installed colocation IT load - MW



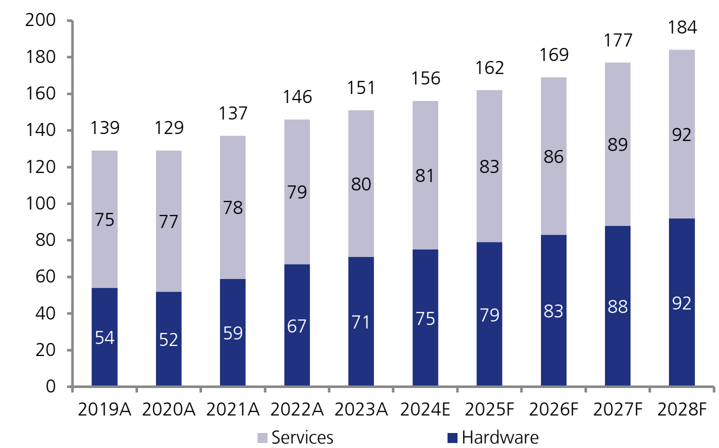
Source: Cushman & Wakefield, CareEdge, JM Financial estimates

Exhibit 15. Worldwide IT spending expected to grow at a CAGR of 5.6% over 2022-2024E
Worldwide IT Spending - USD bn



Source: Gartner, JM Financial

Exhibit 16. Demand for enterprise networking solutions has surged and is expected to keep growing
Global Enterprise Networking Market – USD bn

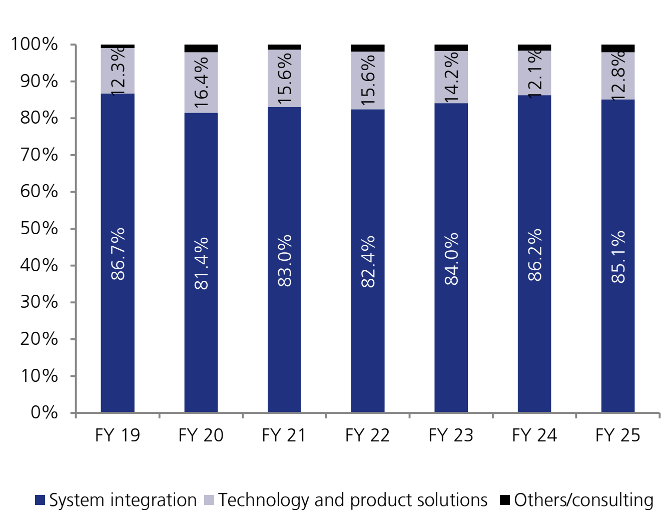


Source: Cushman & Wakefield, CareEdge, JM Financial estimates

Brief company profile

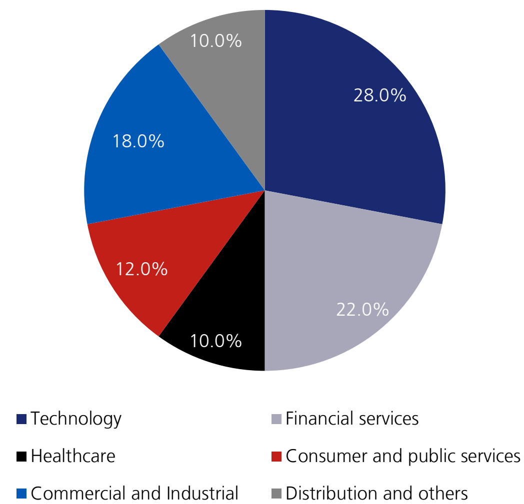
Black Box Ltd., a subsidiary of AGC Networks (Essar Group), is a global system integrator operating across 35+ countries with a workforce of over 3,600 professionals. The company provides end-to-end deployment of digital infrastructure solutions. It primarily caters to enterprise clients across technology, finance, government, industrial, and healthcare verticals. Its offerings are structured across Global Solution Integration (including data centre infrastructure, enterprise networking, connectivity infrastructure, cybersecurity and modern workplace solutions), Technology Products solutions (KVM systems, structured cabling, AV control, IoT sensors), and Services (consulting, project management, field services). Black Box has consolidated focus around large-scale infrastructure projects, with rising revenue contribution from core verticals like technology and financial services. It continues to expand in scalable areas such as data centres and enterprise networking.

Exhibit 17. 85% of the company's revenue comes from system integration services
Revenue distribution (USD) among segments - %



Source: Company, JM Financial

Exhibit 18. Technology, financial services, consumer and public services contribute 60%+ to revenue
Revenue by industry split - FY25 (%)



Source: Company, JM Financial

Exhibit 19. Widespread delivery network and marquee clientele provides Black Box right to win in consulting and IT design
Overview of key operational metrics

Source: Company, JM Financial

Exhibit 20. Black Box counts marquee logos such as BOFA, Intel, Meta, Wells Fargo and IKEA as its clients
Black Box select customers

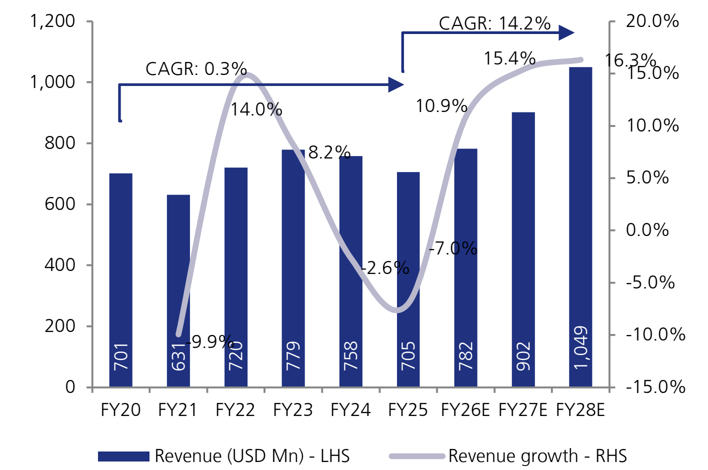
Source: Company, JM Financial

Financial trends: Turnaround visible with execution focus

Black Box's top line growth remained subdued at a 0.3% CAGR over FY20–25, driven by a strategic pivot post its acquisition by AGC Networks in FY20. During this phase, the company rationalised low-value clients, streamlined cost structures, and stabilised operations. Revenue contribution from non-top 200 clients declined from 29% in FY21 to 18% in FY25, while contribution from the top 10 clients rose to 49% from 30% during the same period, reflecting a sharpened focus on large, high-value accounts. EBITDA margin expanded from 4.3% in FY23 to 9.0% in FY25, aided by higher mix of profitable clients, relocation of non-core operations to lower-cost geographies (employee share from India rose from 19% in FY21 to 33% in FY25), and cost control measures. We expect EBITDA margin to improve further to 10.1% by FY28, supporting 19% EBITDA CAGR over FY25-28E. PAT grew at an 8.5x pace between FY23–25, aided by lower net debt, operational recovery, and one-off items. We build in 31.2% EPS CAGR over FY25-28E.

Exhibit 21. Muted top line growth since FY20; this is expected to change with refreshed GTM and rationalisation now out of the way

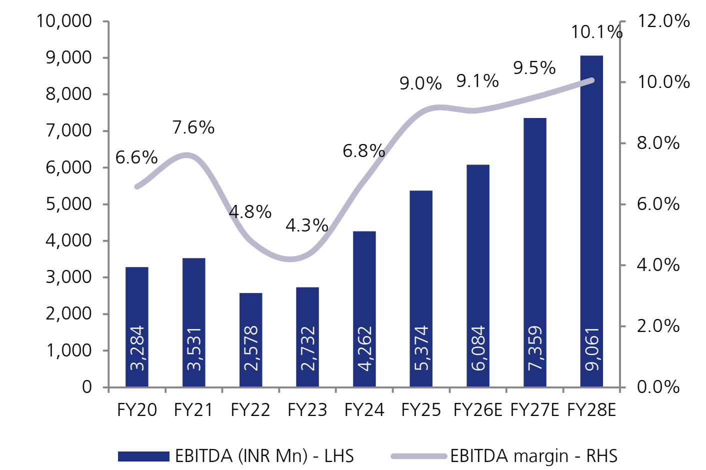
Revenue (USD mn) and Revenue growth YoY (%)



Source: Company, JM Financial estimates

Exhibit 22. EBITDA margin expanded from a low of 4.3% (FY23) to 9%(FY25), we build margin expansion of c.110bps in FY25-FY28

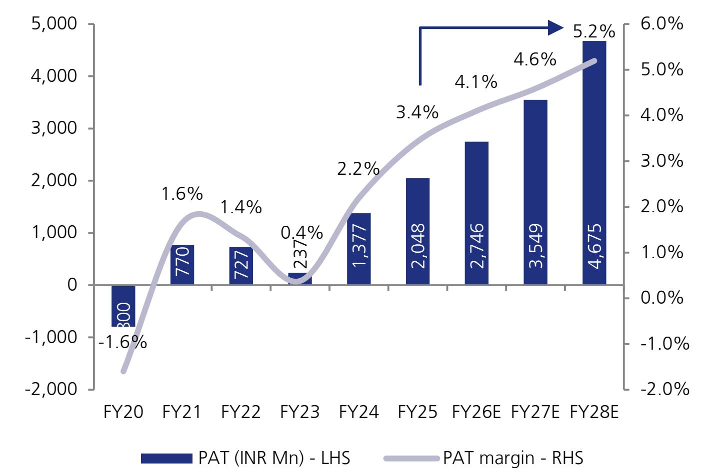
EBITDA (INR mn) and EBITDA Margin (%) – FY20-28E



Source: Company, JM Financial estimates

Exhibit 23. PAT grew 8.5x between FY23 and FY25 as operations were stabilised; we expect PAT CAGR of 31.7% in FY25-28

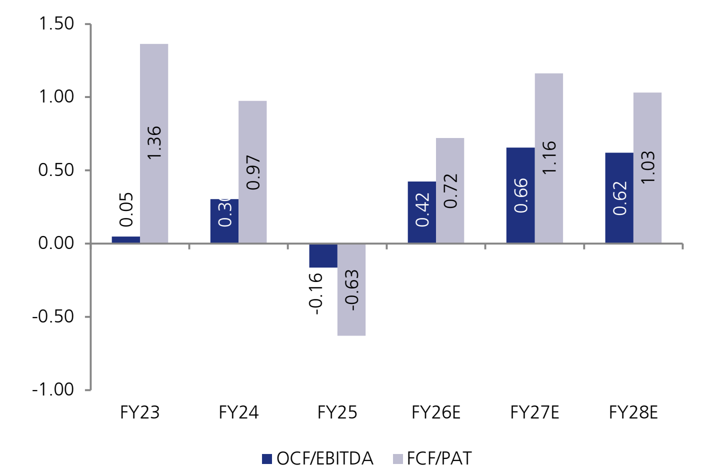
PAT (INR mn) and PAT margin (%) – FY20-28E



Source: Company, JM Financial estimates

Exhibit 24. Cash conversion was impacted in FY25 due to high billing; we expect avg. OCF/EBITDA and FCF/PAT of 0.6 and 1.0

OCF/EBITDA and FCF/PAT – FY23-28E



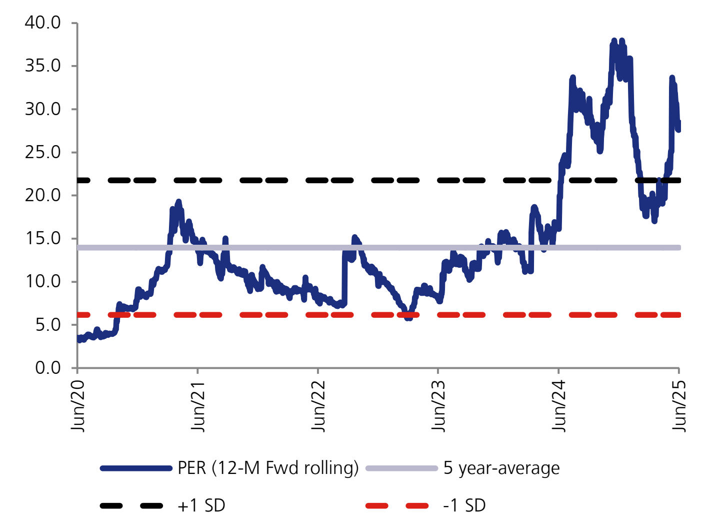
Source: Company, JM Financial estimates

Initiate with BUY and TP of 670

We initiate coverage on Black Box (BBOX IN) with a BUY rating and a target price of INR 670, implying 33% upside from current levels. We value the stock at 30x 24-M forward EPS, implying 1x PEG (EPS CAGR: 31%). Our valuation is in-line with the current traded multiples for the stock. That said, it is above +1-SD of past five year trading history.

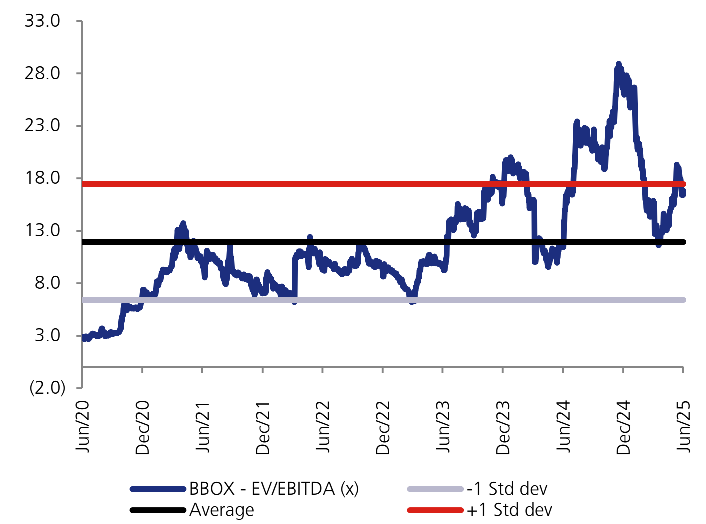
Muted top-line growth in the first turnaround phase, a still work-in-progress sales strategy, hence limited visibility on growth, weighed on the multiples in our view. Now however, there are tangible results of the turnaround are visible. Margins have already improved substantially (430bps over FY22-25). Leadership hiring is complete. Order inflows have improved. We therefore believe current multiples can sustain, provided management is able to deliver on guided financial metrics. Note however, that we have modelled conservatively as compared to the guidance, and hence see our estimates achievable.

Exhibit 25. Black Box's PER has gone up along with the successful execution of its turnaround and growing data centre opportunity
Black Box 1-yr Fwd PER



Source: JM Financial, Bloomberg

Exhibit 26. Black Box's EV/EBITDA (LTM) is at 5-yr +1SD, increase in profitability and focus on growth explains the increase in multiple
EV/EBITDA (LTM)



Source: JM Financial, Bloomberg

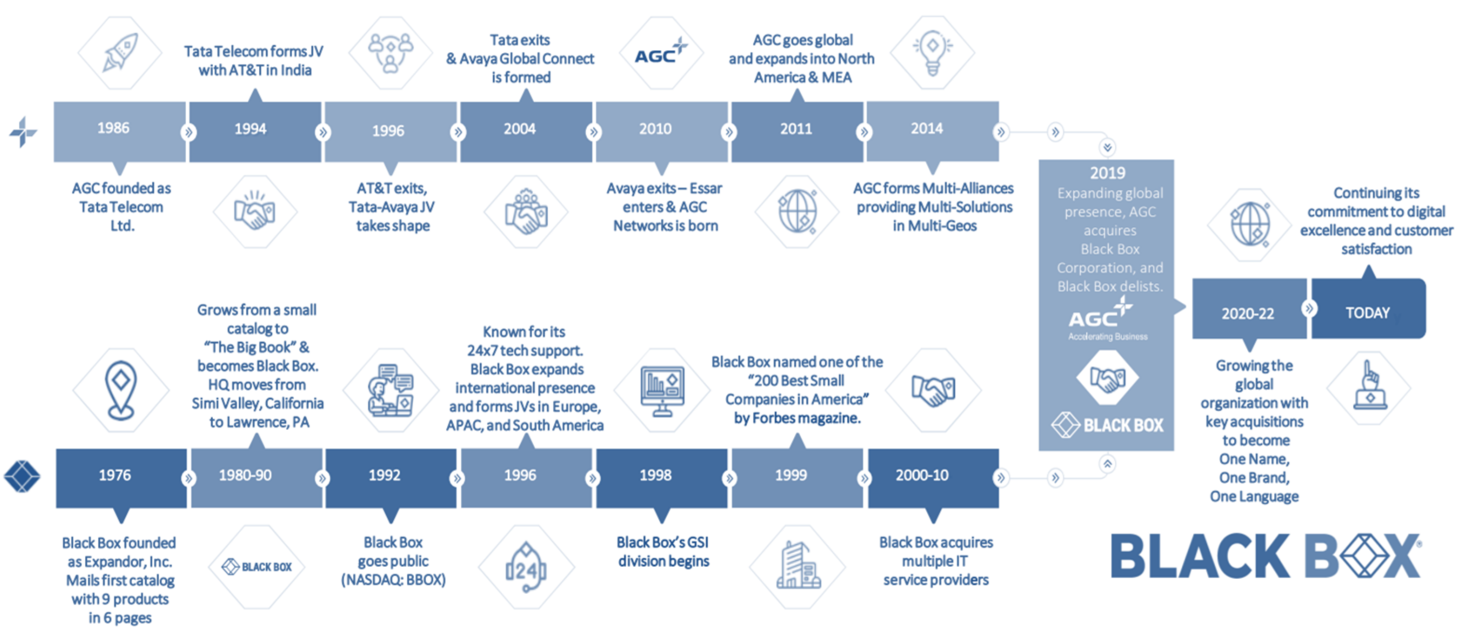
Key Risks

While Black Box stands to benefit from rising digital infrastructure demand, its execution is exposed to a combination of client concentration, project complexity, and talent cost pressures. High dependence on a few large client increases vulnerability to ramp-downs or insourcing. Large-scale infrastructure deals carry inherent execution risks from supply chain delays and integration overheads. Operating in high-cost geographies also heightens exposure to attrition and wage inflation. Additionally, evolving global compliance requirements and sensitivity to forex and interest rate movements pose financial and regulatory risks.

History of Black Box

Black Box Corporation was originally founded in 1976 as Expandor Inc., focusing on data communication products, and was renamed Black Box Corporation in 1982. Over the years, it expanded its presence globally and diversified into network infrastructure and enterprise IT services. AGC Networks, incorporated in 1986 as Tata Telecom Ltd., evolved through partnerships and acquisitions - including a joint venture with AT&T and later with Avaya - to become a significant player in unified communications and IT solutions. In 2010, the Essar Group acquired a majority stake in AGC Networks and did an open offer; the acquisition aligned with its aspiration to strengthen its presence in IT and BPO sectors. Between 2013 and 2015, AGC expanded through acquisitions of Transcend United Technologies and Ensource Inc., bolstering its presence in the US market and adding capabilities. In Jan'19, AGC acquired the financially distressed Black Box Corporation for approximately USD 17mn, integrating 3,000 employees and expanding its global headcount to over 4,000 professionals. The acquisition created a combined revenue base exceeding USD 750mn and significantly strengthened AGC's capabilities in cybersecurity, data centres, unified communications, and digital infrastructure. Following this, AGC pursued multiple acquisitions—including Fujisoft (2020), Pyrios (2020), Mobiquest (2021), Z Services (2021), Dragonfly Technologies (2022), and Global Speech Networks (2023) - to deepen its regional presence and digital transformation capabilities across the Middle East, Australia, and Southeast Asia. In Nov'21, AGC rebranded itself as Black Box Ltd. to unify its global identity and capitalise on the Black Box brand equity. In Aug'24, it raised INR 4,100mn through convertible warrants (from promoters, KMP and institutions) to fund data centre expansion, innovation in cloud delivery, and go-to-market scaling.

Exhibit 27. Key events: AGC Networks and Black Box



Source: Company, JM Financial

Exhibit 28. History of AGC Networks and Black Box before the latter's acquisition by AGC Networks

Year	Event	Description
1976	Founding of Expandor Inc. (later renamed Black Box corp.)	Expandor Inc. was established on June 25, 1976, in Lawrence, Pennsylvania, by Eugene Yost and Richard Raub. The company initially focused on manufacturing data communication products. They mailed their first catalog with 9 products in 6 pages
1982	Naming of Black box corp.	In 1982, Expandor Inc. was renamed Black Box Corporation, launching the iconic Black Box Catalog, "The big book".
1986	Incorporation of Tata Telecom ltd.	Incorporation of Tata Telecom Ltd.
		Tata Telecom Ltd. was incorporated on August 19, 1986, in Mumbai, promoted by Tata Industries Ltd. (TIL).
		The company's primary objective was to manufacture electronic private automatic branch exchanges (EPABX).
		TIL entered into a technical assistance and license agreement with OKI Electric Industry Co. Ltd. of Japan, providing know-how for a full range of EPABXs, ranging from 40 lines (model IX-10) to the IOX series (up to 7,000 lines).
1990	Expansion of Tata Telecom ltd.	Expansion of Service Centers and R&D Initiatives
		New service centres were established in Guwahati, Nagpur, Pune, Jammu, and Baroda.
		The R&D unit introduced two new EPABX systems: a 100-line EPABX and a unique 'talking' 300-line EPABX. Additionally, an Automatic Line Test system was developed to enhance maintenance for large EPABX systems.
1991	Partnership with Japan Radio co. ltd.	Technological Collaboration with Japan Radio Co. Ltd.
		Tata Telecom signed a technology transfer and license agreement with Japan Radio Co. Ltd. (JRC) for equipment with 30 and 120 digital UHF channels.
1992	Black box goes public	Blackbox is listed on the Nasdaq, after suffering losses from debt servicing, the company underwent restructuring before listing on the Nasdaq
1994	Tata Telecom and AT&T JV	Tata Telecom forms JV with At&T in India
		Tata Telecom forms JV with At&T in India, JC formed Trans India Network Systems Pvt. Ltd., aiming to manufacture network access systems like OPTIMUX and SLC 120.
1996	Tata-Avaya Joint venture, AT&T exists	Following AT&T's exit, Tata Telecom and Avaya Systems established a joint venture, leading to the introduction of call centre products in India in 2000.
1996	Expansion of Blackbox	Black Box expands international presence and forms JV's in Europe, APAC and South America
1998	GSI division of Black Box	Black Box's expanded its services specifically by offering on-site data and infra services for the first time. This marked a step in the company's evolution beyond traditional catalog sales of computer communications and networking equipment.
2004	Transition to Avaya Global connect ltd.	Tata Group sold its 25.1% stake in Tata Telecom to Avaya, increasing Avaya's holding to 50.6%.
		Avaya made a public offer, acquiring an additional 8.53% from the public, bringing its total holding to 59.13%.
		Consequently, the company was renamed Avaya GlobalConnect Ltd. in October 2004.
2010	Emergence of AGC networks ltd.	In May 2010, the Essar Group, a diversified Indian conglomerate, announced its intention to acquire a 59.13% stake in AGC Networks Ltd. (formerly Avaya GlobalConnect) from Avaya Inc. for approximately INR 206.19 crore (around USD 44.5 million), at INR245 per share. The acquisition was executed through Essar Services Holdings Ltd. (ESHL) and Essar Capital Finance Pvt. Ltd. (ECF), with plans to initiate a mandatory open offer for an additional 20% stake, as per SEBI regulations.
	Open offer	By September 2010, Essar had successfully completed the acquisition through open offer, increasing its stake in AGC Networks to 79.13%. The transaction included the reconstitution of AGC's board, with Avaya's representatives stepping down. S.K. Jha was appointed as Managing Director, and Anil Nair as Joint Managing Director.
	AGC networks offerings	AGC Networks, at the time, was a leading provider of converged communication solutions, focusing on contact centres, unified communications, and networking, with operations in India and Australia. The acquisition aligned with Essar's strategy to strengthen its presence in the IT and BPO sectors, complementing its existing portfolio and expanding its global footprint.
	Why Avaya exited	Avaya's decision to divest its stake in AGC Networks was part of its strategic focus on developing its core business in India and expanding its global channel coverage through the Avaya Connect program. Despite the divestment, AGC Networks continued to serve as a key channel partner for Avaya in the Indian market.
	Essar's entry	This acquisition marked a significant step for Essar in enhancing its capabilities in the IT services sector, positioning AGC Networks as an integral part of its global operations.
2013	Acq. of Transcend United technologies	In March 2013, AGC networks acquired Transcend United Technologies, specializing in unified communications, data centre infrastructure and managed services.
		Transcend had USD 43mn in annual revenue and 130 employees with a strong presence across key US regions
		The acquisition was aimed to expand AGC's footprint in North America and enhance its integrated IT solutions portfolio. It enabled AGC to leverage Transcend's regional strengths and customer base, strengthening its global delivery capabilities. Post-acquisition, the combined entity operated under the AGC brand with Greg Forrest leading the US business
2015	Acquisition of Ensource Inc.	In June 2015, AGC networks acquired Ensource Inc., an ICT solutions integrator based in Jacksonville, Florida, the transaction was funded through AGC Network's internal operating funds.
		Ensource specialized in unified communications and served clients primarily in the healthcare and public sectors. This acquisition provided AGC Networks with a robust presence in the southeastern United States, expanding its enterprise customer base and enhancing its expertise in the complex healthcare vertical market.
		The integration of Ensource's capabilities aligned with AGC Networks' strategic focus on delivering comprehensive technology solutions and maximizing return on technology investments for its clients. This move further solidified AGC's position as a global solution integrator, particularly strengthening its offerings in unified communications, network infrastructure, data centre virtualization, and enterprise applications.

Source: Company, Media articles, JM Financial

Exhibit 29. Acquisition of Black Box Corp. by AGC Networks

The Acquisition	**In January 2019**, AGC Networks Ltd., successfully completed the acquisition of Black Box Corporation, a US-based IT infrastructure services company listed on NASDAQ under the ticker BBOX. The acquisition was executed via AGC's wholly owned Singapore-based subsidiary, AGC Networks Pte. Ltd., through a **cash tender offer at USD1.10 per share**. The total deal value amounted to approximately **USD 17.2 million**. Following the tendering of over 59.89% of Black Box's outstanding shares, AGC completed a short-form merger, making Black Box a wholly owned subsidiary and **subsequently delisting it from NASDAQ.**
The Rationale	**Revenue expansion:** The acquisition added c.USD600 million in annual revenue to AGC. Resulted in a **combined revenue base exceeding USD 750 million** across the globe.
	Workforce: Black Box's 3,000+ employees were integrated into AGC, growing its global team to 4,000+ professionals. Created a stronger platform to deliver digital infrastructure and managed services at global scale.
	Complementary capabilities: AGC brought digital and cybersecurity solutions. Black Box had deep expertise in edge technologies, unified communications, and infrastructure deployment. The combination allowed the delivery of full-stack solutions: Digital Applications, UC, Contact Center, Data Center, Cybersecurity, and Edge Technologies.
	Cross sell and upsell: Significant synergy through cross-selling across existing global enterprise clients. Black Box had over 10,000 customers, including Fortune 500 companies and U.S. federal agencies.
	Commentary: Sanjeev Verma, President & CEO, AGC- "With this acquisition, we now offer clients a full portfolio of services with expanded scale, capability, and coverage globally. "Joel Trammell, then CEO of Black Box: "This merger provides our shareholders with immediate liquidity and strengthens the long-term position of the company."
	Rebranding: In November 2021, AGC rebranded itself as Black Box Limited, leveraging the strong global brand equity of the acquired entity.
	Operational Synergies: Integrated delivery, support, and innovation capabilities across India, the US, MEA, and APAC.
Black Box's Financial distress	Financial distress: Black Box had posted **significant losses** and was facing challenges in sustaining operations as a public entity.
	Debt burden and declining revenue: The company had mounting losses and shrinking revenues due to competitive pressure and an expensive shift to services.
	The acquisition by **AGC effectively rescued Black Box from bankruptcy and enabled continuity** of services for clients and employees.

Source: Company, Media articles, JM Financial

Exhibit 30. History of acquisitions post 2019

Date	Acquired entity	Description and Rationale	Consideration	Financials
May-20	Fujisoft Technologies, UAE	Description: Fujisoft, established in 2002, offers solutions in cloud computing, cybersecurity, managed services, virtualization, data centres, and collaboration. It operates through three entities: Fujisoft Technology LLC (Dubai), Fujisoft Security Solutions LLC (Dubai), and Fuji Soft Technology LLC (Abu Dhabi). Rationale: This acquisition strengthened AGC's presence in the MEA region and expanded its capabilities across high-growth technology domains. Leadership from both AGC and Fujisoft emphasized the strategic fit and customer value creation potential.	USD 2.6mn	Fujisoft had revenues of USD 12.65mn in 2019
Aug-20	Pyrios Pty ltd.	The acquisition aimed to strengthen AGC's presence and offerings in the Australia and New Zealand markets, particularly in unified communications, contact centre solutions, and cloud services. The acquisition was also aimed to strengthen AGC's presence and offerings in the Australia and New Zealand markets.	Pyrios New Zealand for USD 1.95mn, Pyrios Australia for USD 800k	USD 3.64 mn (AUS) and USD 7.39 mn (NZ)
Jan-21	Mobiquest	Description: Mobiquest specialized in custom application development, enabling clients to manage data integration with legacy systems, digitize and automate processes. Their expertise encompassed digital transformation services, including end-to-end lifecycle management of software applications, utilizing technologies such as Robotic Process Automation (RPA), blockchain, Artificial Intelligence (AI), Machine Learning (ML), and the Internet of Things (IoT). Rationale: This acquisition aimed to bolster AGC Black Box's digital transformation capabilities in the Asia-Pacific region, enhancing its service offerings in application development and integration.	USD 400k	
Apr-21	Z Services HQ DMCC	Z Services offers a comprehensive suite of cloud-native cybersecurity solutions including SASE, Unified Cloud Security, Email Security & Archiving, CASB, Secure Public WiFi, Endpoint Detection & Response (EDR), and cybersecurity awareness services. These are bundled with digital transformation and cloud adoption services. Rationale: The acquisition aims to strengthen AGC's cybersecurity portfolio and regional presence, while creating cross-selling opportunities with AGC Black Box's existing customer base. This acquisition marked AGC's entry into MEA		
Feb-22	Dragonfly technologies	Australian firm specializing in cybersecurity, enterprise networking, and automation. Dragonfly is an advisor to several major Australian brands, offering deep expertise in cybersecurity and digital transformation services. The acquisition strengthens Black Box's presence in the Trans-Tasman region and expands its global capabilities in secure connectivity and automation.	AUD 5.91mn	
Apr-23	Global Speech Networks Pty ltd.	Description: GSN Australia is a specialized provider of customer experience (CX) solutions, integrating both traditional and digital contact centre technologies to help clients transform employee and customer interactions. With strong operations across Australia and New Zealand, GSN brings in a seasoned team with deep domain expertise in sales, marketing, and service delivery. Rationale: The acquisition enables Black Box to broaden its Cloud Contact Center and Digital Experience offerings for global and regional clients. This also aligns with Black Box's strategic focus on expanding its portfolio and reinforcing presence in the Trans-Tasman markets	AUD 2.5mn	

Source: Company, JM Financial

Exhibit 31. Other key events

Date	Event	Description
Nov-23	Name change to Black Box	AGC networks changed its name to black box ltd. to align its corporate identity with its global operations. As part of this strategic alignment, the company proposed changing its name from AGC Networks Limited to Black Box Limited, reflecting the global recognition and equity of the Black Box brand.
		The change in corporate identity to Black Box Limited was designed to unify the company's global brand presence, streamline its go-to-market strategy, and better represent its integrated portfolio of digital infrastructure, cloud, cybersecurity, and customer experience solutions across more than 30 countries. Following the name change, the company's stock symbol was also updated to BBOX on both BSE and NSE.
Aug-24	Fund raise	9.8mn fully convertible warrants were issued at a price of INR 417 per warrant, aggregating to INR 4100mn. Out of this, INR 2000mn was garnered from existing promoters, remaining funds from a consortium of marquee investors and key management personnel. The warrants were exercisable within a period of 18months from date of allotment.
		The funds raised is growth capital that will be invested towards 1)- Expansion of data centre build capabilities 2)- Innovation and delivery (cloud computing, AI and IoT) 3)- Advancement in network infrastructure 4)- Go to market expansion (Verticalization and hiring sales leadership

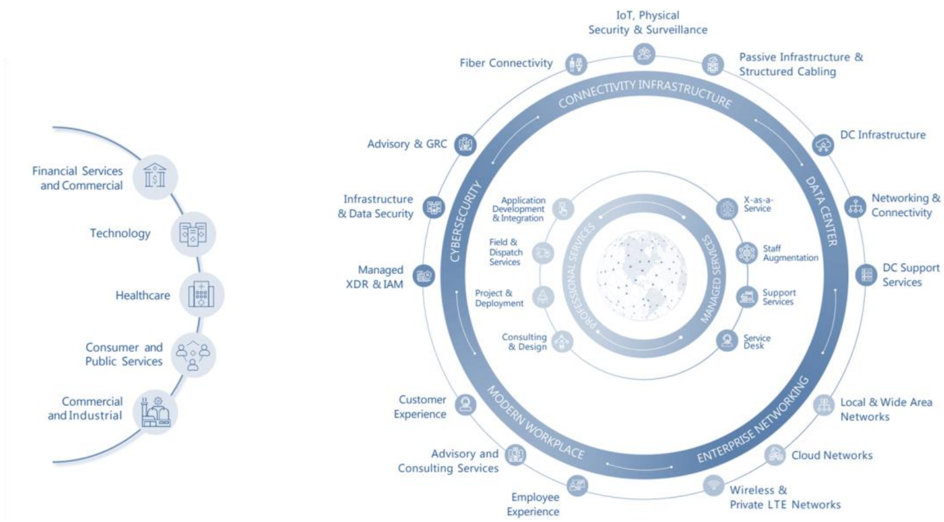
Source: Company, JM Financial

What does Black Box do?

Global solution integration

Black Box's global solution integration offers end-to-end technology deployment services globally while combining global standardisation with local execution. It supports enterprises in building and managing digital infrastructure, ranging from connectivity infrastructure, passive infrastructure, hyperscale data centres, enterprise networks (LTE, private 5G), IoT, smart building infrastructure, modern workplace and cybersecurity. The company serves diverse industries such as technology, finance, healthcare, industrial and government. It delivers scalable vendor agnostic solutions through a global delivery model supported by over 2,650 professionals.

Exhibit 32. Global solution integration offerings



Source: Company, JM Financial

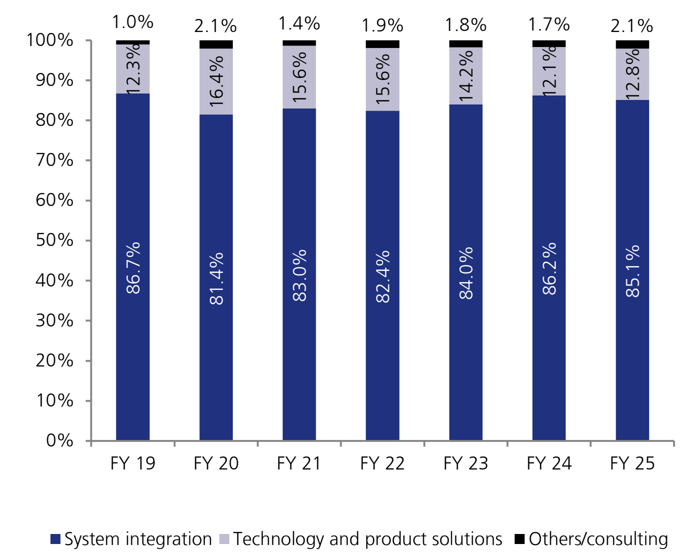
Exhibit 33. Black Box offers a wide variety of SI services
Offerings under global solution integration

Global Solutions Integration

Connectivity Infrastructure	Data Center	Enterprise Networking	Modern Workplace	Cybersecurity
Fibre connectivity	Data centre infrastructure	Cloud Networks	Unified communication and collaboration	Managed XDR
Passive infrastructure and structured cabling	Data Centre networking and connectivity	Wireless and private LTE, 5G networks	Desktop productivity	Infrastructure and data security
IoT, Physical Infrastructure and Surveillance	Data centre support services	Local & Wide Area Networks	Contact centre and CX solutions	Advisory and GRC
			Audio- visual integration	

Source: Company, JM Financial

Exhibit 34. 85% of revenue comes from system integration services
Revenue distribution (USD) among segments - %



Source: Company, JM Financial

Black Box divides its global system integration operation into five sub-segments:

1. Connectivity infrastructure

Black Box provides comprehensive connectivity infrastructure solutions. Its offerings include fibre connectivity, IoT, physical security and surveillance, passive infrastructure & structured cabling, and hyperscale data centre. While delivering solutions to clients, Black Box focuses on seamless integration into the client's existing infrastructure, physical and IoT security, scalability of IT infra, innovation in technology, and leveraging global reach and expertise.

Fibre connectivity: Black Box provides single mode fibre (SMF) and multi-mode fibre (MMF) setups for diverse network architectures. It offers tailored solutions for setups ranging from office networking to hyper-scale data centres tailored to optimise performance and productivity. Black Box's solutions integrate fibre optic cabling, fibre optic transceivers (converts electrical signals to optical signals) and fibre optic converters (integration of fibre to copper based networks) to provide connectivity solutions that optimise network performance, minimising downtime and facilitating seamless data transfer for clients. The company also provides customised network design services tailored to the needs of clients.

IoT, Physical security and surveillance: Black Box provides IoT solutions based on RTLS (Real time location systems) and BLE (Bluetooth low energy) tracking solutions that enable management of assets, people and allow for intelligent decision making and resource optimisation. In security, it offers solutions that encrypt transmissions and prevent breaches with tampering alerts and intelligent monitoring. The company also offers smart building solutions for safety and disaster preparedness.

Passive infrastructure and structured cabling: Black Box helps plan and execute structured cabling system for clients. Structured cabling is the organised approach to designing and installing a comprehensive telecommunications cabling system; it allows for modularity, scalability and ease of management. Passive infrastructure refers to the non-electronic, physical components of a network that enable connectivity and data transfer such as racks, cabinets, connectors and adapters. Structured cabling represents a small portion of network investment, but it can represent nearly 80% of network efficiency.

2. Data centre solutions

Black Box provides a comprehensive set of data centre solutions; it provides access to trained professionals and support for various geographies and typologies. Global IT managers face the challenge of sourcing thousands of seasoned technicians to meet aggressive go live deadlines for data centres, Black Box solves for this by providing the required human talent. The company has a working knowledge of each location's legal, financial, technical and cultural laws. It owns and operates strategically located authorised (BICSI-certified) training facilities and leverages its 10-step talent acquisition and retention plan to provide services to clients.

DC infrastructure: Black Box provides data centre infrastructure management (DCIM) solutions. DCIM expertise empowers granular control and monitoring of every aspect of the client's data centres. It identifies optimisation opportunities, manages cabinets, raceways, and rack configurations, guaranteeing streamlined operations, and ensuring data centres operate at peak efficiency.

Data centre networking and connectivity: Black Box creates a network foundation that provides seamless connectivity by designing and integrating advanced fabric architectures and software-defined networking (SDN). Its services include deploying firewalls, load balancing, Wi-Fi networks, and distributed antenna systems (DAS) for comprehensive network security and uninterrupted connectivity. Its solutions are aimed towards achieving a secure, efficient, and highly connected network environment.

Data centre support services: Black Box provides a comprehensive suite of Data Centre Managed Services, featuring targeted resource deployment, expert consultancy, and specialized insights. It also offers comprehensive maintenance, advanced troubleshooting, and Data Centre Interconnect (DCI) enhancements. The company’s detailed ticketing and reporting systems ensure smooth operations and accountability.

3. Enterprise Networking

Black Box delivers enterprise networking solutions along four domains: LAN, WAN, cloud networks and Wireless and private LTE networks. It offers a comprehensive suite of networking solutions that elevate connectivity and streamline operational workflows.

Cloud networks: Black Box offers diverse cloud network solutions tailored to the business needs of clients. It offers cloud-native app development services, cloud strategy consulting, cloud migration services and managed cloud services. Black Box has been a value-added reseller of cloud services for over 4 decades.

Wireless and private LTE, 5G networks: Black Box integrates private LTE, 5G networks into the client's existing network infrastructure. It has a comprehensive approach supporting a spectrum of networks including DAS (wireless coverage within a specific region), OnGo (private LTE) and 5G connectivity.

Local (LAN) and Wide area networks (WAN): Black Box offers design and deployment of customised LAN and Wireless LAN (WLAN) solutions tailored to the organisation's specific needs, Its LAN solutions include security solutions such as firewall deployment, intrusion detection systems and access control. It offers Wide Area Network (WAN) solutions, including MPLS (Multiprotocol label switching) traffic prioritisation, SD-WAN software defined networking and integration with leading cloud service providers (Azure, AWS, GCP).

4. Modern Workplace

Black Box offers a comprehensive suite of modern workplace solutions that are designed to enhance communication, collaboration and productivity for organisations. Black Box provides Unified communications and collaboration solutions, Virtual desktop infrastructure, Audio-Visual integration and contract centre and Customer experience solutions.

Unified communication (UC) and collaboration: Black Box offers Unified communications as a Service (UCaaS), managed UCaaS services, hybrid workplace solutions and communication IT and platform management solutions. Unified communications involves integration of various enterprise communication tools such as voice, video, messaging, email and collaboration into a single unified platform. Avaya, Zoom, AtoS, RingCentral, NEX, Mittel and Cisco are some of the partners that Black Box leverages to deliver its solutions.

Desktop productivity: Black Box provides consultation, implementation and integration of productivity applications; it also offers remote access of desktops to users. The productivity suites include applications such as office suites (Microsoft office, Google workspace, Libreoffice), note taking applications (Evernote, Notion, OneNote), task management tools (Todoist, Wunderlist), project management software (Trello, Asana etc.) and so on.

Contact centre and CX solutions: Black Box acts as a system integrator, helping clients design, deploy and optimise unified multi-channel CX (voice, chat, email, IVR and social). Its solutions are powered by partnerships with vendors such as Cognigy, Genesys, and Avaya. Along with strategy, design and implementation, Black Box offers managed services with round-the-clock support.

Audio-visual integration: Black Box offers AV solutions through skilled and certified engineers. Its solutions are catered to conference rooms, boardrooms, training spaces, auditoriums, operations centres and other multipurpose environments. Black Box also offers a full line of AV products through its TPS segment, which is integrated in its AV solutions. It also offer AVaaS (Audio Visual as a Service), bundling equipment, deployment and maintenance into a managed solutions package.

5. Cybersecurity

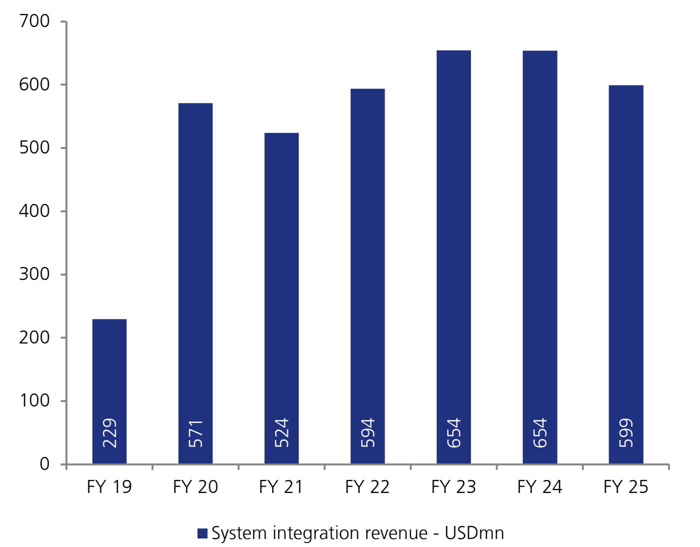
Black Box offers cyber security solutions and services with multiple security operation centres (SOCs) and security delivery centres. It offers outcome based and customisable solutions including advisory, system integration, and end-to-end managed security.

Managed XDR: Managed XDR solutions safeguard endpoints and cloud workloads and fortify firewalls, servers, IoT devices and email platforms. Black Box provides 24x7 security monitoring and incident response, vulnerability detection and response, continuous automated red teaming (CART), pre-empting through simulated attacks, security operations advisory and engineering services.

Infrastructure and data security: Black Box offers infra and data security solutions such as mobile device management/compliance, categorisation and identification of sensitive data, data loss prevention, unauthorised data access and leakage protection, firewall/IPS/VPM management, web application firewall, encryption, DDoS protection, Zero trust security and SASE (Secure access service edge).

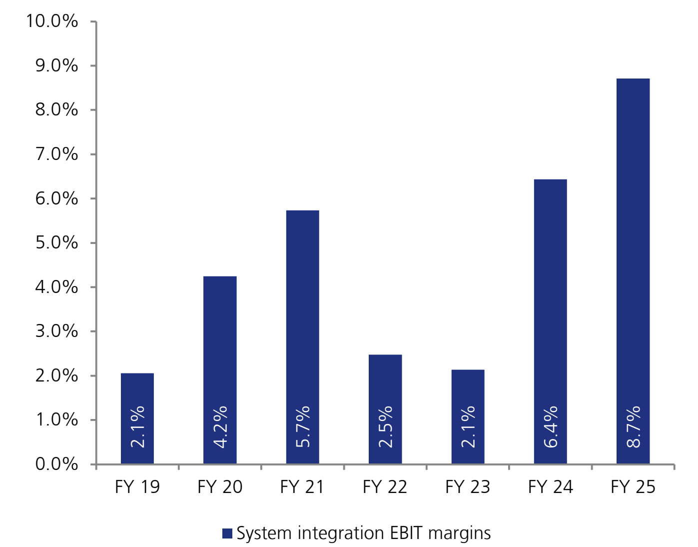
Advisory and GRC: Black Box offers tailored solutions, such as gap assessment, remediation, control implementation, and ongoing monitoring to ensure standard compliance. It offers strategic advisory, awareness programmes, regulatory compliance solutions, incident response plans, third party risk management and compliance assessments.

Exhibit 35. System integration revenue grew at a CAGR of 0.8% from FY20-FY25. Tail cutting explains the slow pace of growth
System integration revenue – USD mn



Source: Company, JM Financial

Exhibit 36. EBIT margins expanded 450bps during FY20-25 with increased focus towards large profitable clients
System integration EBIT margin - %



Source: Company, JM Financial

Technology Products Solutions

Black Box provides clients with IP KVM systems, AV switching and extension solutions, video wall controllers, digital signage, operator consoles, signal management tools, and IoT monitoring systems with sensors and gateways. These solutions enable secure connectivity, real-time control and operational visibility. These solutions serve as mission critical technology for control rooms and environments where precision and reliability are non-negotiable. The solutions are tailored for industries such as broadcasting, defence, aviation, utilities and emergency response.

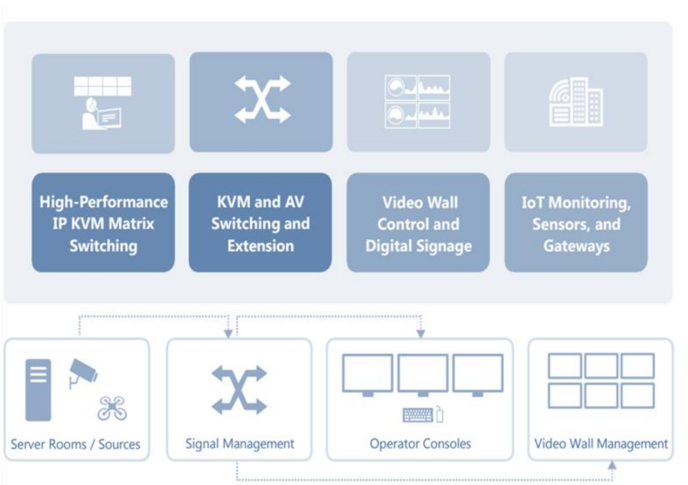
IP KVM systems: These are deployed in air traffic control centres and broadcasting master control rooms. Brands include Emerald – IP-based KVM (Keyboard, video and mouse) systems supporting seamless switching and extension across displays over IP networks; Boxilla – central management system for KVM and AV systems, providing secure configuration and monitoring; DESKVUE – multi-system, multi-screen control from single keyboard/mouse setup; and Freedom II KM switches – keyboard/mouse switching across multiple screens or PCs usually integrated with Emerald and DESKVUE systems.

Video wall control and digital signage: Black Box provides integrated video wall management platforms for visualisation in NOCs (network operation centre) and SOCs (security operation centre). AV Wall/AVX series are some of the brands it offers in the space. Video walls are tailored for environments such as airports and command centres.

IoT monitoring, sensors and gateways: Black Box provides IoT monitoring systems, sensors and gateways that enable real time tracking, automation and data driven decision-making across critical environments. These solutions help clients monitor environmental conditions ensure security and locate assets. Black Box offers Alertwerks IoT solutions, a comprehensive set of products in the space.

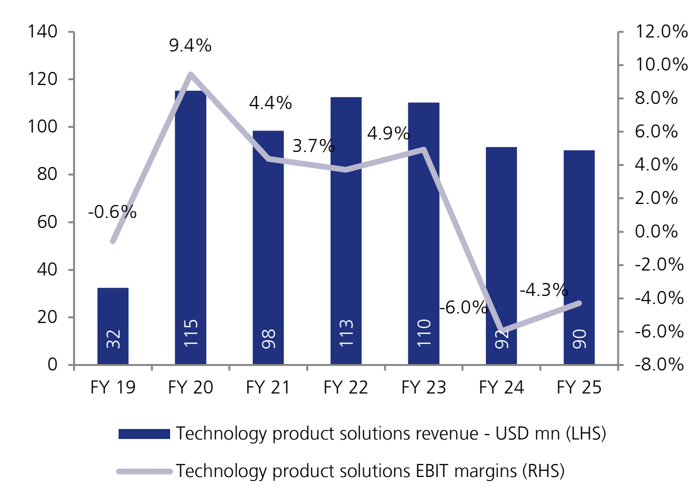
Operator consoles and signal management: Black Box provides operator consoles and signal management solutions designed for mission critical environments. These solutions enable ergonomic, centralised control of multiple systems and seamless distribution of high-res audio and video signals. Radian Flex video wall processor is part of Black box's signal management and operator console solution suite.

Exhibit 37. Black Box offers KVM systems, Video wall and IoT systems, for control room and other mission critical environments
Technology product solution offerings



Source: Company, JM Financial

Exhibit 38. TPS has declined 5% since acquisition and is running on negative EBIT margin; however, margin improved in FY25
TPS revenue (USD mn) and EBIT margin - %



Source: Company, JM Financial

Services

Black Box offers IT consulting and design, project management and field services for technology deployments. Its managed services include 24/7 support, service desk operations, IMAC, and IT asset management. It also offers refurbish and repair services.

Consulting and design: Black Box offers comprehensive IT design and consulting services including structured cabling design, hybrid workplace design and comprehensive AV solutions. Comprehensive solutions, geographic reach, extensive experience and expertise makes Black box a compelling choice for organisations.

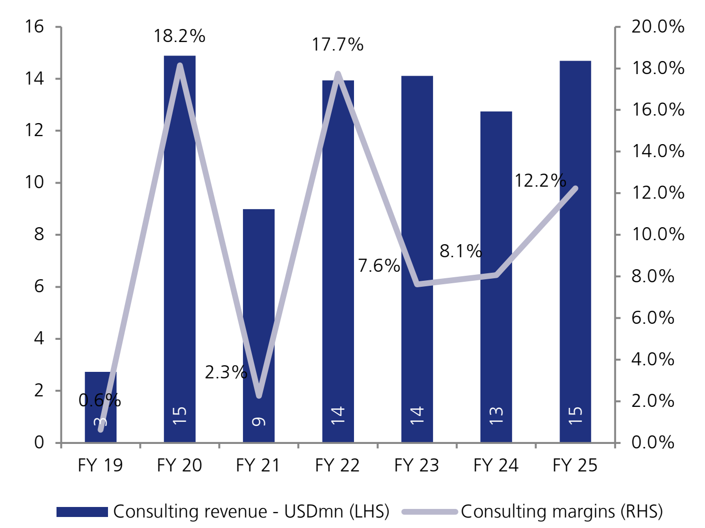
Project management: Black Box offers project management services, specialising in planning and executing IT assignments. Black Box deploys experienced PMs and a dedicated team of experts to manage on-site services.

Field services: Black Box deploys a team of experienced technicians and engineers who carry out technology refreshes, network equipment rack and stack, device deployment enabling timely implementation of IT infrastructure across client locations.

Managed services: The company delivers 24/7 remote and onsite support, proactive incident and problem management, and IT asset management through a global network of service desks and certified technicians. Services include field services, service desk support, IMAC (install, move, add, change) operations and lifecycle management of IT infrastructure. It also offers staff augmentation, managed service desk and managed UCaaS services.

Refurbish and repair: Black Box's refurbish and repair service help clients extend the life of their IT assets by providing certified repair, refurbishment and redeployment of equipment. The service includes diagnostics, component level repairs, thorough testing and cosmetic restoration to meet standards. This also helps clients in reducing e-waste and TCO.

Exhibit 39. Consulting at a stable c.USD 4mn run rate for Black Box, EBIT margin in the teens
Others/Consulting revenue (USD mn) and EBIT margins



Source: Company, JM Financial

Exhibit 40. Widespread delivery network and marquee clientele provides Black Box right to win in consulting and IT design
Overview of key operational metrics

Source: Company, JM Financial

Verticals: Increasing contribution from Tech

Black Box operates across a wide range of industries, and focuses on delivering high-reliability IT infrastructure to sectors such as technology, finance, public safety and healthcare. These solutions are mission critical and comprise non-discretionary IT spends for these industries. Between FY21 and FY25, Black Box has seen a shift in revenue composition, with technology and financial services now contributing a combined 50% of overall revenue (28% and 22% respectively in FY25). Technology revenue scaled over 3x from USD 63mn in FY21 to USD 197mn in FY25, likely driven by strong demand in data centre related solutions. In contrast, other verticals - including healthcare, manufacturing, and business services - declined. This is a reflection of the company's strategy of rationalising lower value clients and increasing focus on larger core verticals. The contribution from smaller verticals (other than tech, finance and healthcare) reduced from 50% to 40% of total revenue over FY21-25. The sheer breadth of clients serviced by Black Box and the ubiquitous nature of its solutions is illustrated in its industry revenue split for FY24.

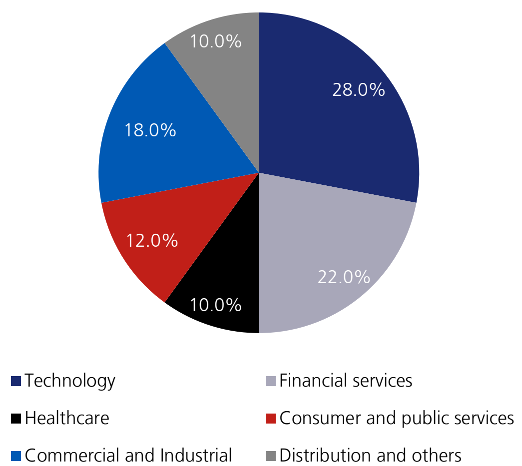
Exhibit 41. Black Box's offerings are relevant to a wide variety of industries and its solutions are part of non-discretionary IT spends

Industry	Offerings
Broadcast and media	Black Box supports broadcast and media workflows with advanced KVM-over-IP systems like Emerald for secure remote access to editing suites, production systems, and virtual environments. They also offer AV-over-IP solutions for real-time, low-latency content distribution, ControlBridge for unified studio control, and video wall processors for control rooms and live event centres.
Data Centres	For enterprise and hyperscale data centres, Black Box offers end-to-end infrastructure solutions including structured cabling, rack integration, high-speed networking, power and cooling management, and onsite support. They also enable remote management via KVM solutions and support scalable builds for colocation and edge environments.
Education	Black Box enables smart campus environments through digital signage (iCompel), 4K AV distribution, KVM extenders, room scheduling systems, and structured cabling. These technologies support digital classrooms, secure device connectivity, and centralized control for classrooms, auditoriums, and administrative spaces.
Finance	Black Box supports financial institutions with secure, low-latency trading floor infrastructure such as trading desk KVM switches, structured cabling, and secure network infrastructure for high-availability operations. They also deploy 5G and OnGo (CBRS) wireless networks for mobility and private communication, while ensuring data privacy, compliance, and operational continuity.
Government	Governments benefit from Black Box's NIAP-certified secure KVM switches, centralized control systems, and encrypted AV-over-IP solutions. Their infrastructure is designed for sensitive command-and-control centres, enabling secure data access, remote management, and operational resilience in defence, border control, and municipal systems.
Healthcare	Black Box offers HIPAA-compliant AV and network infrastructure including KVM-over-IP for medical imaging systems, digital signage for wayfinding and patient comms, USB extenders for surgical equipment, and secure remote access for clinicians. These solutions support real-time care delivery, diagnostics, and telemedicine environments.
Industrial	In industrial environments, Black Box delivers hardened switches, industrial-grade KVM systems, structured cabling, and IoT-based environmental monitoring (AlertWerks). These systems provide automation-ready infrastructure, real-time control-room visibility, and resilience under harsh factory-floor conditions.
Retail	Black Box enhances retail experiences using digital signage, AV-over-IP, interactive kiosks, and IoT sensors for store operations. Their structured cabling and wireless infrastructure support unified commerce, in-store promotions, and inventory monitoring-enabling real-time, immersive customer engagement.
Transportation	They support airports, railways, and logistics hubs with centralized control systems, KVM and AV-over-IP for surveillance and signage, and rugged cabling for critical operations. Real-time passenger information systems, remote diagnostics, and reliable networking ensure smooth travel experiences.
Utilities, power, oil and gas	Black Box offers real-time remote monitoring solutions using KVM-over-IP, multiviewers, IoT sensors, and control-room automation. These technologies are deployed in power plants and oil/gas fields to ensure operational continuity, compliance, and safety-critical situational awareness.
Workspaces	Black Box modernizes hybrid workplaces with AV systems, collaboration platforms, structured cabling, and unified communications. They enable conference room automation, remote access through KVM, and secure video/audio sharing for productivity across physical and virtual offices.
Entertainment and leisure	They provide immersive AV solutions including video walls, AV-over-IP distribution, KVM for control rooms, and interactive digital signage. These systems elevate fan and guest experiences in stadiums, theatres, and leisure venues while enabling streamlined venue management.
Military and defence	Black Box serves defence clients with NIAP 4.0 secure KVM switches, high-assurance AV systems, fibre-to-desk infrastructure, and control room technologies built for classified and mission-critical environments- ensuring uninterrupted command-chain communications.
Public safety	In public safety, they deliver secure KVM, AV control systems, digital signage, and environmental sensors for emergency response centres. These systems enable fast decision-making, field-to-centre communications, and redundancy in mission-critical environments.

Source: Company, JM Financial

Exhibit 42. Technology, financial services, consumer and public services contribute 60%+ to revenue

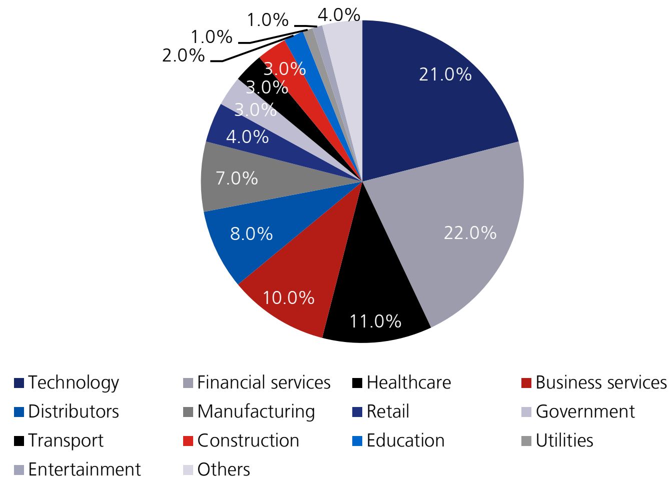
Revenue by industry split - FY25 (%)



Source: Company, JM Financial

Exhibit 43. Black Box's services, solutions and products are relevant for a wide variety of industries

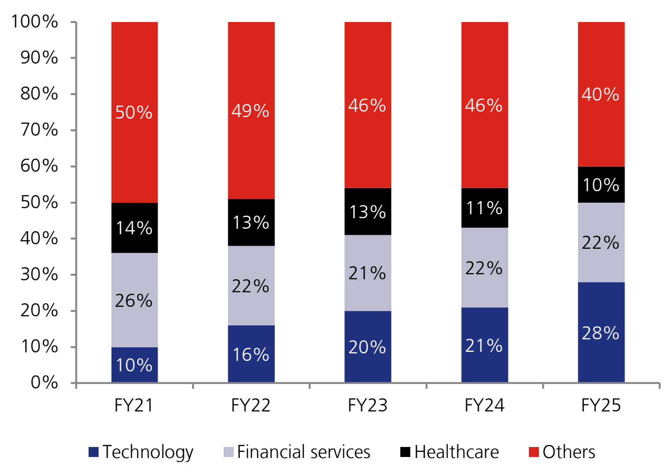
Revenue by industry split – FY24 (%)



Source: Company, JM Financial

Exhibit 44. Revenue from industries other than finance, Healthcare and technology has reduced from 50% to 40% during FY21-FY25

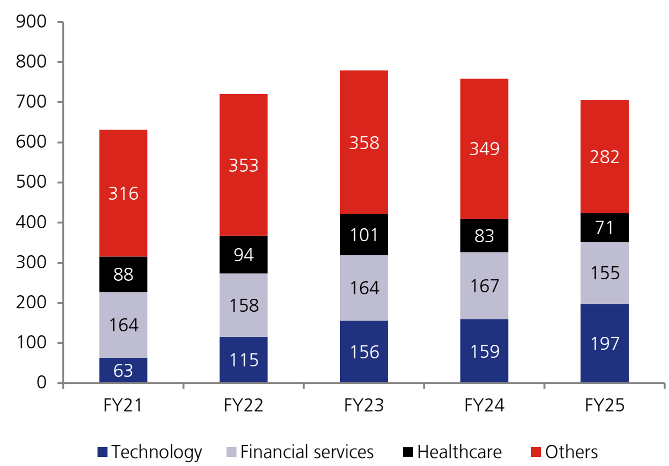
Revenue by industry split - FY21-FY25 (%)



Source: Company, JM Financial

Exhibit 45. Revenue from industries other than finance, healthcare and tech fell by USD 34mn (FY21-FY25), likely due to tail-cutting

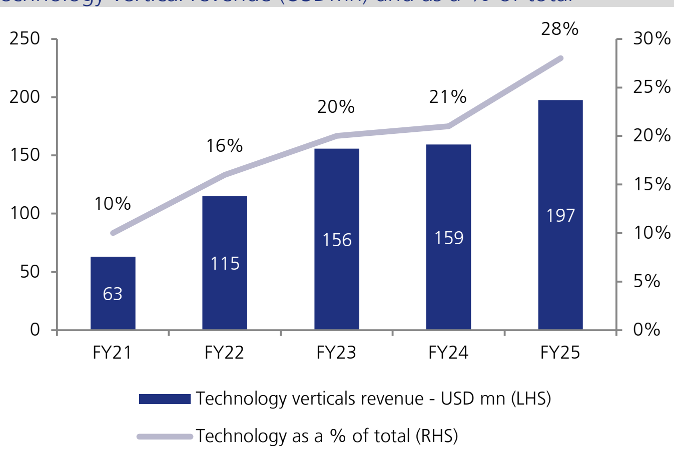
Revenue by industry (USD mn) – FY21-25



Source: Company, JM Financial

Exhibit 46. Tech vertical revenue scaled from USD 63mn in FY21 to USD 197mn in FY25, likely due to scaling of data centre revenue

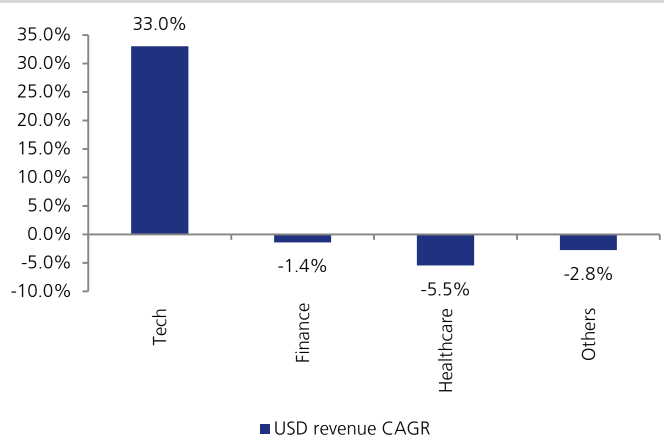
Technology vertical revenue (USDmn) and as a % of total



Source: Company, JM Financial

Exhibit 47. Tech vertical grew at a CAGR of 33%, while other verticals declined; Financial services has been relatively stable

USD revenue CAGR – FY21-FY25



Source: Company, JM Financial

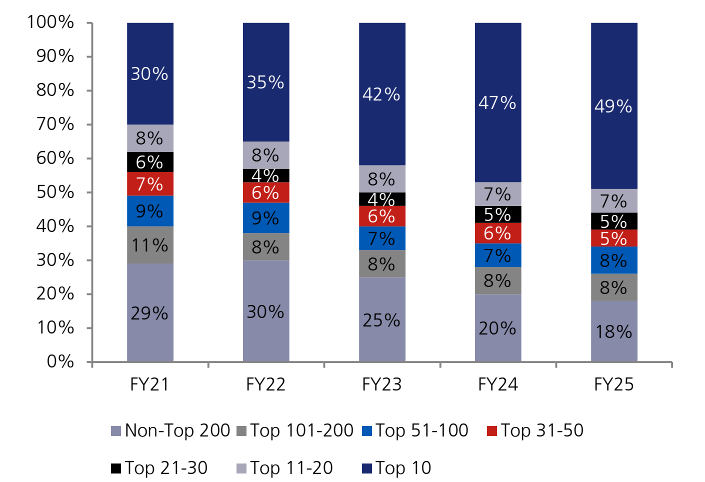
Client Metrics: Rationalization of smaller clients

Black Box has undertaken focused client rationalisation to drive margin improvement, reducing low-value contracts (under INR 50mn) from a peak of 13,000 in FY23 to just 1,100 in FY25. This strategic pruning has led to a 9% CAGR decline in non-top-200 client revenue over FY21–25 and a drop in their revenue contribution from 29% to 18%. Concurrently, the firm has sharpened its focus on scaling high-value relationships, with top 10 clients' revenue growing at a 16% CAGR over the same period. These clients now contribute 49% of total revenue, up from 30% in FY21, highlighting strong account client mining and account expansion.

Black Box has maintained long-standing relationships with its top clients, averaging over 20 years of engagement. The number of INR 500mn+ clients has doubled from 7 in FY21 to 14 in FY25, reflecting rising wallet share among top clients. The company has marquee clients such as Meta, Intel, BOFA, IKEA, Wells Fargo, and Disney, and is platform-agnostic with partnerships across leading technology vendors including Microsoft, Oracle, Cisco, Palo Alto, and Arista.

Exhibit 48. Revenue from non-top 200 clients has declined from 29% of revenue in FY21 to 18% in FY25

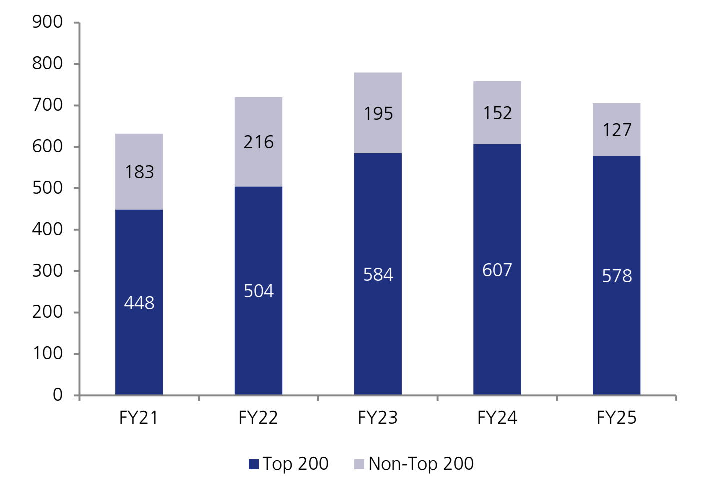
Revenue concentration among top clients - %



Source: Company, JM Financial

Exhibit 49. Revenue from non-top 200 clients reduced by USD 56mn during FY21 to FY25; decline attributable to tail-cutting

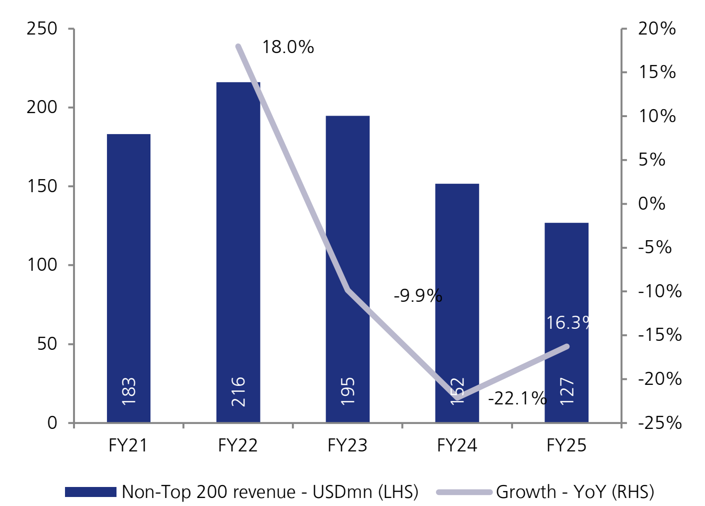
Revenue from top clients (USD mn) –FY21-FY25



Source: Company, JM Financial

Exhibit 50. Non top-200 clients revenue declined at a CAGR of 9% from FY21 to FY25

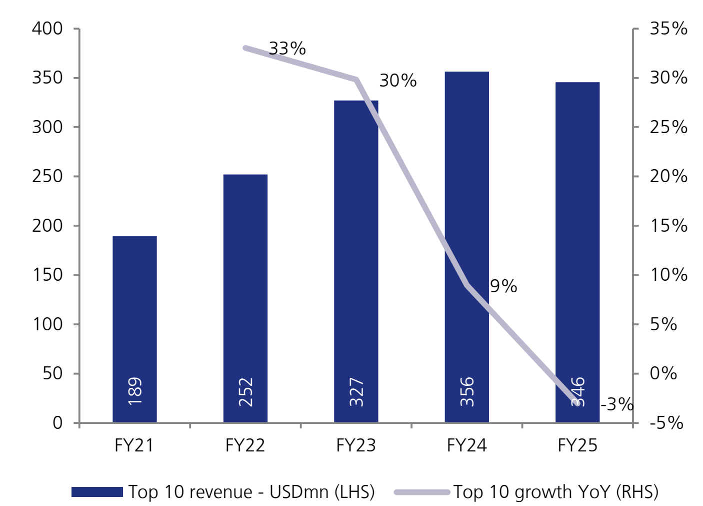
Non-Top 200 clients revenue (USD mn) and YoY growth



Source: Company, JM Financial

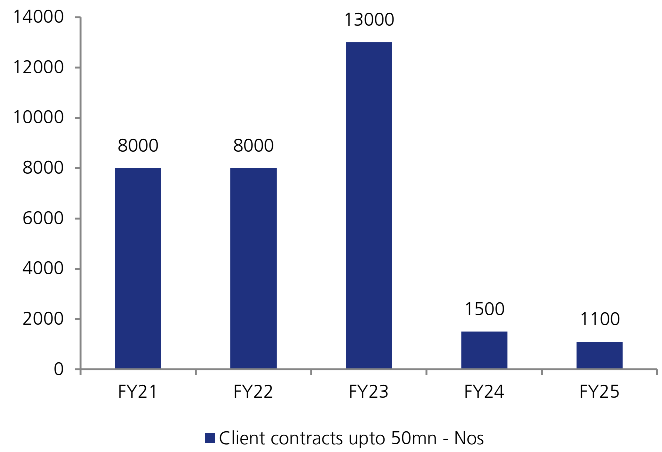
Exhibit 51. Top 10 clients revenue grew at a CAGR of 16% in line with management focus on growing top clients

Top-10 clients revenue (USD mn) and YoY growth



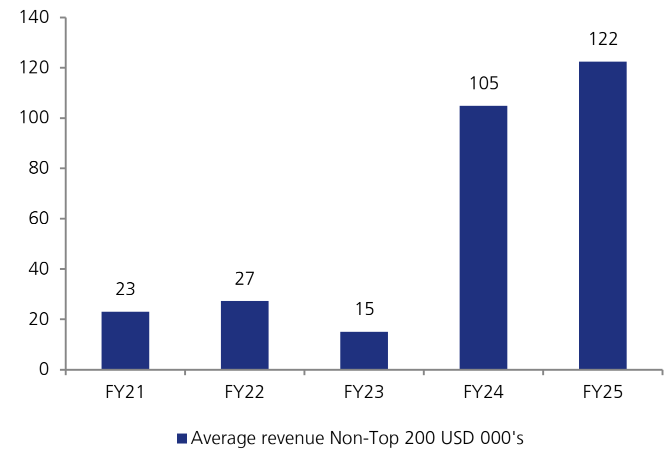
Source: Company, JM Financial

Exhibit 52. Clients with revenue upto INR 50mn declined from a peak of 13,000 in FY23 to 1,100 in FY25
Client contracts upto INR 50mn – Nos



Source: Company, JM Financial

Exhibit 53. Average revenue from non-top 200 clients grew 8x from a low of USD15k in FY23 to USD 122k in FY25
Average revenue Non-Top 200 clients (USD 000's)



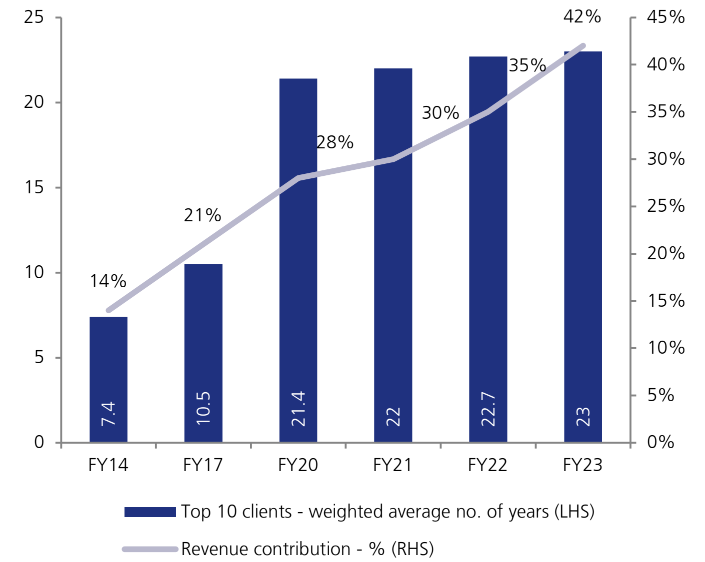
Source: Company, JM Financial

Exhibit 54. Customer case studies

Client	Problem/requirement	Solution	Outcome
Global leader in public safety communications in UK	High-quality digital infrastructure capable of delivering resilient communication under stringent security conditions.	The project encompassed the installation of a cluster of 17 geographically distributed sites across the UK, interconnected via a Wide Area Network (WAN). Black Box was responsible for pre-wiring these sites with a structured cabling system, featuring approximately 800 shielded twisted pair (STP) CAT5e connections for the company's equipment.	Strengthened long-term partnership with a leading multinational
Global Data centre service provider	Construction and maintenance of hyperscale data centres to support their expanding user base. Rapid delivery and aggressive go-lives	Black Box delivered a full suite of services, including the construction, deployment and management of hyperscale data centres. The project involved installing extensive cabling, server cabinets and networking devices	Efficient construction and implementation of data centres.
Global leader in IT services	Technology refresh for its wired and wireless network in India	The Company upgraded the network infrastructure by implementing switches and deploying AP43s with WiFi 6 technology. It also rolled out IP telephony and AI to enhance user experience and reduce operational costs.	Simplified network operations, faster repairs and enhanced user experience
A public utility in the Pacific Northwest	Communications continuity and top-tier customer service by upgrading its outdated wired communications system.	Black Box implemented a high-availability UC solution, offering redundancy for disaster recovery, modern functionality, mobility, scalability and transparency across multiple call centres.	Enhanced customer service, achieved scalability
B2B marketplace	Compliance with data protection (DPDP) guidelines	The Company provided a Data Loss Prevention (DLP) solution for data flow analysis, classification, monitoring and protection, ensuring compliance with regulatory guidelines.	Protection of customer data
Home improvement retailer	Need to enhance store security and operational efficiency	Black Box upgraded the retailer's security with high-resolution IP cameras, replacing outdated analog systems.	Enhanced loss prevention, saving an estimated USD 1bn over 3 years
U.S. Automobile manufacturer	Streamlining of telecom management processes	Black Box stepped in with its Carrier Managed Services to optimize the management of voice and data services. This approach included organizing an inventory of telecom services, mapping them to monthly invoices and ensuring that all circuits were documented.	Increased visibility into telecom services, enabling better business decision making
Indian logistics company	Up gradation of contact centre technology that was obsolete	Black Box optimised design using current infrastructure. This involved contact centre consolidation with back-office soft phones	Future ready solution with low TCO and high uptime
Geauga county, Ohio	Secure and vulnerability free IT infrastructure and fixing of cyber security gaps	Vulnerability and gap assessment, Remediation engineering, security policy vCISO services & security program maturity development	Optimization of security assets, improved security posture
Houston Airport system	Migration of airport command centres to a new voice platform with minimal interruption	Black Box facilitated a phased move to Cisco UC manager, they also provided design, on-site assessment and project management services	Optimization and modernization of voice infrastructure
Philadephia Eagles	Replacing the aging KVM system, need for new KVM system to allow for remote desktop access	Black Box Emerald SE and PE KVMover-IP systems and Boxilla KVM manager was implemented to support signal transport for everything in the Philadelphia Eagles' television production world.	Modernized KVM systems
Large university based healthcare system	Mission critical cellular coverage in multiple existing and new buildings	Designed and installed the commScope IONEra Digital Distributed Antenna (DAS) system with more than 500 universal access points (UAPs)	Future ready and 5G capable, DAS system provides ubiquitous wireless coverage
Returkraft, waste management company	Building temporary control room replacing the technical room that got destroyed in an explosion	Black Box installed A KVM over IP solution using Emerald PE extenders connecting the systems and operators and replacing the damaged equipment.	Returkraft now has a point to point KVM extension over a limited number of infrastructure cables

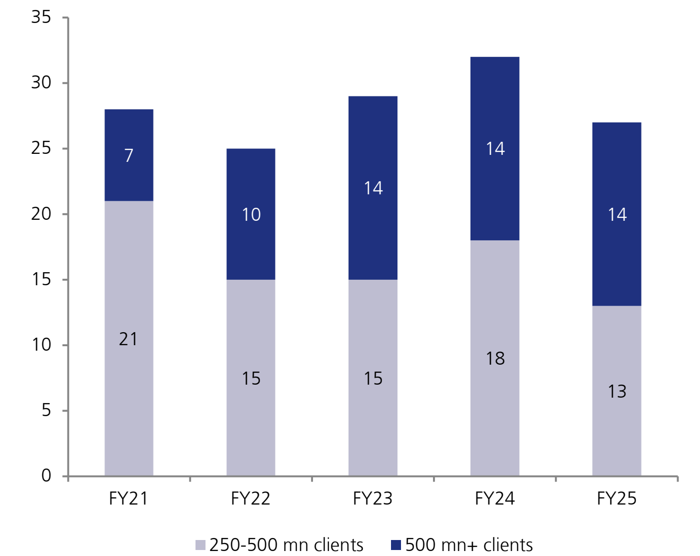
Source: Company, JM Financial

Exhibit 55. Black Box has maintained relationship with its top clients for over 2 decades, and has scaled revenues from these clients
Top 10 clients –w. avg. no. of years and revenue contribution (%)



Source: Company, JM Financial

Exhibit 56. No. of 50cr+ clients scaled from 7 in FY21 to 14 in FY25, this is evidence of strong farming and recurring engagement
Client contracts b/n (INR) 200mn-500mn and 500mn+ - Nos



Source: Company, JM Financial

Exhibit 57. Black Box counts marquee logos such as BOFA, Intel, Meta, Wells Fargo and IKEA as its clients; this reflects on quality of engagement and scope for farming
Black Box select customers

Source: Company, JM Financial

Exhibit 58. Black Box is platform agnostic and has partnerships with multiple vendors
Black Box's technology partners

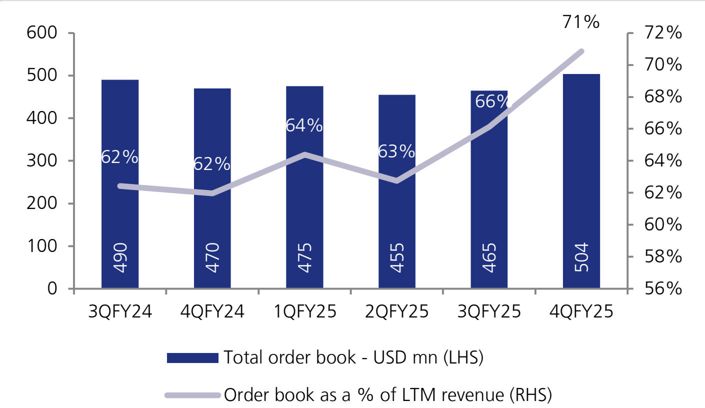
Source: Company, JM Financial

Deal Wins: Uptick in orders

Black Box's book-to-bill averages around 0.66 (2/3rd of revenue). This is because, on average, the order book gets consumed in 9-10 months. Projects order book gets consumed in 9-10 months on average, managed services and maintenance contract order book gets consumed over the course of 12 months and products order book gets consumed immediately. Project orders, once executed, provide Black Box the opportunity to upsell managed services and maintenance contracts. Consequently, there has been a consistent increase in this annuity (managed services + maintenance contract) like order book. This annuity business contributes roughly 1/3rd of revenue to Black Box. The management has indicated that it intends to push this to 40% in the near term and 50% in the medium term. Annuity business lends revenue visibility and has greater profitability. Outstanding order book ticked up in 4QFY25; it stood at 71% of LTM revenue vs. an average of 63.4% seen during 3QFY24-3QFY25. Net new orders also ticked up to USD 218mn (1.22x book to bill) vs. an average run rate of c.USD 170mn (3QFY24-3QFY25). The increased focus towards growth seems to be playing out as evidenced by this uptick in orders.

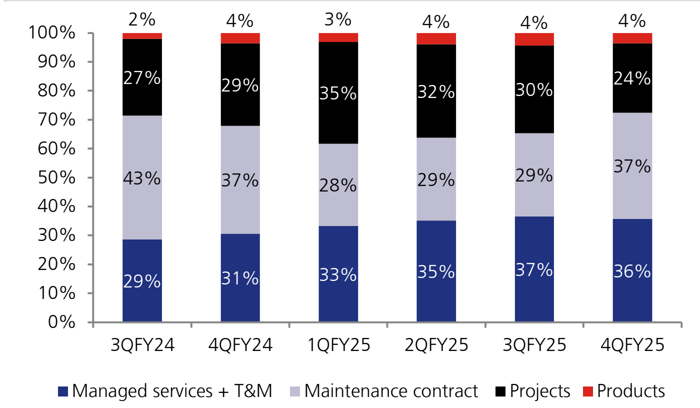
An analysis of the deal wins highlighted (1QFY25-1QFY23) by the company shows that it has won over USD 340mn of data centre-related TCV from an American social networking client. This underscores both the growing momentum in the data centre space and Black Box's ability to capitalise on it. Additionally, the company has a strong pipeline of over USD 2bn; 80-90% of this pipeline is from the top 300 customers.

Exhibit 59. Total order book and order book as a % of revenue increased in 4QFY25, indicating an uptick in growth
Total order book (USD mn) and order book as a % of rev. (%)



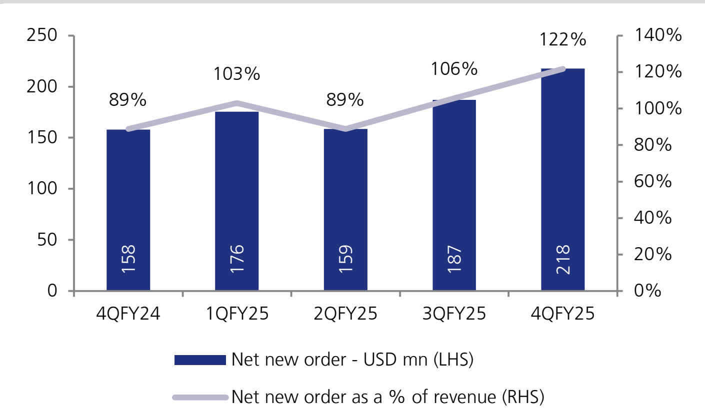
Source: Company, JM Financial

Exhibit 60. Managed services and maintenance contract share in order book is rising, products is stable
Order book split - %



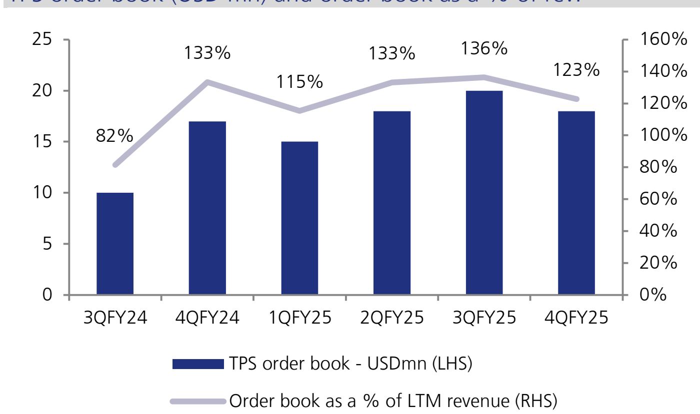
Source: Company, JM Financial

Exhibit 61. Net new order in 4QFY25 increased by USD 31mn in 4Q, Net new order book to bill at a healthy 1.22x
Net new order– USD mn and new orders as a % of rev.



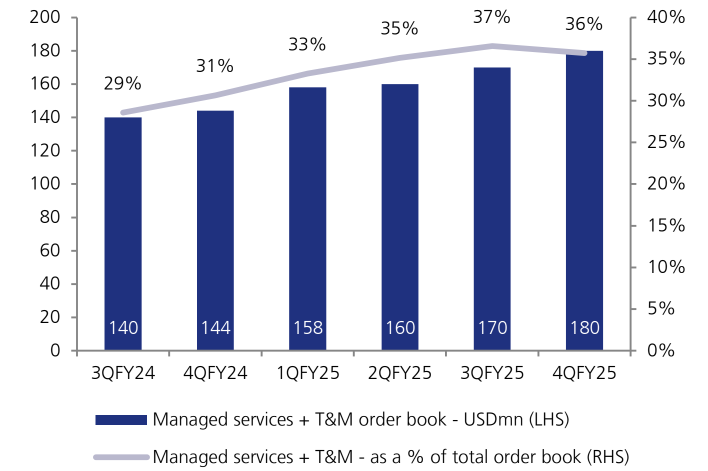
Note: Net new order calculated as : opening order book – (revenue in the quarter- ending order book)
Source: Company, JM Financial estimates

Exhibit 62. TPS order book is around 20% of LTM revenue; this indicates TPS order book gets consumed quickly
TPS order book (USD mn) and order book as a % of rev.



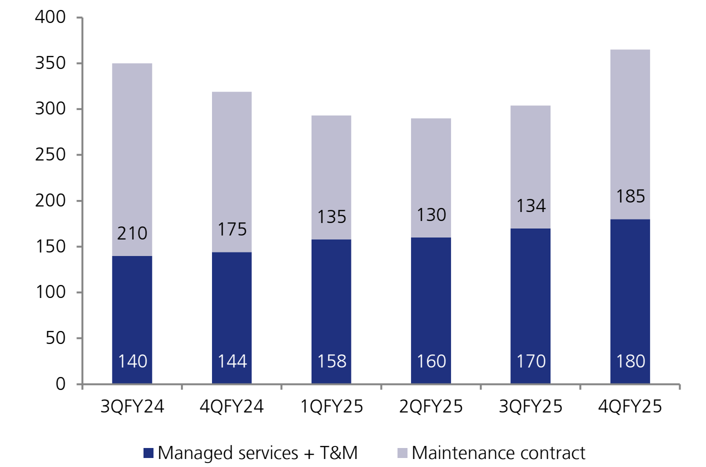
Source: Company, JM Financial

Exhibit 63. Managed services order book is rising consistently, company is winning recurring revenue from projects executed
Managed services +T&M order book (USD mn), as a % of total



Source: Company, JM Financial

Exhibit 64. Recurring portion of order book has increased; this increases visibility of revenue and aids profitability
Managed services +T&M and Maintenance order book – USD mn



Source: Company, JM Financial

Exhibit 65. Black Box has won TCV of over USD 400mn in data centre deals during 1QFY23-1QFY25. Out of this, USD c.340mn is from an American social media giant. Other large wins primarily comprise of connected building and digital workplace deals
Top deals won – 1QFY25-1QFY23

Period	Deal wins - USD mn	Description of deal
4QFY24	105.4	Data Center and In-Building 5G/OnGo solutions for an American online social media and social networking service
3QFY23	62.7	Data Center and In-Building 5G/OnGo solutions for an American online social media and social networking service
4QFY23	61	Data Center and In-Building 5G/OnGo solutions for an American online social media and social networking service
2QFY24	47.8	Data Center and In-Building 5G/OnGo solutions for an American social media and social networking service
3QFY24	37.4	Data Center and In-Building 5G/OnGo solutions for an American social media and social networking giant
1QFY23	22	Connected Building and In-Building 5G/OnGo solutions for an American not-for-profit Catholic health system operating 92 hospitals in 22 American states
4QFY24	21.1	On Demand and Connected Building solutions for an American multinational corporation and technology company
1QFY24	20.2	Data Center and In-Building 5G/OnGo solutions for an American online social media and social networking service
1QFY25	9.3	Data Center build for an American multinational corporation and technology company
2QFY23	8.9	Data Center and In-Building 5G/OnGo solutions for an American online social media and social networking service
1QFY23	8.4	Data Center and In-Building 5G/OnGo solutions for an American multinational technology conglomerate
4QFY23	8	Connected Building & Digital Workplace solutions for an American multinational retail giant
1QFY24	7.6	Connected Building and On Demand solutions for an American multinational corporation and technology company
4QFY24	7.3	Digital Workplace, Audio Video, and On Demand solutions for a major American automobile enterprise
2QFY24	7.3	Digital Workplace, Audio Video, and On Demand solutions for a major American automobile enterprise
2QFY23	7	Data Center and In-Building 5G/OnGo solutions for an American online social media and social networking service
4QFY23	6.7	Connected Building and On-Demand solutions for an American multinational corporation and technology company
4QFY24	6.6	Data Center solutions for a short-form video hosting service provider
3QFY24	6.6	Data Center solutions for a short-form video hosting service provider
2QFY23	6.2	Connected Building and On-Demand solutions for an American multinational corporation and technology company
4QFY24	5.9	Connected Building and Enterprise Networking solutions for a Mexican multinational food company
2QFY24	5.9	Connected Building and Enterprise Networking solutions for a Mexican multinational food company
4QFY24	5.7	Enterprise Networking, Connected Building, and Digital Workplace solutions for an American Biotech major
2QFY24	5.7	Enterprise Networking, Connected Building, and Digital Workplace solutions for an American Biotech major
4QFY24	5.4	Enterprise Networking and Connected Building solutions for a renewable power generation and distribution company
2QFY24	5.4	Enterprise Networking and Connected Building solutions for a renewable power generation and distribution company
1QFY25	5	Digital Workplace, Connected Building, CX, and Networking Solutions for one of the largest cruise lines
1QFY24	4.8	Connected Building and Digital Workplace solutions for the largest hospital chain in the US
3QFY23	4.5	Connected Building & Unified Communication solutions for one of the largest, and most diverse correctional departments in the US
2QFY23	4.5	KVM Solutions for a European Defence organization

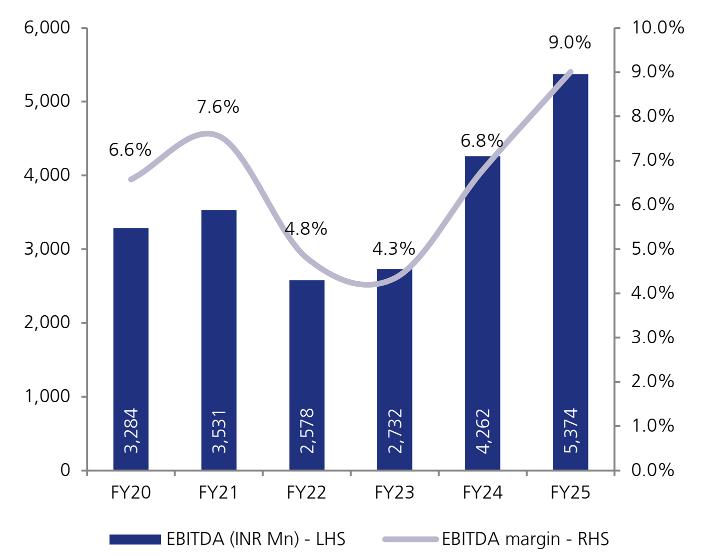
Source: Company, JM Financial

Strategic Roadmap

Phase I: Margin expansion

Black Box has undertaken a multi-year transformation focused on margin accretion through tail-cutting, operational efficiency, and client quality uplift. From a base of ~2,000 customers, the portfolio has been rationalised to ~1,500, with an aim to benchmark all clients at a minimum revenue threshold of USD 1mn. Strategic exits from low-value, non-accretive accounts have enabled sharper resource alignment, while ongoing investments in automation, cost controls, and productivity enhancement have supported a steady margin uptrend. Focus is also shifting toward proprietary IP-led products under the Black Box Emerald brand - designed, developed, and manufactured in-house across Ireland and Bengaluru, offering higher margins. Black Box is now targeting a blended gross margin range of 28–32%, with tailwinds from mix improvement and internal productivity gains.

Exhibit 66. Black Box is aiming for margins to track 10%…
EBITDA (INR mn) and EBITDA Margin (%)



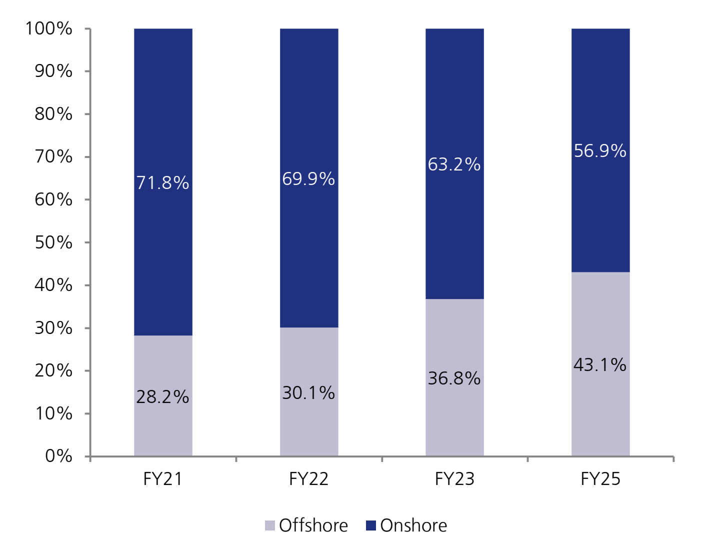
Source: Company, JM Financial

Exhibit 67. …supported by six structural levers
Black Box's roadmap to margin expansion

Margin Expansion Strategy
Customer operations and shared services utilizing Centre of Excellence in Bangalore
Better Rookie Mix
Better procurement and sub-contractor management
Right shore to ensure cost optimization
Facility Optimization and ERP Consolidation
Repricing contracts to get better yields

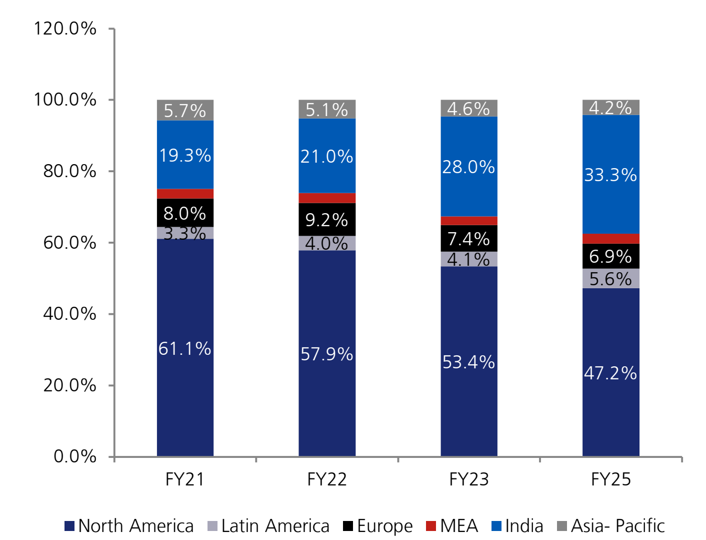
Source: Company, JM Financial

Exhibit 68. Increasing offshore share in the employee mix…
Distribution of total number of Employees, Onshore vs. Offshore (%)



Note: Onshore denotes employees in North America, Europe, and MEA, and Offshore denotes employees in India, Asia-Pacific, and Latin America. Source: Company, JM Financial

Exhibit 69. …with increasing share of employees in India
Distribution of total number of Employees, by Geography (%)



Source: Company, JM Financial

Phase II: Focus areas for organic revenue growth

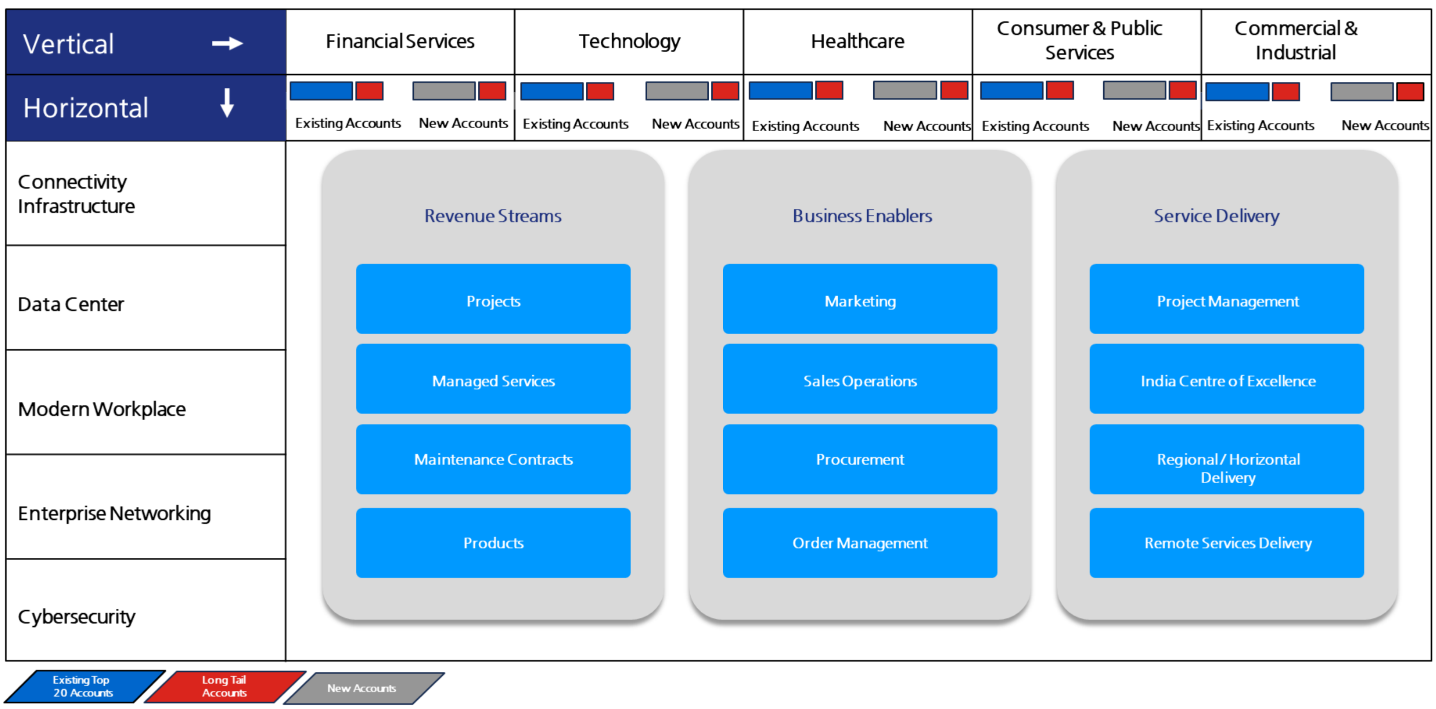
With the foundation for turnaround initiatives laid, Black Box has now transitioned its strategic focus towards revenue growth. FY25 marked the launch of targeted growth strategies aimed at acquiring high-value clients and driving long-term top line expansion. The emphasis remains on scaling with discipline while deepening customer value.

Renewed Go-To-Market strategy: Verticalisation focus

Black Box has refreshed its go-to-market (GTM) strategy with a verticalisation lens, pivoting from a portfolio-led to a customer-need-led approach. The renewed strategy is centred around acquiring large-value clients and building sector-specific capabilities to enhance pipeline visibility and wallet share. Leadership hiring and focused account planning have been key to institutionalising this shift, enabling deeper vertical penetration, improved cross-sell, and higher-value deal participation. Following are the key actions that have been executed:

- Strategic account planning: Initiated focused planning for top customers and high-potential prospects to unlock scalable, long-term opportunities across high-spend verticals.
- Leadership build-out: Hired vertical heads and senior leaders to anchor GTM execution, improve client engagement, and drive repeat business through sector-specific solutions.
- Opportunity identification: Increased vertical focus to tap unmet needs and emerging demand pockets across industries, accelerating customer-specific growth initiatives.

Exhibit 70. Black Box is now focusing on industry verticals for vertical specific and customised offerings through its renewed GTM model



Source: Company, JM Financial

Exhibit 71. Black Box has recently hired multiple vertical heads and senior leaders as part of its renewed GTM strategy

Name	Designation	Hiring Month & Year	Previous Experience
Janna Valencia	Vice President – Sales, Vertical Head – Consumer & Public	April 2024	20+ years of experience, working with companies like GLG, Kyndryl, and IBM
Erik Newlin	Global Head – Healthcare, Life Sciences & Insurance	June 2024	20+ years of experience in companies like Firstsource, Wipro, Infosys, and Xerox
Jai Venkat	Chief Revenue Officer – Americas	January 2025	30+ years of experience in companies like Zones, Cognizant, Capgemini, and Infosys
Axel Kopprasch	Regional Sales Director – MEA	April 2025	20+ years of experience, working with companies like Cyviz, Vrmada, HP, and Barco
Sean Maguire	SVP & Global Head - Data Center Strategy	May 2025	30+ years of experience in companies like CEC, Olsson, Atos, NTT, and Digital Realty

Source: Company, LinkedIn, JM Financial

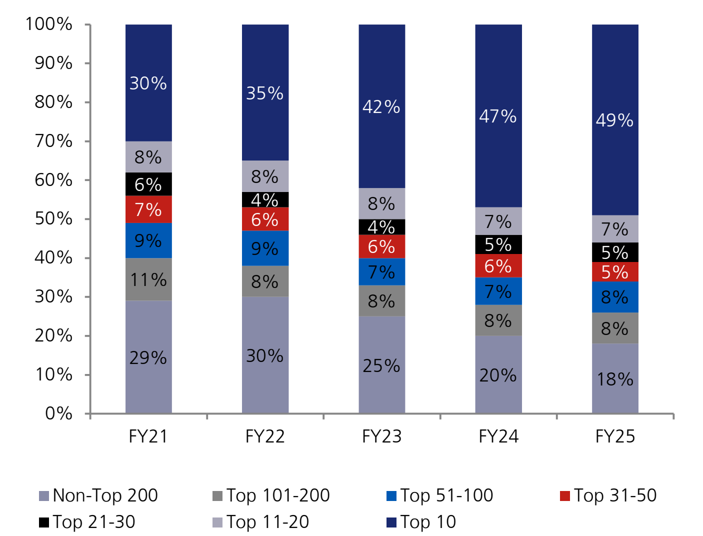
Renewed Go-To-Market strategy: Multi-geography focus

Black Box's GTM pivot towards a multi-geography model is to enable stronger client intimacy and higher wallet share. It operates under a glocal (global + local) structure, with majority of delivery personnel deployed on-site across North America, Europe, APAC, Middle East, and India – this is to ensure responsiveness, proximity, and cultural alignment with enterprise clients. This is complemented by offshore shared services hubs in Bengaluru and Navi Mumbai, delivering scale and efficiency. This dual-shore model is expected to enhance operational agility and strengthen Black Box's ability to expand cross-sell across integrated digital infrastructure mandates.

Deeper engagement with top 300 customers

Black Box is sharpening its focus on the top 300 customers, who contribute the bulk of its revenue, to deepen engagement and drive larger deal wins. This shift is complemented by their tail-cutting exercise, reallocating resources towards strategic accounts. The company has invested significantly to prioritise high-potential accounts and has hired leadership to anchor sector-specific conversations and expand solution footprints across critical accounts.

Exhibit 72. Improved client mix with growing contribution from Top 200 accounts…
Revenue distribution, by Client Size (%)



Source: Company, JM Financial

Exhibit 73. …supported by a marquee customer base across the verticals Black Box operates in
Black Box's Key Clients across Sectors

Sector	Key Clientele
Technology	6 of the top 10 Tech Companies in the US
Healthcare	8 of the 'Fortune 500' Healthcare Companies
Manufacturing	6 of the 'Fortune 500' Petroleum Refining Companies
Utilities	4 of the top 15 Utility Companies in the US
Broadcasting	2 of the top 5 Broadcasters Globally
Retail	7 of the top 30 Retailers in the US
Pharmaceuticals	7 of the 'Fortune 500' Pharmaceutical Companies
Banking	6 of the 'Fortune 500' Banks

Source: Company Annual Report, JM Financial

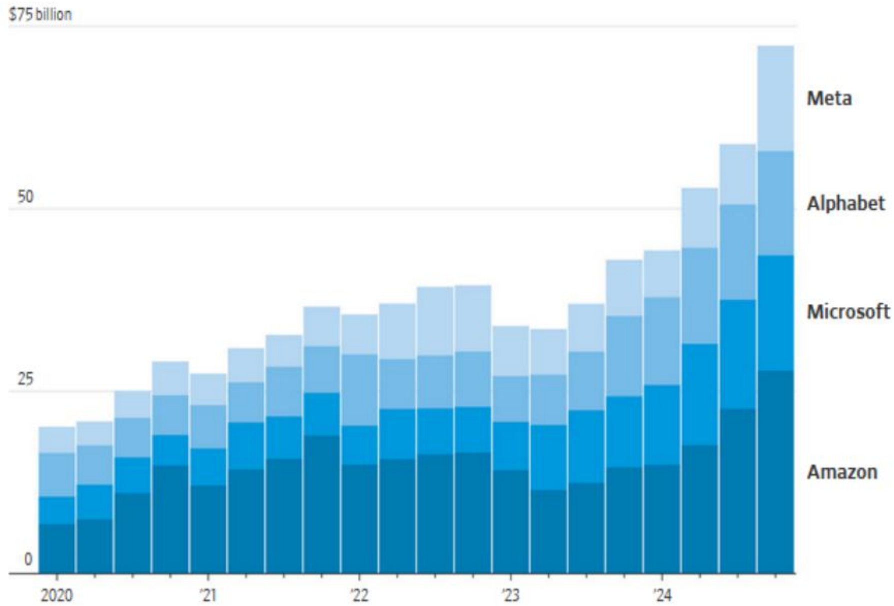
Focus on data centre opportunity: US and India

Black Box expects data centre revenue contribution to reach 25% by FY29

Black Box believes that India remains structurally underpenetrated in data centre capacity despite being the world's largest data consumer. The company views this as a long-term opportunity and is targeting doubling of its India DC business. With over USD 325bn in Hyperscalers' investments announced globally by players such as Amazon, Meta, and Microsoft, the company expects a sustained uptick in demand for data centre build-outs and related networking infrastructure, particularly in AI/GPU-intensive workloads.

The company is actively addressing brownfield and hyperscaler-led build-outs in both the US and India, and has built relevant capabilities in power-dense, high-speed networking solutions. Talent ramp-up in India remains a focus area to support this segment. In its USD 2bn goal, it expects data centre revenue to contribute ~25%.

Exhibit 74. Amazon, Google, Microsoft, and Meta continue to pour funds into AI
Quarterly capital spending by Amazon, Microsoft, Alphabet, and Meta (USD bn)



Source: Company websites, JM Financial

Phase III: Inorganic growth strategy

Black Box's inorganic growth strategy is centred on scaling through targeted acquisitions that expand capabilities, enhance geographical presence, and unlock margin improvement potential. The approach focuses on identifying sub-scale or low-margin businesses in adjacent domains such as cloud, data centres, cybersecurity, and IoT, while ensuring strategic fit through vertical or geographic synergies. Post-acquisition, the focus shifts to integration, margin uplift, and simplification of operations.

- Capability and geographic expansion: Targets businesses that offer growth headroom in cloud, cybersecurity, data centres, and IoT, with a focus on US, Europe, and APAC markets.
- Complementarity with core operations: Acquisitions are aimed at scaling existing verticals, entering new geographies, and acquiring capabilities aligned with emerging solution areas.
- Integration and margin improvement: Focus on driving short-term synergies, mid-term transformation, and exiting low-margin segments to streamline the financial structure.

Industry Overview

A. Data centre opportunity globally and in India

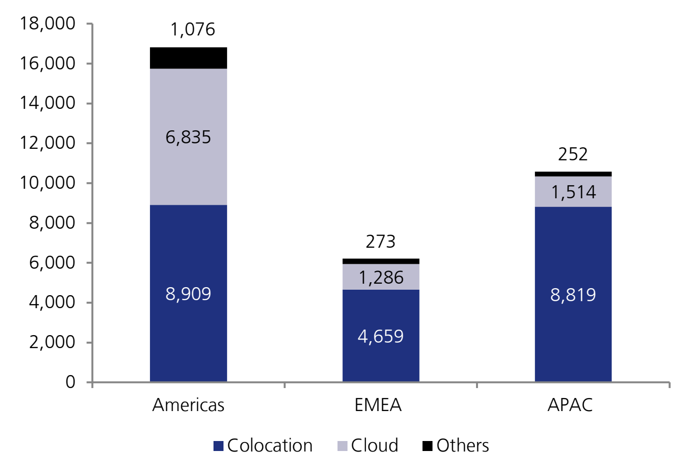
We view Black Box as a beneficiary of India's accelerating data centre expansion, with its core strengths in networking and connectivity aligning closely with evolving infrastructure requirements. The company offers end-to-end solutions - from DC infrastructure management and connectivity to interconnect and managed services - supported by trained technical talent and globally certified deployment practices. In our view, these capabilities position Black Box to capitalise on both global and India-specific DC growth. The following section provides a refresher on the underlying industry dynamics, drawing from our detailed Data Centre report (see Data Centre 101: India's Cloud Moment).

Global data centre capacity

Global data centre capacity stands at c.33.6GW (2024), Colocation players account for a major share of this capacity at 22.4GW (67%); 71% of cloud owned capacity is in the Americas. Proximity to customers, tax exemptions, low energy costs, low latency internet exchanges and well developed digital infrastructure makes the US an attractive location. The total data centre capacity in the development pipeline (under construction and plans filed) stood at 44.6GW in 2024. Upon completion, this will take the capacity to c.78GW globally.

Exhibit 75. 71% of cloud-owned capacity is located in the Americas, has lower presence in other regions

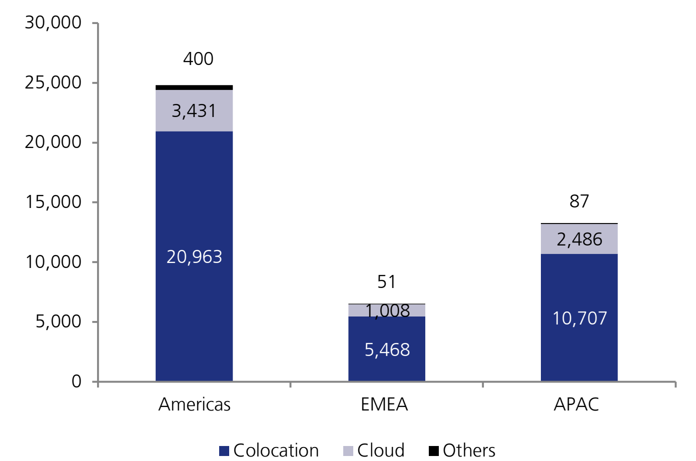
Operational capacity split based on region and type (2024) - MW



Source: Cushman & Wakefield Research, JM Financial

Exhibit 76. 56% of new capacity coming up in the Americas; Europe is set to lose share, APAC accounts for 30% of new capacity

Development pipeline across regions (2024) - MW

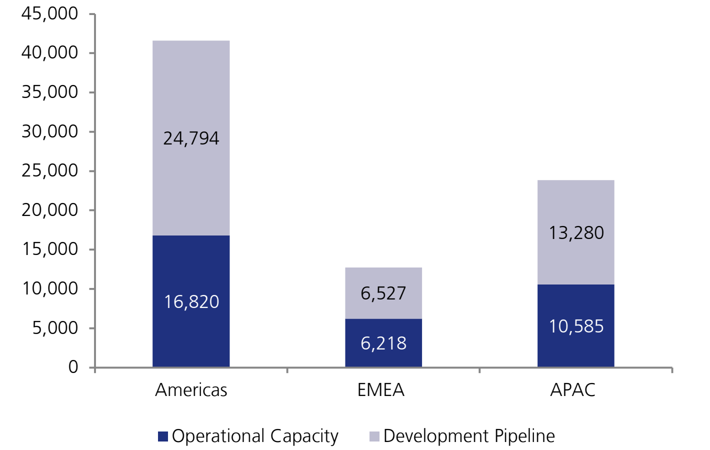


Source: Cushman & Wakefield Research, JM Financial

Americas' share in capacity is set to increase from 50% currently to 53%. EMEA is set to lose share. Virginia will see doubling of capacity, with over 4.5GW in the pipeline within which almost 1.5GW is under construction. Virginia hosts an important Internet exchange point, has one of the densest fibre optic networks, provides tax breaks and has access to attractively priced and renewable power. This makes Virginia attractive to large scale players.

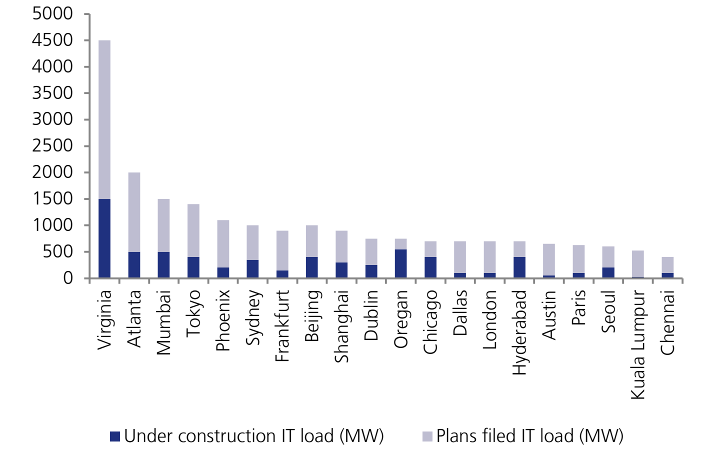
Global data centre absorption has surged significantly, with a 40% increase over the last three years, notably outpacing new supply by more than 50%. In the US, Virginia alone represented approximately half of the net absorption among the top four markets, highlighting its dominant market position. On the other hand, vacancy rates have seen a marked decline, dropping from over 10% in 2020 to just 6.5% in 2023. The US experiences particularly acute shortages, exemplified by Virginia's historically low vacancy rate of merely 0.9%. Europe maintains slightly higher vacancy rates at 10.6%, but even there, prime locations like Frankfurt have become increasingly tight, demonstrating widespread pressure on available capacity.

Exhibit 77. In Americas, 1.5x of current capacity in development pipeline. 1.25x for APAC
Operational capacity vs. Development pipeline (2024) - MW



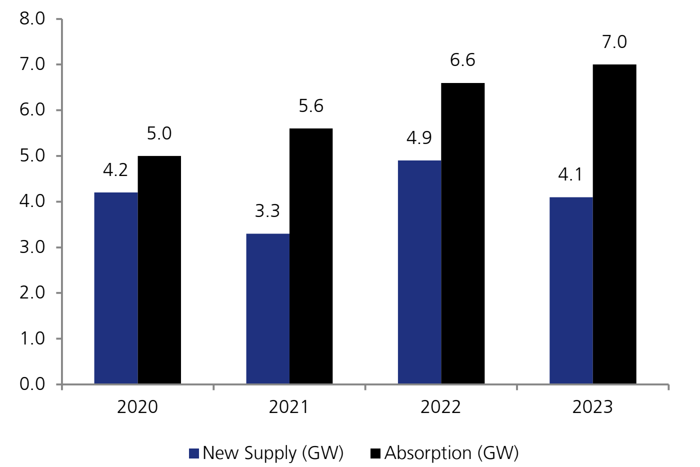
Source: Cushman & Wakefield, JM Financial

Exhibit 78. Virginia to add 4.5GW of incremental capacity, Mumbai to feature among top 5 and Hyderabad in top 20
City Wise, Data Centre development pipeline - MW



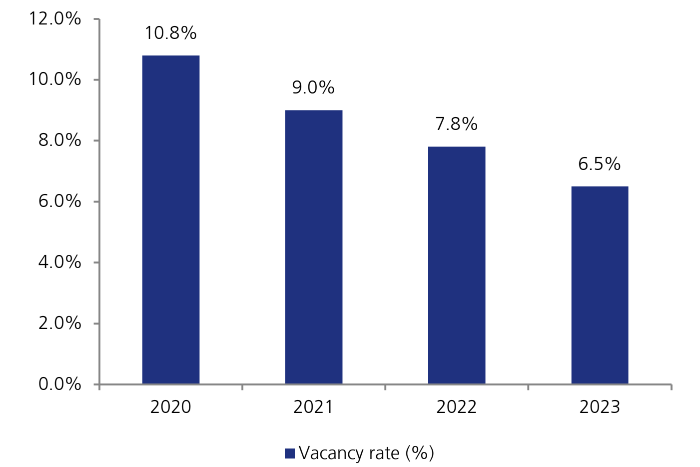
Source: Cushman & Wakefield, JM Financial

Exhibit 79. Absorption has outpaced supply over the past 4 years, highlighting the robust demand for Data Centre capacity
New Supply and Absorption (2020-2023) - GW



Source: Data center Hawk, Digital Realty, JM Financial

Exhibit 80. Vacancy rates have been trending lower over the past 4 years, indicating acceleration in demand
Vacancy rate (2020-2023) - %



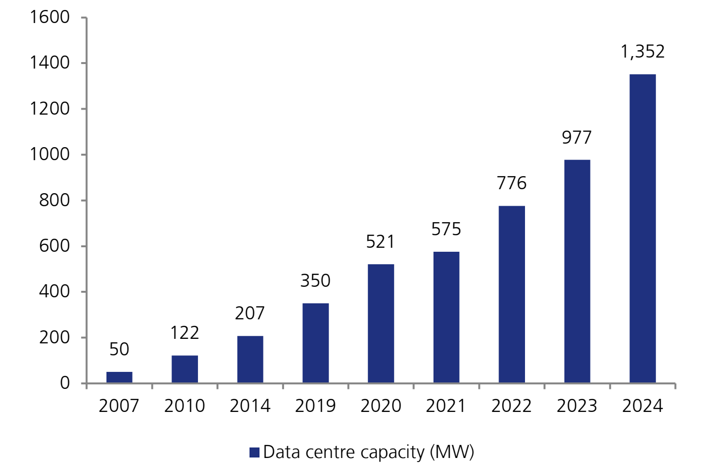
Source: Data center Hawk, Digital Realty, JM Financial

India’s data centre capacity: Current and projected

The total installed colocation data centre capacity in India stood at 977MW in CY23. Our estimates suggest that capacity has grown to 1,352MW in March 2025. Capacity has grown at a CAGR of 27% since 2020 and 23% since 2014. Growth in capacity has accelerated in line with acceleration in data generation and usage. In terms of location, Mumbai has 54% of data centre capacity, followed by Chennai (18%). Availability of reliable power, cable handling stations, BFSI and Hyperscaler demand and absence of natural threats make these preferred locations for DC capacity.

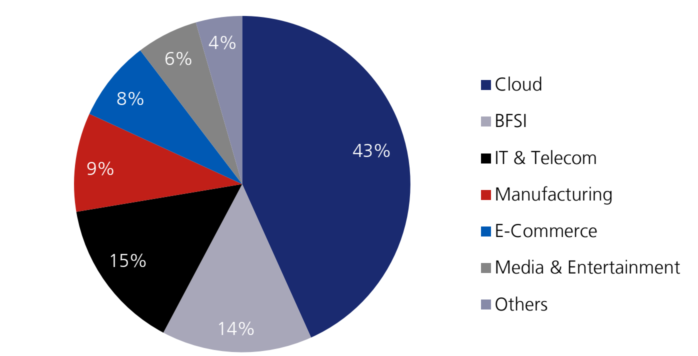
Cloud service providers are the major tenants of colocation capacity in India (43%). Colocation capacity allows them to scale with low upfront capex and allows them to strategically locate incremental capacity.

Exhibit 81. Data centre capacity grew at a CAGR of 27% since 2020 and 23% since 2014 to reach 1,352GW in 2024.
India's Data centre installed colocation IT load - MW



Source: Cushman & Wakefield Research, CareEdge, JM Financial estimates

Exhibit 82. Hyperscalers, BFSI and Telecom tenants occupy ~75% of colocation capacity
Tenant wise distribution of Colocation capacity in India (2023) - %



Source: Cushman & Wakefield research, JM Financial

We expect data centre capacity in India to surpass 5GW by 2030, implying a CAGR of 25% over this period. We expect steady growth in the number of mobile users and the average mobile traffic/user to raise the pan-India mobile usage to c.45 exabytes per month by 2030. Along with this, we expect data centre density to increase from 14.5 PetaByte/MW to 9 PetaByte/MW. All this informs our capacity projection of 5.1GW in 2030.

Exhibit 83. Demand for data centre capacity expected to grow 25% during 2024-2030E supported by 15.3% CAGR of pan-India mobile data usage/month during the same period

	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E
Average monthly mobile data traffic/user (GB)	13.5	17.0	19.5	24.1	26.6	30.0	33.7	38.9	44.7	50.3	55.4
Growth, YoY	20.5%	25.9%	14.7%	23.6%	10.4%	12.9%	12.2%	15.6%	14.8%	12.5%	10.1%
Number of mobile users, mn	711	741	738	722	736	751	766	782	797	813	829
Growth YoY	15%	4%	0%	-2%	2%	2%	2%	2%	2%	2%	2%
Pan India Mobile data Usage/month (ExaByte)	9.6	12.6	14.4	17.4	19.6	22.6	25.8	30.4	35.6	40.9	45.9
Growth YoY	39.1%	31.3%	14.3%	20.8%	12.6%	15.1%	14.5%	17.9%	17.1%	14.8%	12.3%
Peta Byte/MW	19.6	21.2	20.0	17.8	14.5	13.6	12.7	11.7	10.8	9.9	9.0
Installed IT load (MW)	**491**	**593**	**719**	**977**	**1,353**	**1,662**	**2,040**	**2,592**	**3,291**	**4,124**	**5,102**

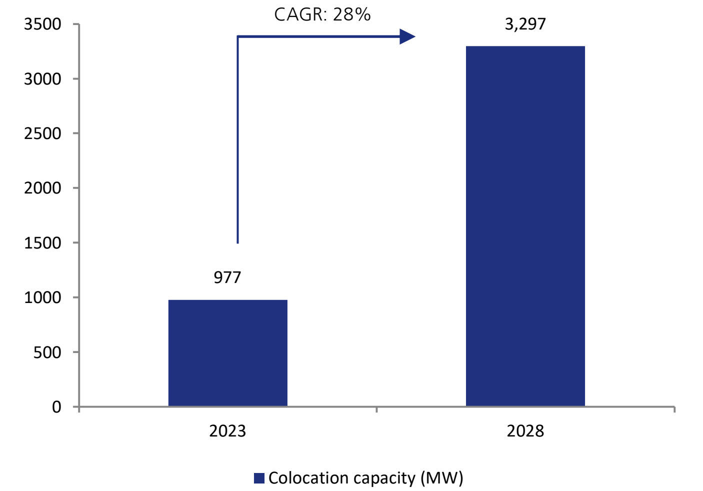
Source: Cushman & Wakefield, India Mobile broadband index, Ericsson, JM Financial estimates

India's planned data centre capacity addition

The colocation data centre capacity in India is set to grow at a CAGR of 28% to 3.3GW by 2028. India will see one of the highest capacity additions relative to current operational capacity globally. For 2024-2028, India will add 464MW (50%) of 2023 capacity (977MW) annually. Our estimates of current capacity (Mar'25) stand at 1,352MW, indicating that c.400MW of capacity has been added since 2023.

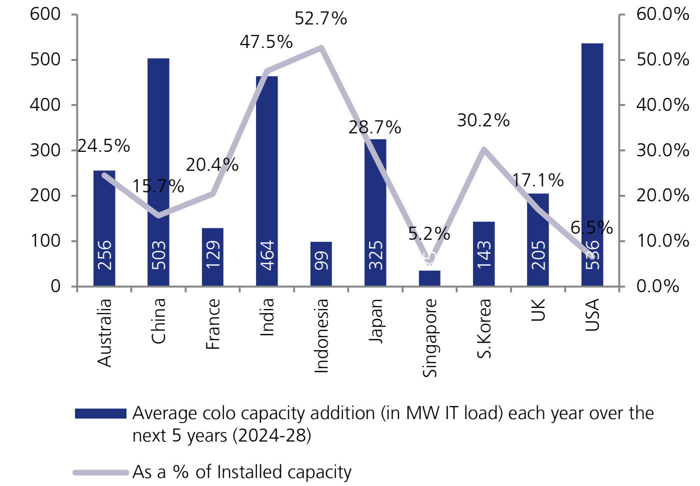
A major portion of the capacity is being added in Mumbai, which will be adding 1.2GW of capacity during this period. Hyderabad is also set to become a major data centre market in India. AWS is investing USD 4.4bn in the region to set up its data centres and has designated Telangana as a strategic region. Adani Connex is adding almost 370MW of capacity. The new capacity is coming up in Mumbai, Hyderabad, Vizag and Pune. Overall, colocation players are set to add more than 1.6GW of capacity.

Exhibit 84. Colocation capacity addition of c.2,320MW in the next 5 years, growing at a CAGR of 28%
India Colocation capacity - MW



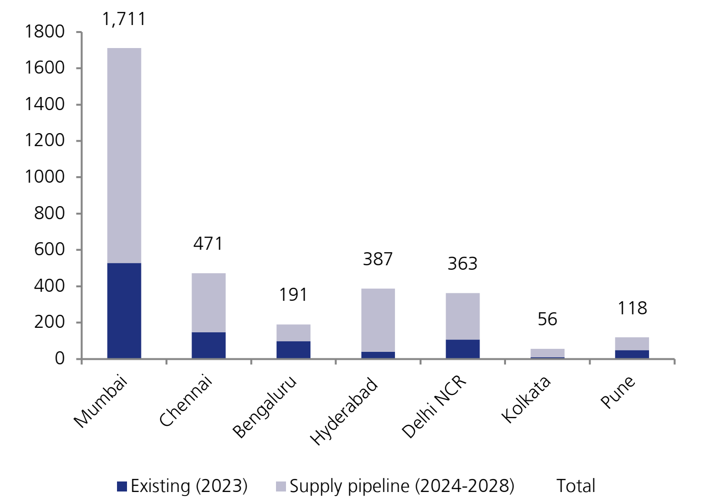
Source: Cushman & Wakefield Research, JM Financial

Exhibit 85. India to add c.50% of present capacity, every year for the next 5 years
Avg. colo capacity addition (24-28), As a % of Installed capacity (23)



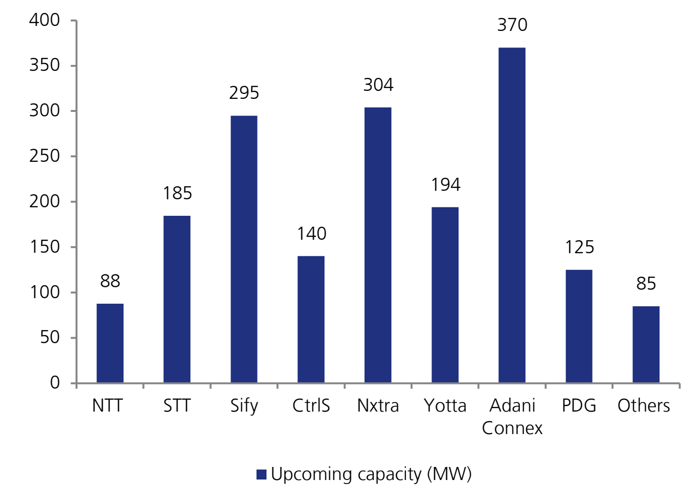
Source: Cushman & Wakefield Research, JM Financial

Exhibit 86. Planned capacity for most cities more than 100% of existing capacity
City wise existing and planned IT load (2028) - MW



Source: Cushman & Wakefield, JM Financial

Exhibit 87. Adani Connex, Nxtra and Yotta to add c.860MW of capacity; more than 1.6GW of capacity to be added
Upcoming capacities across colocation players - MW



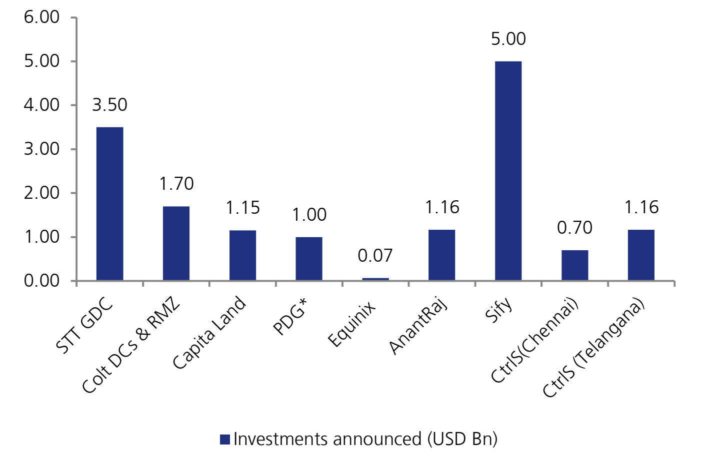
Note: Upcoming capacities according to company websites. Source: Cushman & Wakefield, JM Financial

Investments in India's data centre capacity

Colocation operators combined have announced investments of c.USD 15bn in data centre capacity. This translates to roughly c.2.8GW of capacity addition (USD 5.4mn per MW). These announced investments have varied timelines and of course could undergo revisions; nevertheless the quantum of investments announced is substantial despite this.

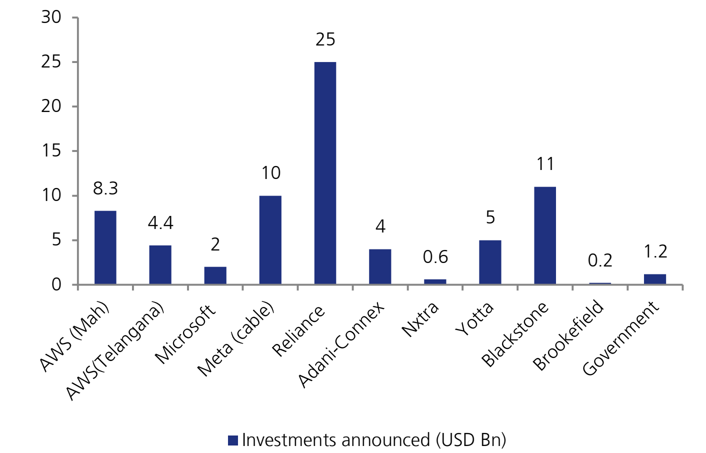
Many other pools of capital are mulling investments in data centre capacity. Hyperscalers, business houses, private equity investors have announced investments in DC capacity. The government is also investing USD 1bn+ in GPUs. The combined investment across these capital pools is at USD 60bn.

Exhibit 88. Over USD 15bn of investments announced by colocation players. STT and Sify have aggressive expansion plans
Investments announced towards Data centre capacity - USD bn



Note: PDG – Princeton Digital Group Source: Company, JM Financial

Exhibit 89. Over USD 60bn in investments announced by various investors and business houses
Investments announced - USD bn



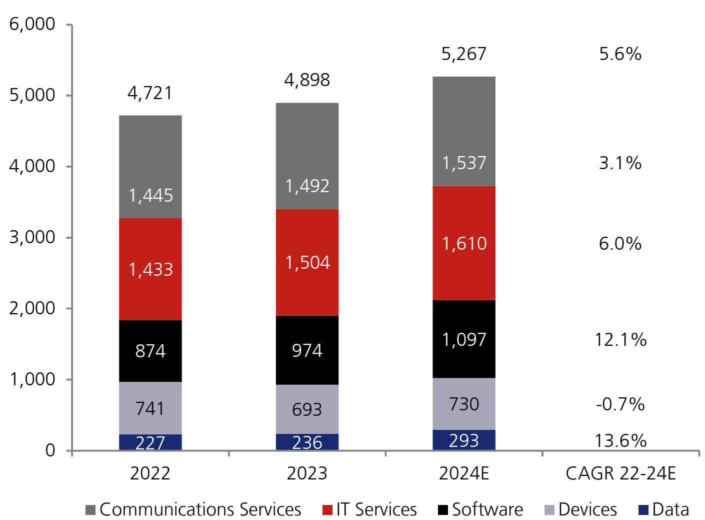
Source: Company, JM Financial

B. Global IT Spending Trends

Worldwide spend on IT and digital transformation

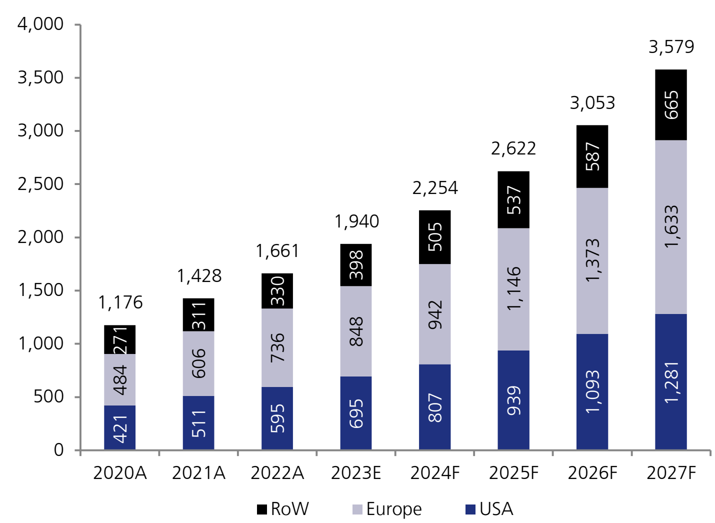
According to Gartner estimates, global IT spending is projected to reach USD 5.27trln in 2024, marking a 7.5% year-over-year (YoY) growth from USD 4.90trln in 2023. Among all the categories, Data, Software, and IT Services demonstrate strong growth. The global digital transformation market is projected to grow from USD 1.94trln in 2023 to USD 3.58trln by 2027, representing a CAGR of ~16.4% over the forecast period. The spend is driven by growth in cloud-first transformation, AI & Automation, and Cybersecurity Integration.

Exhibit 90. Worldwide IT Spending expected to grow at a CAGR of 5.6% over 2022-2024E…
Worldwide IT Spending - USD bn



Source: Gartner, JM Financial

Exhibit 91. …supported by strong growth in digital transformation spending across geographies
Global Spend on Digital Transformation - USD bn



Source: Frost & Sullivan, JM Financial

Multi-sectoral tailwinds

Global IT spending is witnessing broad-based momentum, underpinned by deepening digital adoption across verticals and geographies. BFSI's digital transformation journey, AI-led services, Healthcare's shift to IoT and EHR systems, and Digitalisation of public services are each expanding addressable technology spend.

Exhibit 92. Industry specific tailwinds impacting Global IT spending

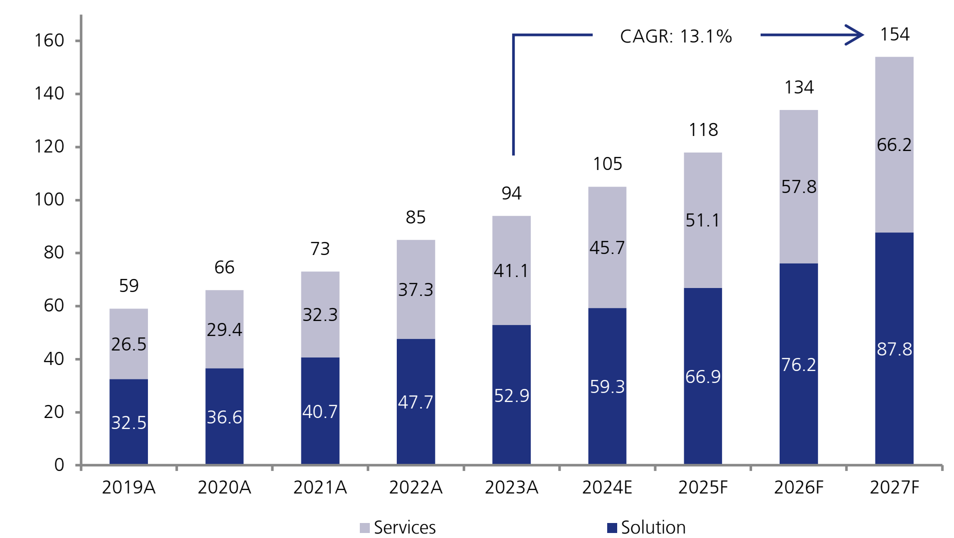
BFSI	Digital transformation and omni-channel banking are driving demand for secure network infrastructure, cybersecurity, and modern workplace solutions. Banks and NBFCs are upgrading to SD-WAN, cloud-native architectures, and managed security services to support digital banking and regulatory compliance. Growing demand for AI-driven fraud detection, real-time transaction monitoring, and branch connectivity enhancements.
Healthcare	Rapid digitalization of healthcare systems, with emphasis on telemedicine, electronic health records (EHRs), and data centre consolidation. Hospitals are deploying resilient, high-speed networks, data security layers, and IoT for patient monitoring. Critical infrastructure like medical edge devices and AI-based diagnostics require secure connectivity and low-latency data transfer.
Technology	Continued hyperscaler investment in AI, cloud infrastructure, and data centres—projected AI capex of USD 414bn in 2025 (BoFA). High demand for data centre build-outs, fibre-based connectivity, and power-efficient infrastructure from cloud and SaaS providers. Multi-cloud and hybrid strategies are driving complexity, making network and security integration critical.
Consumer & Public Services	Government push for digital public infrastructure, smart cities, and airport modernization. Significant investments in public safety systems, video surveillance, and connected transport infrastructure.
Commercial & Industrial	Increasing adoption of Industrial IoT, factory digitization, and private 5G for smart manufacturing. Rising focus on cyber-physical security, predictive maintenance, and connected worker enablement.

Source: News Articles, Annual Reports, JM Financial

Connectivity infrastucture opportunity

Connectivity infrastructure has emerged as a strong enabler of enterprise transformation, with rising demand for high-speed, secure, and low-latency networks across verticals. The proliferation of 5G, increasing adoption of Network-as-a-Service ("NaaS"), and convergence with Wi-Fi and IoT are reshaping enterprise connectivity architecture. The global smart/connected buildings market is projected to grow from USD 94bn in 2023 to USD 154bn by 2027, translating into a CAGR of ~13.1%. Technologies enabling these transformations include structured cabling, integrated AV/IoT systems, smart lighting, and centralised building management systems.

Exhibit 93. Global smart buildings market expected to grow at 13% over 2023-2027F
Global smart/connected buildings market - USD bn

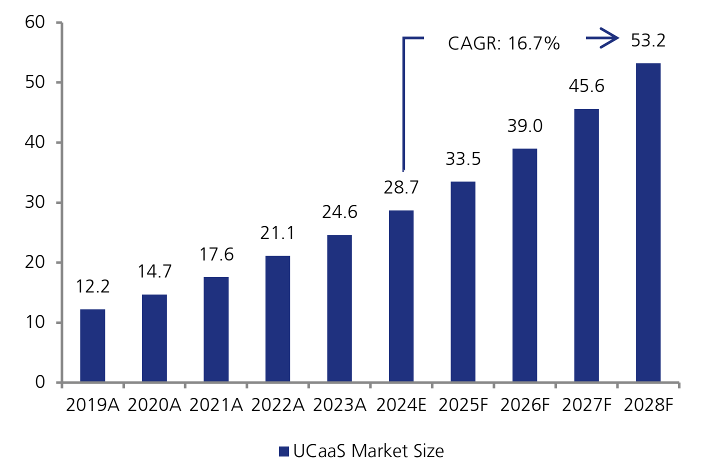


Source: Frost & Sullivan, JM Financial

Trends influencing modern workplaces

Workplace transformation is gaining structural momentum as enterprises recalibrate for hybrid models, necessitating resilient IT architecture and secure collaboration platforms. The rise in remote work has accelerated adoption of UCaaS, with the market expected to reach USD 53.2bn by CY28. With data security and regulatory compliance emerging as boardroom imperatives, modern workplace investments are pivoting towards scalable, cloud native platforms that ensure agility without compromising control.

Exhibit 94. UCaaS market is experiencing strong expansion…
UCaaS market – USD bn



Source: Frost & Sullivan, JM Financial

Exhibit 95. …while rapidly evolving as a service
Key Trends in the UCaaS market

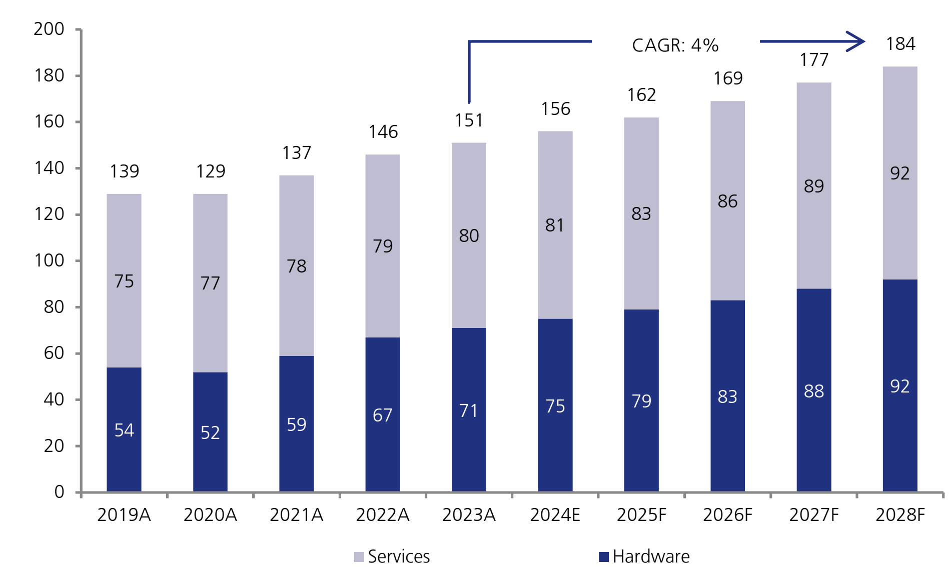
Trend	Description
AI Integration	AI is being increasingly embedded into UCaaS platforms, powering features like automated transcriptions, virtual assistants and advanced analytics
Vertical-Specific Solutions	UCaaS providers are developing tailored solutions to address sector-specific communication needs and compliance requirements
Integration of CCaaS	Integrating Contact Center as a Service (CCaaS) features within UCaaS platforms, providing businesses with comprehensive communication solutions for both internal and external interactions
Emphasis on User Experience	UCaaS providers are focusing on improving user interfaces and experiences to drive adoption

Source: Annual Reports, JM Financial

Enterprise Networking market

Enterprise Networking is undergoing a paradigm shift as hybrid work, multi-cloud adoption, and data-intensive applications redefine infrastructure needs. The global market is projected to exhibit significant growth, led by rising demand for high-performance, scalable, and secure connectivity. Software defined networking (SDN), network function virtualisation (NFV), and Network-as-a-Service (NaaS) are disrupting legacy architectures, offering enterprises flexibility, cost efficiency, and faster deployment.

Exhibit 96. Demand for Enterprise Networking solutions has surged
Global enterprise networking market, by Hardware and Services - USD bn

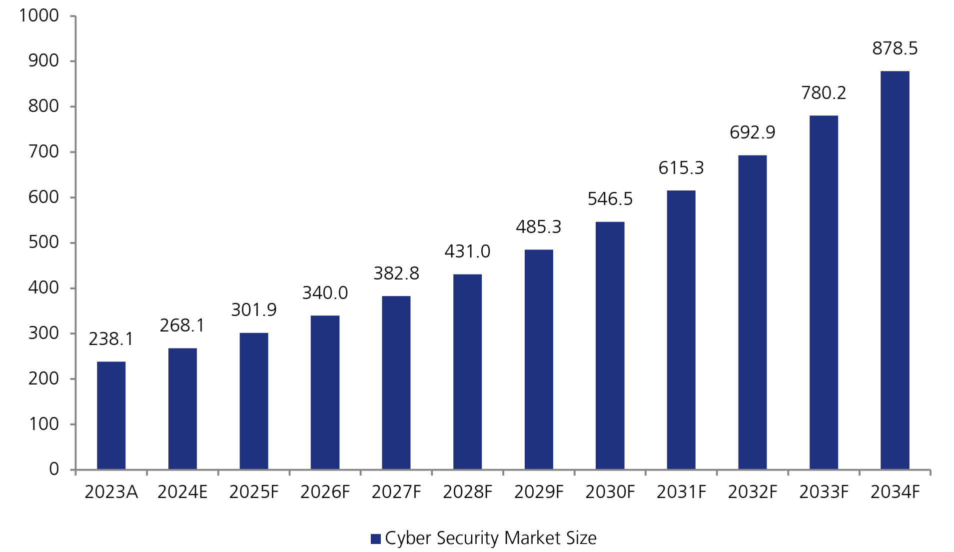


Source: Frost & Sullivan, JM Financial

Increasing adoption of cybersecurity

Rising digital adoption and an expanding threat landscape are accelerating enterprise investments in cybersecurity. The market growth is driven by heightened focus on cloud security, endpoint protection, and compliance mandates. Cybersecurity has now become a requirement, embedded across digital transformation roadmaps.

Exhibit 97. Cybersecurity is now a paramount concern in the Global IT Services Market
Cybersecurity Market Size - USD bn

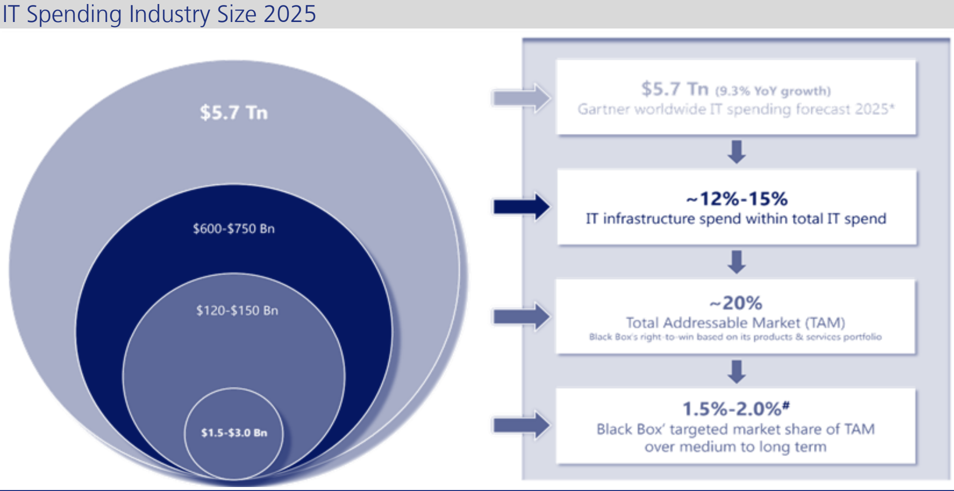


Source: Precedence Research, JM Financial

C. Total Addressable Market for Black Box

According to Gartner's 2025 forecast, global IT spending is projected at USD 5.7trln, growing at 9.3% YoY. Within this, approximately 12% to 15% of the spend is allocated to IT infrastructure, translating to a TAM of USD 600bn-750bn. However, Black Box defines its specific addressable market - based on its current portfolio of services and products - in the range of USD 120bn-150bn globally. This includes Digital Infrastructure and System Integration, Data Centre build-outs, Enterprise Networking, Cybersecurity, and Modern Workplace Solutions. The company is targeting 1.5% to 2% of the TAM to reach USD 2bn in revenue by FY29.

Exhibit 98. Black Box is targeting USD 1.5bn-3bn share of its defined TAM of USD 120bn-150bn
IT Spending Industry Size 2025



Source: Company, JM Financial

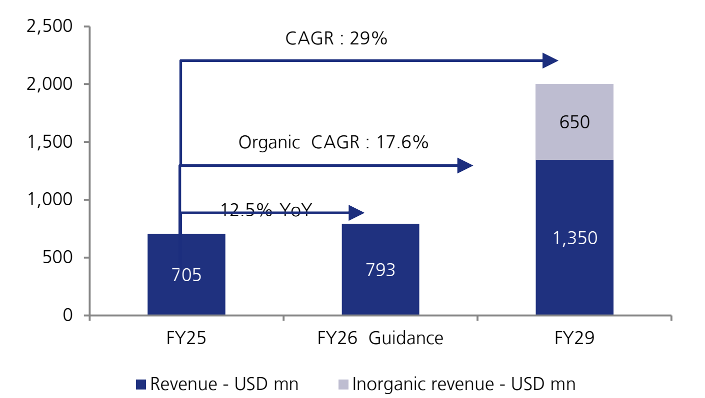
Financial Goals

Black Box is targeting USD 2bn in revenue by FY29, up from USD 700mn in FY25. Of this, USD 1.3bn-1.4bn is expected to come from organic growth, with the remaining USD 600mn-700mn through acquisitions. This target represents a 1.5–2% share of their defined TAM. The company's shift in focus from profitability to growth, refreshed GTM (leadership hires and vertical-led GTM), momentum in data centres, focus on India and a large pipeline (c.USD 2bn) lends visibility to its target. While current win rates for large deals remain low, the management expects improvement, which should support growth.

Data centre solutions currently contributes 15-20% of revenue; it is expected to grow and constitute 25-30% of the USD 2bn FY29 target. This represents a CAGR of 45%. Network connectivity represents 10-15% of the spend towards a data centre build-out. Therefore, there is a significant opportunity for Black Box. Global and domestic data centre capacity is expected to grow at a CAGR of 30%+, with AI-related data centre demand providing incremental upside. Given Black Box's global expertise and work done for marquee clients, the lofty growth target appears achievable.

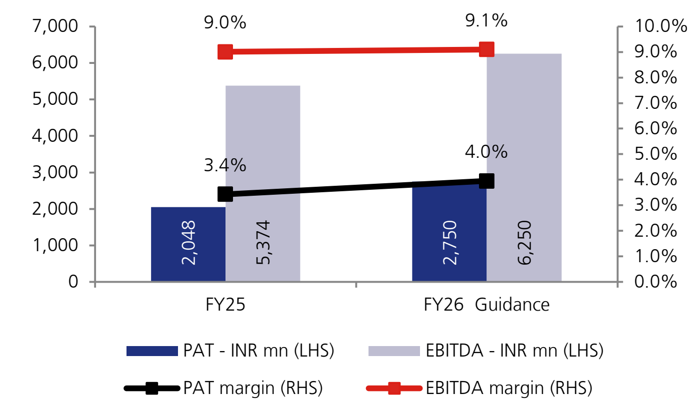
Black Box failed to meet its revenue guidance in FY24. This was due to hold-up in client decision-making and Black Box's strategy of exiting low-value customers. Top line guidance for FY25 was also impacted due to the same reasons (guidance was revised lower in 2Q and 3QFY25). However, the company met its EBITDA guidance for both FY24 and FY25. This displays operational rigour and execution on controllables. An improvement in the demand environment should help the company achieve its FY26 guidance (c.12.5% YoY USD).

Exhibit 99. Black box targets to reach USD 2bn in revenue by FY29 (USD 1.4bn organic) through organic growth and acquisitions
Growth target – FY29 (USD mn)



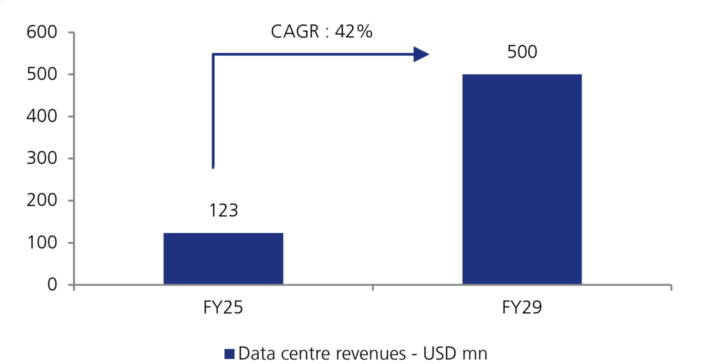
Note: FY26 revenue guidance stated here is midpoint of guided range. FY29 organic revenue target at USD 1.3-1.4bn, inorganic target of USD 600-700mn. Source: Company, JM Financial

Exhibit 100. At midpoint of FY26 guidance, expected EBITDA/PAT growth at 16%/34%and margin expansion at 10/60 bps
FY26 PAT/EBITDA (INR mn) and PAT/EBITDA margin guidance



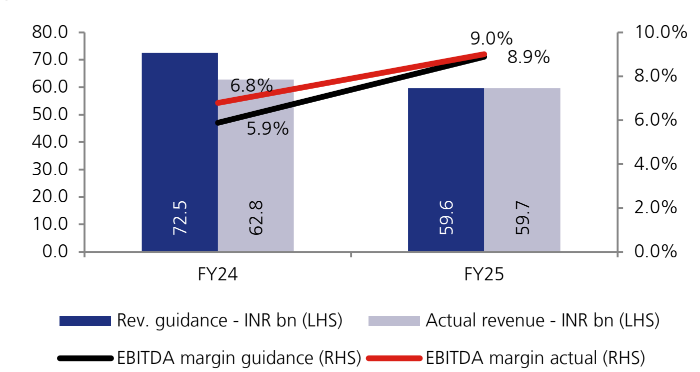
Note: PAT,PAT margin, EBITDA and EBITDA margin guidance stated here are midpoints of guided range. Source: Company, JM Financial

Exhibit 101. Black Box expects DC revenue to contribute 25% of total in FY29; this implies CAGR of 42%
Data centre revenues – USD mn



Note: FY25 DC revenue calculated at 17.5% (15-20% stated) of total revenue. FY29 DC revenue calculated at 25% of FY29 revenue. Source: Company, JM Financial estimates

Exhibit 102. Black Box did not meet top line guidance in FY24, but delivered on EBITDA and EBITDA margin
Revenue and EBITDA guidance – FY24 to FY25



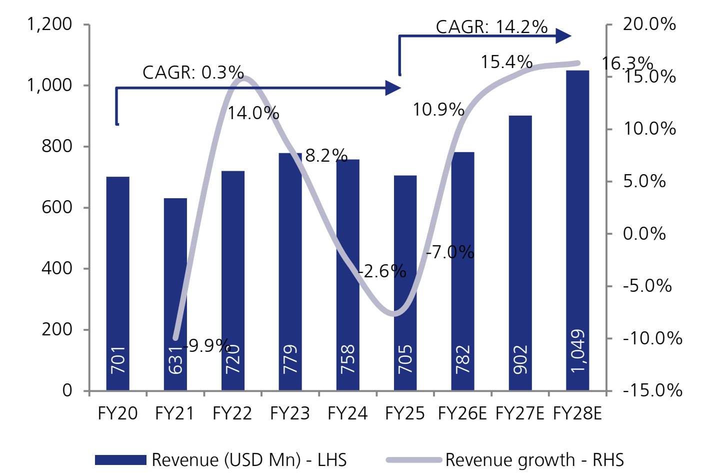
Source: Company, JM Financial

Financial Analysis

Revenue – historical analysis: Revenue growth for the merged entity (Black Box corp. acquisition by AGC networks in FY20) has been muted at a CAGR of 0.3% (USD revenue growth) b/n FY20-FY25. The focus of management during this period was stabilising operations, optimising the cost structures, raising profitability and exiting low-value customers. Revenue growth was also impacted due to slow client decision-making and a weak demand environment. Subsequently, revenue mix has shifted in line with strategy. Revenue from Non-top 200 clients has declined, while that of top 10 and higher value clients has increased.

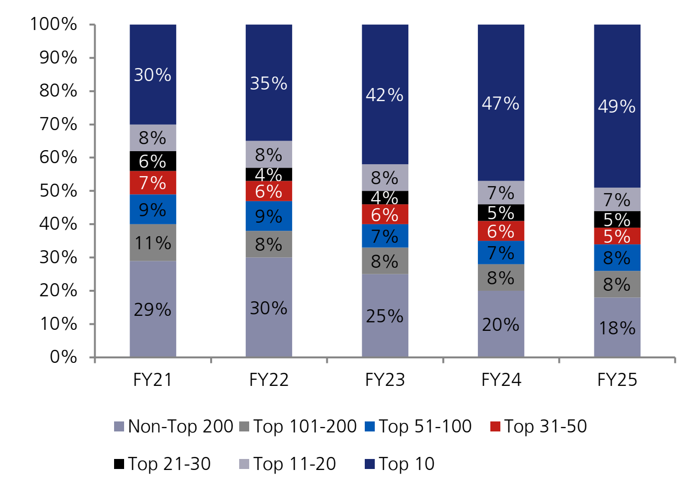
Revenue – future projection: We project revenue growth of 14.2% CAGR over FY25-FY28E. Our growth estimates are driven by refreshed GTM strategy, robust pipeline (USD 2bn) with rising conversion, rapid pace of growth in the data centre segment and positive momentum in recent order book. Our growth estimates are lower than the company's publicly stated targets, and we have not factored in any inorganic expansion. Our estimates leave room for incremental upside provided the management is able to execute on its growth strategy and achieve its stated medium-term targets. USD revenue growth guidance for FY26 stood at c.12.5% YoY (at the midpoint of guidance). The management expects growth to accelerate post FY26 as the new strategic initiatives start bearing fruit.

Exhibit 103. Muted top line growth since FY20; this is expected to change with refreshed GTM and rationalisation now out of the way
Revenue (USD mn) and Revenue growth YoY (%)



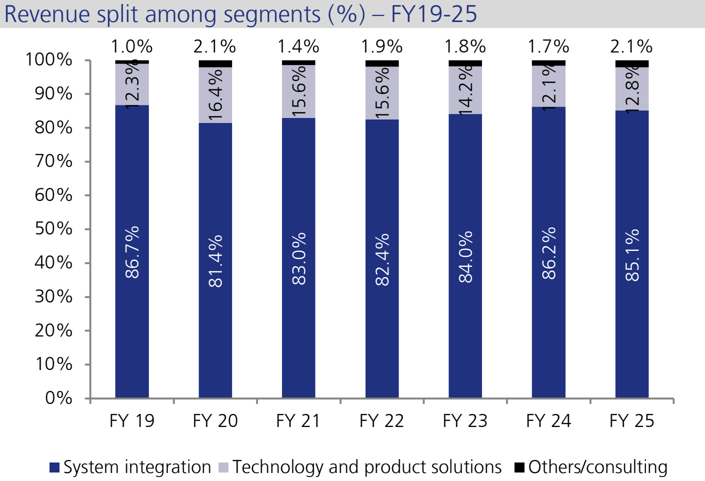
Source: Company, JM Financial estimates

Exhibit 104. Non-top 200 clients' share in revenue declined from 29% to 18% in line with strategy to exit low value customers
Revenue contribution from top clients - %



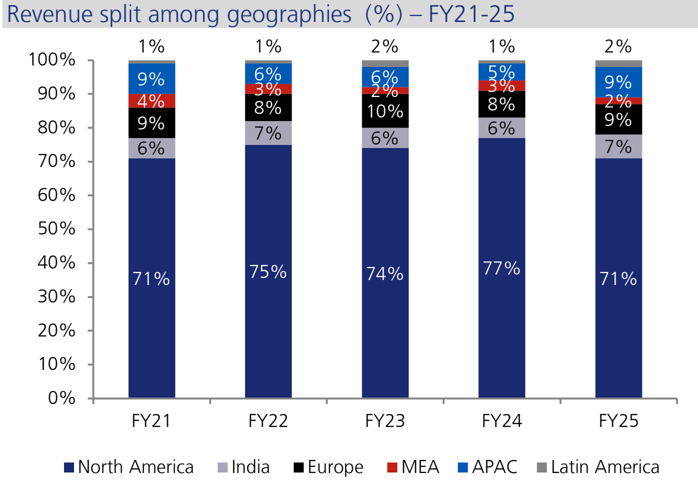
Source: Company, JM Financial

Exhibit 105. Revenue disaggregation between segments has been stable, system integration contributes c.85% of revenue
Revenue split among segments (%) – FY19-25



Source: Company, JM Financial

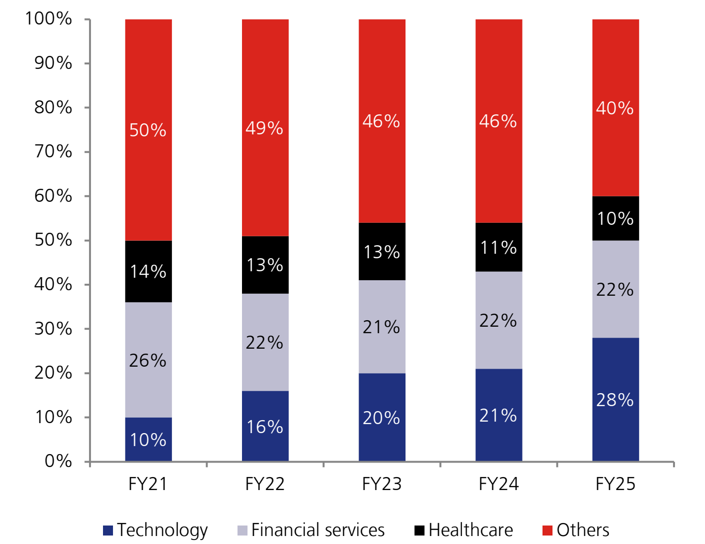
Exhibit 106. Revenue split among geos has been stable, North America is the primary geography, contributing over 70%
Revenue split among geographies (%) – FY21-25



Source: Company, JM Financial

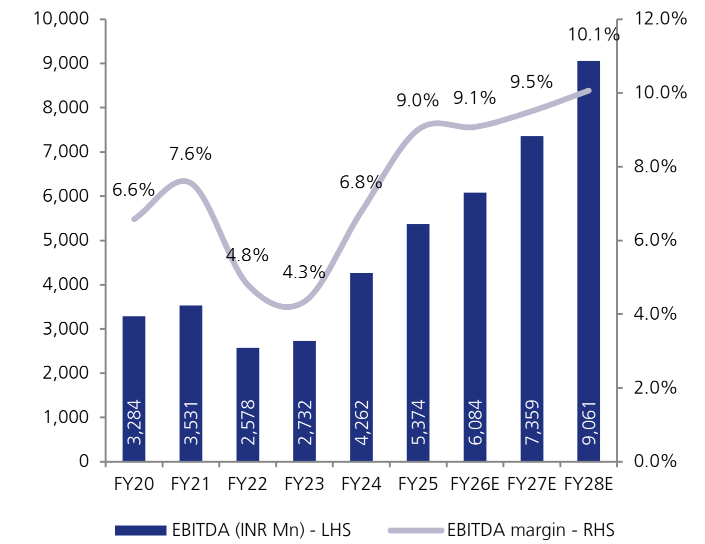
Verticals and Geos: Among verticals, the technology vertical has grown 3x b/n FY21-FY25. Tech constituted 28% of revenue in FY25 vs. just 10% in FY21. Financial services, another major vertical, declined at a CAGR of -1.4% during the same period. The share of non-core verticals (other than finance, technology and healthcare) declined by 10 percentage points over FY21-25. Rationalising of low-value clients explains this decline. North America contributes 70%+ of revenue and is the anchor market for the company. India is small currently at 7% (as a % of FY25 revenue) but is expected to grow faster than the overall company and increase share. The management has stated that India represents a compelling structural opportunity, especially in the data centre space.

Exhibit 107. Technology and finance constitute 50% of revenue, tech has increased from 10%-28% while "others" lost share
Revenue contribution from verticals (%) – FY21-25



Source: Company, JM Financial

Exhibit 108. EBITDA margin expanded from a low of 4.3% (FY23) to 9%(FY25), we build margin expansion of c.110bps in FY25-FY28
EBITDA (INR mn) and EBITDA Margin (%) – FY20-28E

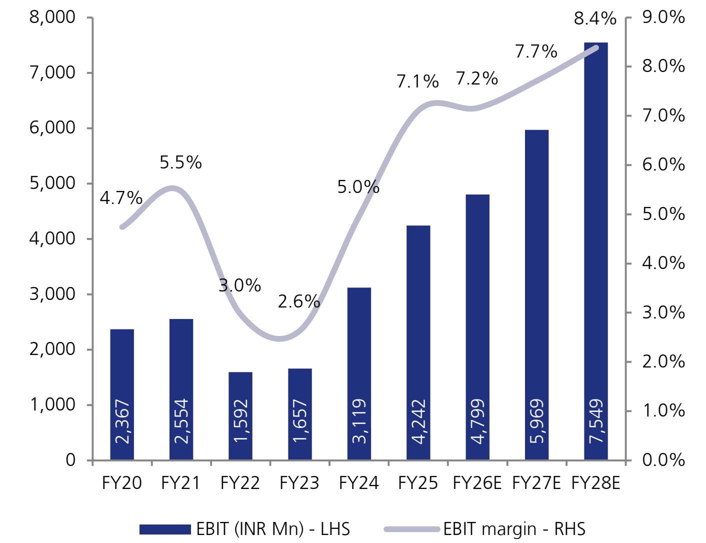


Source: Company, JM Financial estimates

Margins - historical analysis: Black Box's EBITDA margin has improved from a low of 4.3% in FY23 to 9.0% in FY25 (EBIT margin expanded from 2.6% to 7.1%). The management has successfully turned around and integrated a financially challenged entity (Black Box corp. acquired in FY20). It has been able to drive margin expansion by focusing on profitable customers, moving non-core/support operations to lower-cost geographies (share of Indian employees as a % total employee has risen from 19% in FY21 to 33% in FY25) and implementing automation and cost controls.

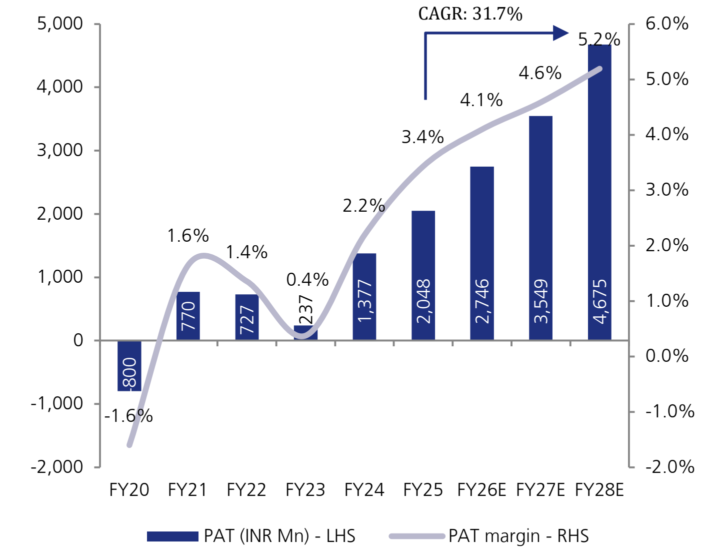
Margins – future projection: We project EBITDA margin to expand 110bps over FY25-28E to 10.1% in FY28. The management has stated that there is scope for EBITDA margin to reach 11-12% levels as well in the medium term. We have built constant gross margin at 30% and expect other operating costs to contribute to the margin expansion. Increased operating leverage, further rationalisation of costs, focus on larger-value contracts and better mix is expected to drive margin expansion. This, along with the growth in top line results in 19% CAGR growth in our EBITDA estimates over FY25-28E.

Exhibit 109. EBIT margin expanded from a low of 2.6% (FY23) to 7.1% in FY25; we build margin expansion of c.130bps in FY25-28
EBIT (INR mn) and EBIT margin (%)- FY20-28E



Source: Company, JM Financial estimates

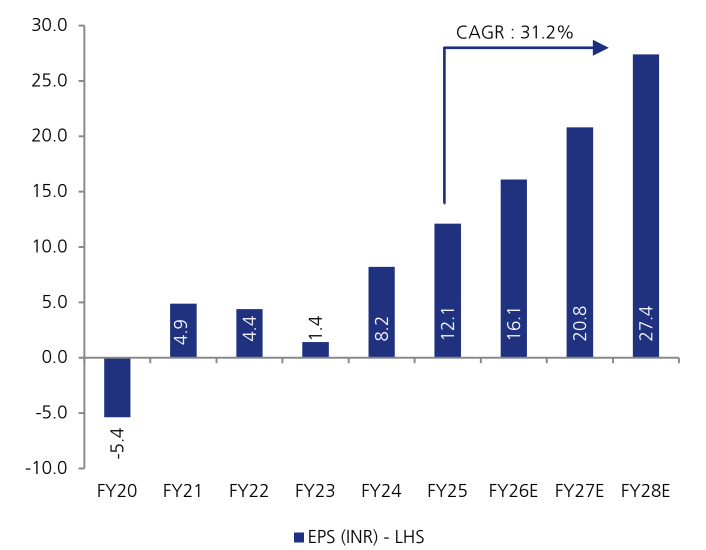
Exhibit 110. PAT grew 8.5x between FY23 and FY25 as operations were stabilised; we expect PAT CAGR of 31.7% in FY25-28
PAT (INR mn) and PAT margin (%) – FY20-28E



Source: Company, JM Financial estimates

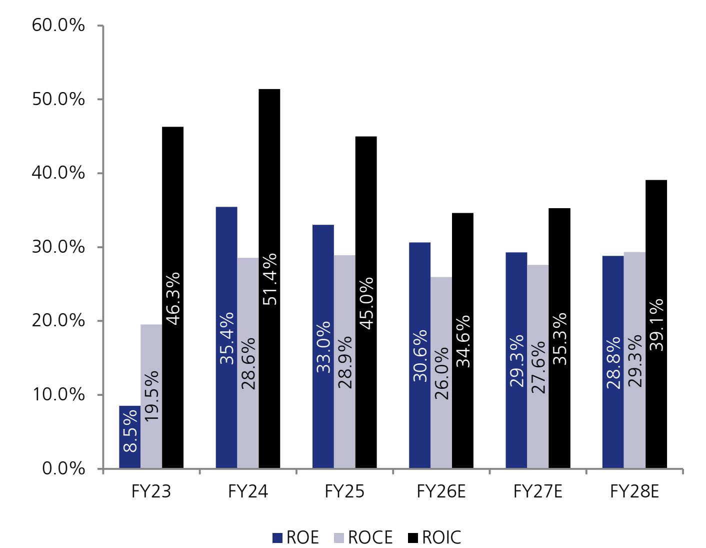
PAT and EPS: At the PAT level, Black box was facing losses in FY20, but a turnaround of operations has led to profit at the PAT level ever since. PAT margin is depressed relative to EBITDA margin due to a high level of finance cost as a % of revenue (2.4% of revenue in FY25) and one-off items (INR 657mn in FY25). The one-off items include severance costs towards termination of employees in higher cost geographies. Low tax rate, however, has aided PAT. Black Box corp. (the acquired entity) faced losses over many years and had built up tax loss carry forward benefits. These are being used by the combined entity. We expect these benefits to continue lowering effective tax rates in the near term. We estimate PAT CAGR of 31.7% over FY25-28E. Lack of one-time expenses and higher other income due to lower net debt causes our estimated PAT growth to be higher than EBITDA growth.

Exhibit 111. EPS is expected to grow at a similar rate as PAT, we build EPS CAGR of 31.2% in FY25-28
EPS (INR) – FY20-28



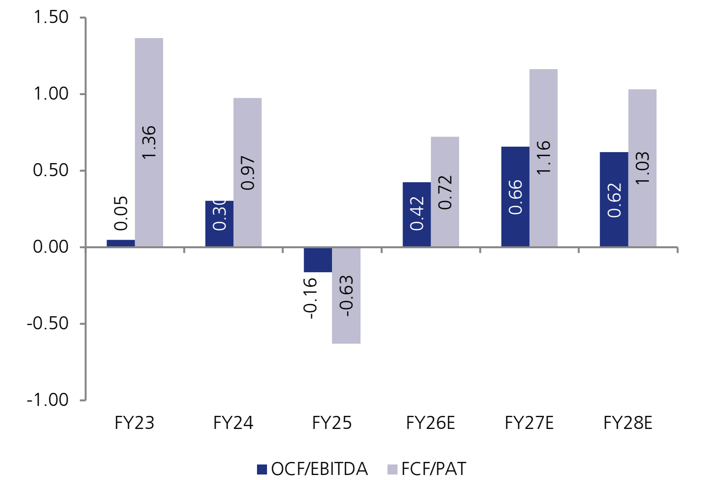
Source: Company, JM Financial estimates

Exhibit 112. Return ratios are healthy with ROE greater than 30% in FY24 and FY25, ROIC is higher due to cash on B/S
ROE, ROCE, ROIC - %



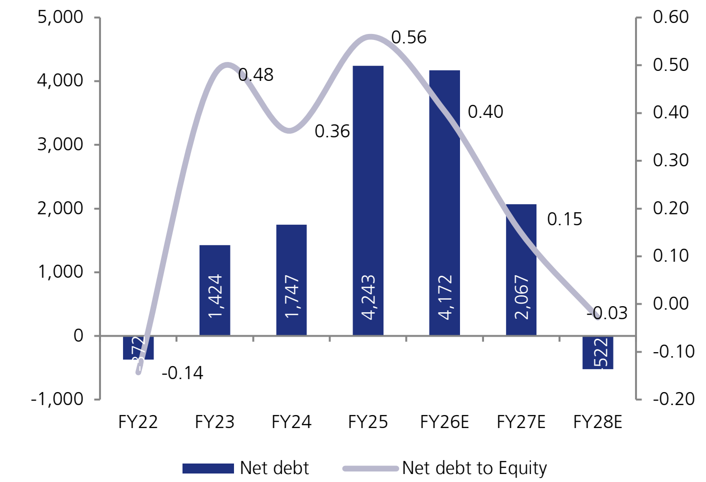
Source: Company, JM Financial estimates

Exhibit 113. Cash conversion was impacted in FY25 due to high billing; we expect avg. OCF/EBITDA and FCF/PAT of 0.6 and 1.0
OCF/EBITDA and FCF/PAT – FY23-28E



Source: Company, JM Financial estimates

Exhibit 114. Net debt/ equity hovering around 0.5, cash generation is expected to drive this down over FY26-28E
Net debt to equity – FY22-28E



Source: Company, JM Financial estimates

Return ratios and cash conversion: Black Box has healthy return ratios. RoE in FY25 was 33.0%, illustrating efficient use of equity capital. RoCE was also healthy at 29% in FY25 this reflecting efficient use of debt and equity reflects the inherent attractiveness of the business. In terms of cash conversion, Black Box has an attractive cash conversion cycle; it was 4 days (Receivable days: 29, Payable days: 39, Inventory days: 14) in FY25. However, cash conversion deteriorated in FY25 as compared to FY24 (cash conversion cycle was -13 days in FY24). This deterioration is also reflected in the negative OCF seen in FY25. High levels of invoicing and billing towards the end of FY25 led to the increase in receivables. Proactive payments to suppliers to avail better terms led to the decrease in payables. This deterioration is expected to moderate going forward. We estimate average OCF/EBITDA of 0.56 for FY26-28E and average FCF/PAT of 0.97. FCF/PAT is aided by high asset turnover. Asset turnover was 6.3 in FY25, and we expect this to increase. Black Box's operations require limited capex investments.

Exhibit 115. Other financial items

	FY20	FY21	FY22	FY23	FY24
Related party transactions					
Sale of services and products to related parties	66	205	292	220	211
-As a % of revenue	0.1%	0.4%	0.5%	0.3%	0.3%
Paybles,receivables and contract assets o/s with related parties	42	77	133	216	125
-As a % of Assets	0.2%	0.3%	0.5%	0.7%	0.4%
Trade receivables					
Considered good	4,546	3,523	4,838	5,568	5,305
Allowance for ECL	933	1,125	1,095	1,357	1,442
Trade receivables	**3,613**	**2,398**	**3,742**	**4,211**	**3,863**
ECL as a % of gross	20.5%	31.9%	22.6%	24.4%	27.2%
Contingent liabilities					
Disputed tax demands (excise, services tax, sales tax, customs)	829	640	564	219	227
Other demands	103	108	1,021	14	14
Total contingent liabilities	**932**	**747**	**1,585**	**233**	**242**
As a % of total assets	4.0%	3.2%	6.0%	0.8%	0.9%
Exceptional items					
Exceptional items	1,251	317	221	523	397
As a % of revenue	2.5%	0.7%	0.4%	0.8%	0.6%

Source: Company, JM Financial

Elevated ECL is attributable to an old bad debt; incremental ECL provisioning has not seen any material increase

Exceptional items pertains primarily to provision for severance expenses. Severance cost towards rationalisation of manpower in higher cost geographies

Exhibit 116. Key assumptions table

	FY23	FY24	FY25	1QFY26E	2QFY26E	3QFY26E	4QFY26E	FY26E	FY27E	FY28E
USD/INR	80.7	82.8	84.6	85.4	85.8	85.8	85.8	85.7	85.8	85.8
Revenue										
Revenue - USDmn	**779**	**758**	**705**	**171**	**189**	**209**	**213**	**782**	**902**	**1,049**
Change YoY	8.2%	-2.6%	-7.0%	0.0%	5.7%	18.2%	19.2%	10.9%	15.4%	16.3%
System integration - USD mn	654	654	599	146	164	179	183	673	789	929
Change YoY	10.3%	-0.1%	-8.4%	0.0%	7.0%	20.0%	22.0%	12.3%	17.3%	17.8%
Technology product solutions- USD mn	110	92	90	21	21	26	26	94	100	107
Change YoY	-2.0%	-17.0%	-1.4%	0.0%	2.5%	10.0%	5.0%	4.4%	6.4%	6.4%
Others/consulting - USD mn	14	13	15	3	3	5	4	15	13	13
Change YoY	1.3%	-9.7%	15.2%	1.0%	2.0%	2.0%	2.0%	1.7%	-13.7%	2.0%
Revenue - INRmn	**62,876**	**62,816**	**59,669**	**14,573**	**16,203**	**17,953**	**18,288**	**67,017**	**77,399**	**90,030**
Change QoQ/YoY	17.1%	-0.1%	-5.0%	2.4%	8.2%	19.5%	18.4%	12.3%	15.5%	16.3%
Expenses										
Gross Profit	16,390	17,140	17,940	4,372	4,861	5,386	5,486	20,105	23,220	27,009
Gross margin	26.1%	27.3%	30.1%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Total other expenses	13,660	12,880	12,560	3,060	3,386	3,752	3,822	14,021	15,861	17,948
-As a % of revenue	21.7%	20.5%	21.0%	21.0%	20.9%	20.9%	20.9%	20.9%	20.5%	19.9%
EBITDA	**2,732**	**4,262**	**5,374**	**1,312**	**1,474**	**1,634**	**1,664**	**6,084**	**7,359**	**9,061**
EBITDA margin	**4.3%**	**6.8%**	**9.0%**	**9.0%**	**9.1%**	**9.1%**	**9.1%**	**9.1%**	**9.5%**	**10.1%**
Depreciation and amortization	1,075	1,143	1,133	313	319	324	329	1,285	1,390	1,512
-As a % of revenue	1.7%	1.8%	1.9%	2.1%	2.0%	1.8%	1.8%	1.9%	1.8%	1.7%
EBIT	**1,657**	**3,119**	**4,242**	**998**	**1,156**	**1,310**	**1,335**	**4,799**	**5,969**	**7,549**
EBIT margin	**2.6%**	**5.0%**	**7.1%**	**6.9%**	**7.1%**	**7.3%**	**7.3%**	**7.2%**	**7.7%**	**8.4%**
Finance cost	1,113	1,413	1,447	471	475	481	495	1,922	2,039	2,254
-As a % of revenue	1.8%	2.2%	2.4%	3.2%	2.9%	2.7%	2.7%	2.9%	2.6%	2.5%
Other income	216	192	50	3	3	4	3	14	14	18
-As a % of revenue	0.3%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Profit before tax	**760**	**1,898**	**2,845**	**531**	**684**	**832**	**843**	**2,891**	**3,944**	**5,313**
PBT margin	1.2%	3.0%	4.8%	3.6%	4.2%	4.6%	4.6%	4.3%	5.1%	5.9%
Tax expense	58	187	71	27	34	42	42	145	395	638
Tax as a % of PBT	7.6%	9.9%	2.5%	5.0%	5.0%	5.0%	5.0%	5.0%	10.0%	12.0%
Profit after tax	**237**	**1,377**	**2,048**	**504**	**650**	**791**	**801**	**2,746**	**3,549**	**4,675**
Growth YoY	-67.4%	480.9%	48.7%	36.0%	27.1%	41.0%	32.5%	34.1%	29.2%	31.7%
Balance sheet assumptions										
DSO	24	22	35	35	35	35	35	35	35	35
Inventory days	21	14	13	13	13	13	13	13	13	13
Payable days	67	42	34	33	32	31	30	30	31	29
Other current assets - Asset turnover	26x	28x	17x	17x	17x	16x	15x	15x	14x	14x
Other financial assets - Asset turnover	9x	12x	11x	11x	11x	10x	10x	10x	10x	10x
Contract assets - Asset turnover	55x	26x	27x	26x	26x	26x	25x	25x	24x	24x
Other financial liabilities - Asset turnover	70x	39x	30x	31x	31x	31x	31x	31x	32x	33x
Contract liabilities - Asset turnover	12x	13x	13x	14x	14x	14x	14x	14x	15x	15x

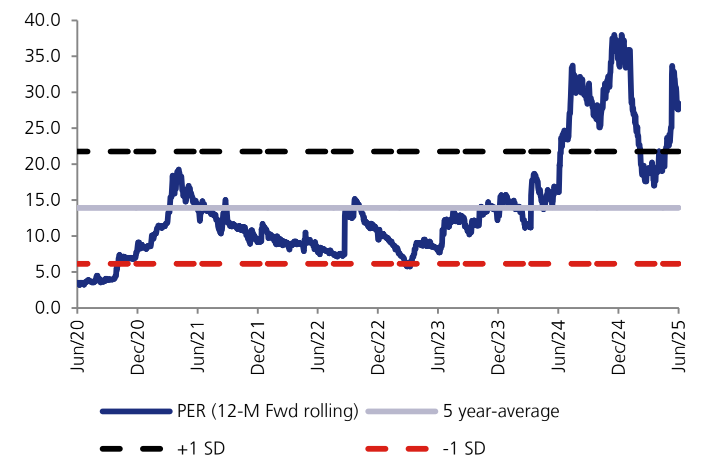
Source: JM Financial estimates

Initiate with BUY and TP of 670

We initiate coverage on Black Box (BBOX IN) with a BUY rating and a target price of INR 670, implying 33% upside from current levels. We value the stock at 30x 24-M forward EPS, implying 1x PEG (EPS CAGR: 31%). Our valuation is in-line with the current traded multiples for the stock. That said, it is above +1-SD of past five year trading history.

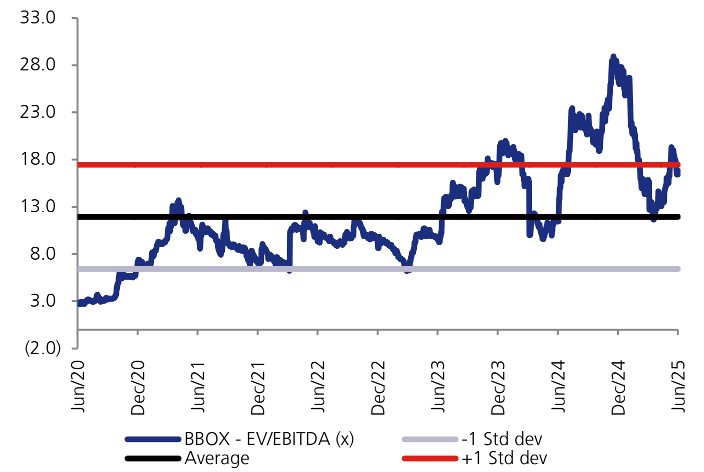
Muted top-line growth in the first turnaround phase, a still work-in-progress sales strategy, hence limited visibility on growth, weighed on the multiples in our view. Now however, there are tangible results of the turnaround are visible. Margins have already improved substantially (430bps over FY22-25). Leadership hiring is complete. Order inflows have improved. We therefore believe current multiples can sustain, provided management is able to deliver on guided financial metrics. Note however, that we have modelled conservatively as compared to the guidance, and hence see our estimates achievable.

Exhibit 117. Black Box's PER has gone up along with the successful execution of its turnaround and growing data centre opportunity
Black Box 1-yr Fwd PER



Source: JM Financial, Bloomberg

Exhibit 118. Black Box's EV/EBITDA (LTM) is at 5 yr +1SD, increase in profitability and focus on growth explains the increase in multiple
EV/EBITDA (LTM)



Source: JM Financial, Bloomberg

Exhibit 119. Peer comparison table

Company	Reco	CMP	Mcap (USD Mn)	P/E FY26 E	P/E FY27 E	P/E FY28E	EPS CAGR FY25-28E	PEG	EV/EBITDA FY25 E	EV/EBITDA FY26 E	EV/EBITDA FY27 E
Black Box	BUY	504	995	31.4x	24.2x	18.4x	31.24%	1.x	14.6x	11.8x	9.3x
Mid-cap IT Services											
Hexaware*	BUY	870	6,179	37.5x	31.2x	27.2x	15%	1.9x	22.4x	19.4x	17.1x
Mphasis*	BUY	2,801	6,217	27.x	23.5x	20.6x	15%	2.4x	18.4x	16.9x	15.3x
Coforge*	BUY	1,903	7,425	51.8x	39.9x	34.1x	21%	2.4x	24.1x	20.2x	17.6x
Persistent*	BUY	6,034	11,011	52.4x	43.8x	38.4x	21%	2.3x	36.1x	30.6x	26.6x
Birla Soft	Not Rated	432	1,402	21.7x	18.3x	16.x	17%	1.1x	14.1x	12.x	10.7x
Firstsource	Not Rated	383	3,115	33.9x	27.2x	22.6x	22%	1.2x	19.5x	16.6x	14.8x
eClerx	Not Rated	3,523	1,959	26.8x	22.6x	19.7x	17%	1.4x	16.7x	14.4x	12.8x
Zensar	Not Rated	844	2,237	26.6x	23.4x	20.8x	13%	1.8x	19.x	16.8x	15.1x
Sonata	Not Rated	413	1,351	21.8x	17.8x	16.5x	15%	1.2x	14.2x	12.x	11.3x
Mastek	Not Rated	2,432	878	19.2x	16.x	13.3x	20%	.8x	12.x	10.3x	9.x
R Systems	Not Rated	465	642	32.6x	28.8x	25.7x	13%	2.3x	18.8x	16.8x	14.8x
Average Mid-caps				31.9x	26.6x	23.2x		1.7x	19.6x	16.9x	15.x
Average Mid-caps (ex Coforge & Persistent)				27.5x	23.2x	20.3x		1.6x	17.2x	15.x	13.4x
Large-cap IT Services											
TCS*	BUY	3,445	145,424	23.7x	21.x	19.2x	10%	3.x	16.4x	15.x	13.7x
Infosys*	BUY	1,611	78,082	23.8x	22.1x	20.2x	7%	3.3x	15.9x	14.8x	13.4x
HCL Technologies*	HOLD	1,729	54,742	26.3x	24.5x	22.4x	6%	4.2x	16.3x	15.2x	14.x
Wipro*	BUY	265	32,408	18.7x	18.9x	17.3x	7%	1.9x	14.2x	13.3x	12.2x
Tech Mahindra*	BUY	1,681	19,204	26.8x	21.5x	19.x	22%	.7x	18.2x	15.1x	13.3x
LTIMindtree*	SELL	5,295	18,308	31.2x	28.2x	25.6x	10%	4.9x	21.3x	19.6x	17.6x
Average Large-caps				25.1x	22.7x	20.6x		3.x	17.x	15.5x	14.x

Note:*PER and valuation ratios based on JM financial estimates, consensus estimates for remaining companies. Valuation and CMP as on 27th June 2025. Source: JM Financial estimates, Bloomberg

Key Threats and Challenges

While Black Box is poised to benefit from accelerating digital infrastructure spend, its growth trajectory is not without constraints. A combination of operational, financial, and macro-environmental risks could temper scalability and profitability, warranting close monitoring of execution discipline, client dynamics, and compliance frameworks.

- Client concentration risk: Black Box derives a significant portion of its revenue from a concentrated base of large clients. This dependency increases vulnerability to client-specific headwinds such as IT budget cuts, insourcing decisions, or vendor rationalisation. Any loss or scale-back by a key account could materially impact revenue visibility and margin trajectory.
- Execution risk in complex projects: The company's portfolio includes large-scale infrastructure and hardware-led deployments, which are exposed to execution delays. Factors such as prolonged client decision cycles, supply chain disruptions, and integration complexity pose delivery challenges, potentially delaying revenue recognition and inflating project costs.
- Talent availability and cost pressures: Operating across high-cost geographies like the US and Europe, Black Box can face structural challenges in attracting and retaining skilled IT and network professionals. Tight labour markets may drive up replacement costs and attrition-related inefficiencies, impacting execution quality and eroding gross margins.
- Regulatory and compliance exposure: With operations spanning over 35 countries, Black Box is exposed to diverse and evolving regulatory frameworks, including data protection, cybersecurity mandates, and ESG disclosures. Non-compliance—intentional or inadvertent—could result in penalties, legal scrutiny, or reputational damage, especially in sensitive verticals like BFSI and Government.
- Foreign exchange and interest rate sensitivity: Given its global revenue mix and working capital-heavy model, the company remains susceptible to currency volatility and interest rate movements. Adverse forex shifts or tightening liquidity conditions could exert pressure on cash flows, especially in export-heavy or long-cycle projects.

Appendix

Exhibit 120. Details of Board of Directors

Name	Designation	Background
Sujay R. Sheth	Chairman, Independent Director	Chartered Accountant (FCA, ICAI). Extensive expertise in audit, taxation, attestation, and assurance. Has advised a wide range of Indian and multinational clients.
Sanjeev Verma	Whole-time Director	Over 25 years in ICT. Global leadership in consulting, M&A, operations, sales, and marketing.
Deepak Kumar Bansal	Executive Director & CFO	Chartered Accountant with 25+ years' experience. Specializes in financial strategy, corporate governance, and fundraising in large corporations.
Anshuman Ruia	Executive Director	Member of the founding Ruia family of Essar Group. Known for strong financial expertise and project execution. Member of YPO (Young Presidents' Organization).
Naresh Kothari	Non-Executive Director	Senior finance professional with 25+ years' experience. Held key positions including President at Edelweiss Capital, and Co-Head of Edelweiss Alternative Asset Advisors.
Dilip Thakkar	Independent Director	Chartered Accountant (FCA, ICAI). Associated with several public and private companies as Director.
Neha Nagpal	Independent Director	Lawyer with 10+ years' experience in commercial law and litigation. Expertise in proceedings before Supreme Court, High Courts, NCLT, NCLAT, and Competition Commission.
Munesh Khanna	Additional Independent Director	Chartered Accountant with 30+ years' experience in strategic advisory and investment banking. Board experience includes Hinduja Global, Gulf Oil, JSW Energy, and others.

Source: Company, JM Financial

Exhibit 121. Details of Key management personnel

Name	Designation	Background
Sanjeev Verma	President and CEO, Executive Director	He is responsible for defining the strategic direction and vision for the company and for driving growth across all geographies and business units. Sanjeev brings over two decades of experience in the Information and Communication Technology (ICT) industry, with a strong track record in managing and scaling businesses across global markets.
Deepak Bansal	Global CFO, Executive Director	He plays a key leadership role in steering the company's global financial strategy and operations. He brings over 23 years of rich experience in financial strategy, governance, and risk management. His expertise spans across capital structuring, M&A, investor relations, and business performance optimization.
Rick Gannon	SVP, Global Solutions Integration Business	He currently oversees a team of approximately 2,200 professionals across sales, deployment, service, and supply chain functions, focused on delivering advanced digital solutions and services globally. His career spans multiple national and regional leadership roles, with extensive experience in sales, operations, services, and marketing.
Kannan Ramiah	Chief Human Resources Officer	He has been pivotal in driving its HR transformation by aligning people practices with business goals and fostering a culture that attracts and nurtures talent. He brings over 25 years of HR experience across digital IT sales, consulting, start-ups, and large global organizations. Kannan has lived and worked across three continents and has led diverse global teams.
Bikram Sahoo	Chief Technology Officer	With over 20 years of experience in the technology sector, he leads Black Box's global technology strategy, focusing on areas such as digital transformation, cybersecurity, cloud services, and enterprise networking. His leadership plays a crucial role in integrating and delivering multiple technology solutions and services across various geographies.
Mike Carney, CFA	Chief of Staff and EVP, Strategy and Transformation	He is responsible for overseeing the company's strategic planning, transformation initiatives, and corporate development activities. Prior to his current position, Mike served as the Head of Corporate Development, where he led efforts in identifying and executing strategic acquisitions to expand Black Box's global footprint and service offerings.
Jai Venkat	Chief Revenue Officer, Americas	He is responsible for leading the revenue strategy and execution, driving growth, enhancing account management, and accelerating revenue across all industry verticals in the Americas. He brings over 30 years of experience in leading sales, services, and transformation initiatives at global technology companies.

Source: Company, JM Financial

Financial Tables (Consolidated)

Income Statement (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	62,816	59,669	67,017	77,399	90,030
Sales Growth	-0.1%	-5.0%	12.3%	15.5%	16.3%
Other Operating Income	0	0	0	0	0
Total Revenue	**62,816**	**59,669**	**67,017**	**77,399**	**90,030**
Cost of Goods Sold/Op. Exp	17,993	18,391	46,912	54,180	63,021
Personnel Cost	25,007	22,792	0	0	0
Other Expenses	15,555	13,112	14,021	15,861	17,948
EBITDA	**4,262**	**5,374**	**6,084**	**7,359**	**9,061**
EBITDA Margin	6.8%	9.0%	9.1%	9.5%	10.1%
EBITDA Growth	56.0%	26.1%	13.2%	21.0%	23.1%
Depn. & Amort.	1,143	1,133	1,285	1,390	1,512
EBIT	3,119	4,242	4,799	5,969	7,549
Other Income	192	50	14	14	18
Finance Cost	1,413	1,447	1,922	2,039	2,254
PBT before Excep. & Forex	1,898	2,845	2,891	3,944	5,313
Excep. & Forex Inc./Loss(-)	-334	-726	0	0	0
PBT	1,564	2,119	2,891	3,944	5,313
Taxes	187	71	145	395	638
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	1,377	2,048	2,746	3,549	4,675
Adjusted Net Profit	**1,377**	**2,048**	**2,746**	**3,549**	**4,675**
Net Margin	2.2%	3.4%	4.1%	4.6%	5.2%
Diluted Share Cap. (mn)	168.3	169.1	170.8	170.7	170.8
Diluted EPS (INR)	**8.2**	**12.1**	**16.1**	**20.8**	**27.4**
Diluted EPS Growth	478.9%	48.0%	32.7%	29.3%	31.7%
Total Dividend + Tax	0	0	0	0	0
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0

Source: Company, JM Financial

Cash Flow Statement (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	1,564	2,119	2,891	3,945	5,314
Depn. & Amort.	1,143	1,133	1,285	1,390	1,512
Net Interest Exp. / Inc. (-)	1,164	1,197	1,922	2,039	2,254
Inc (-) / Dec in WCap.	-3,014	-5,509	-3,359	-2,135	-2,800
Others	201	209	-14	-15	-19
Taxes Paid	235	-24	-145	-395	-638
Operating Cash Flow	**1,295**	**-876**	**2,580**	**4,829**	**5,624**
Capex	47	-411	-600	-700	-800
Free Cash Flow	1,341	-1,287	1,980	4,129	4,824
Inc (-) / Dec in Investments	14	-55	0	0	0
Others	-54	0	14	15	19
Investing Cash Flow	**7**	**-466**	**-586**	**-685**	**-781**
Inc / Dec (-) in Capital	3	1,346	0	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	453	2,564	0	0	0
Others	-2,006	-1,988	-1,922	-2,039	-2,254
Financing Cash Flow	**-1,550**	**1,922**	**-1,922**	**-2,039**	**-2,254**
Inc / Dec (-) in Cash	**-249**	**580**	**72**	**2,105**	**2,589**
Opening Cash Balance	1,999	2,141	2,138	2,209	4,314
Closing Cash Balance	2,141	2,138	2,209	4,314	6,903

Source: Company, JM Financial

Balance Sheet (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	4,809	7,587	10,333	13,884	18,561
Share Capital	336	339	339	339	339
Reserves & Surplus	4,473	7,249	9,995	13,545	18,222
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	3,973	6,537	6,537	6,537	6,537
Def. Tax Liab. / Assets (-)	-246	-231	-231	-231	-231
Total - Equity & Liab.	**8,537**	**13,893**	**16,639**	**20,190**	**24,866**
Net Fixed Assets	8,082	7,685	7,000	6,311	5,599
Gross Fixed Assets	7,895	8,339	8,939	9,639	10,439
Intangible Assets	3,341	3,354	3,354	3,354	3,354
Less: Depn. & Amort.	3,154	4,007	5,292	6,682	8,193
Capital WIP	0	0	0	0	0
Investments	321	328	328	328	328
Current Assets	19,356	22,477	26,202	32,316	39,257
Inventories	2,464	2,097	2,387	2,757	3,207
Sundry Debtors	3,863	5,671	6,426	7,422	8,633
Cash & Bank Balances	2,141	2,138	2,209	4,314	6,903
Loans & Advances	0	0	0	0	0
Other Current Assets	10,888	12,572	15,180	17,823	20,515
Current Liab. & Prov.	19,222	16,597	16,891	18,765	20,318
Current Liabilities	11,035	8,748	8,700	9,765	10,345
Provisions & Others	8,188	7,850	8,191	8,999	9,973
Net Current Assets	134	5,880	9,311	13,551	18,939
Total – Assets	**8,537**	**13,893**	**16,639**	**20,190**	**24,866**

Source: Company, JM Financial

Dupont Analysis

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	2.2%	3.4%	4.1%	4.6%	5.2%
Asset Turnover (x)	5.5	4.0	3.6	3.5	3.5
Leverage Factor (x)	2.9	2.4	2.1	1.8	1.6
RoE	35.4%	33.0%	30.6%	29.3%	28.8%

Key Ratios

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	28.6	44.9	60.5	81.3	108.7
ROIC	52.3%	45.6%	35.1%	35.7%	39.5%
ROE	35.4%	33.0%	30.6%	29.3%	28.8%
Net Debt/Equity (x)	0.4	0.6	0.4	0.2	0.0
P/E (x)	61.0	41.2	31.0	24.0	18.2
P/B (x)	17.5	11.1	8.2	6.1	4.6
EV/EBITDA (x)	20.2	16.5	14.6	11.8	9.3
EV/Sales (x)	1.4	1.5	1.3	1.1	0.9
Debtor days	22	35	35	35	35
Inventory days	14	13	13	13	13
Creditor days	45	37	33	34	32

Source: Company, JM Financial

APPENDIX I

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Rating	Meaning
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Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
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