



October 25, 2017

BSE Limited
Listing Department
P. J. Towers,
Dalal Street, Fort
Mumbai – 400 001

National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza, Plot No. C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Scrip Code: 532371

Scrip Symbol: TTML

Dear Sir / Madam,

Re.: Intimation of Revision in Ratings

In terms of Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that India Ratings and Research Private Limited (“Ind-Ra”) has placed the Company’s ‘IND A’ Long-Term Issuer Rating on Rating Watch Evolving (“RWE”). The Outlook was Negative. The instrument-wise rating actions are given below:

Instrument Type	ISIN Number	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (Billion)	Rating / Rating Watch	Rating Action
Non-Convertible Debentures (“NCDs”)	INE517B08026	May 22, 2015	11.30	May 22, 2018	INR 2.5	IND A/ RWE	Placed on RWE
NCDs	INE517B08034	May 22, 2015	11.30	May 22, 2019	INR 2.5	IND A/ RWE	Placed on RWE
NCDs	INE517B08042	May 22, 2015	11.30	May 22, 2020	INR 2.5	IND A/ RWE	Placed on RWE

The Rating Rationale of Ind-Ra for revision in credit rating is enclosed.

This is for your information and records.

Thanking you,

Yours faithfully,
For Tata Teleservices (Maharashtra) Limited

Kiran Thacker
Company Secretary

Encl.: As stated above.

TATA TELESERVICES (MAHARASHTRA) LIMITED

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CIN: L64200MH1995SPLC086354 Website www.tatateleservices.com

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India Ratings & Research

A Fitch Group Company

India Ratings Places Tata Teleservices (Maharashtra) and its NCDs on RWE

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By Nikhil Joshi

OCT 2017

India Ratings and Research (Ind-Ra) has placed Tata Teleservices (Maharashtra) Limited's (TTML) 'IND A' Long-Term Issuer Rating on Rating Watch Evolving (RWE). The Outlook was Negative. The instrument-wise rating actions are given below:

Instrument Type	ISIN Number	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Rating Watch	Rating Action
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NCDs	INE517B08034	22May 2015	11.30	22 May 2019	INR2.5	IND A/RWE	Placed on RWE
NCDs	INE517B08042	22 May 2015	11.30	22May 2020	INR2.5	IND A/RWE	Placed on RWE

KEY RATING DRIVERS

The RWE follows TTML's announcement that it has entered into an agreement with Bharti Airtel Limited (Airtel) to merge its consumer mobile business as well as that of its group company Tata Teleservices Limited (TTSL) with Airtel's. TTML and TTSL have around 40 million subscribers. As a part of the deal, TTSL and TTML will transfer the business on 'cash free and debt free' basis to Airtel. TTSL and TTML will also transfer their 178.5Mhz spectrum across 850Mhz, 1,800Mhz and 2100Mhz bands to Airtel.

Ind-Ra is in discussion with TTML's management to access its strategy for TTML's remaining business i.e. enterprise, fixed line and broadband and obtain clarity on TTML's debt curtailment plan and its overall impact on the credit profile.

RATING SENSITIVITIES

The agency will resolve RWE once it obtains clarity on the aforementioned credit issues.

COMPANY PROFILE

TTML provides telecommunication services - wireline services and wireless services - on global system for mobile communications, code division multiple access and 3G technology. It holds licences to provide telecommunication services in Maharashtra. TTML has an active wireless subscriber base of around 5.9 million and fixed subscriber base of around 0.9 million.

TTSL is engaged in a similar line of business and operates in 17 circles (excluding Assam, Jammu & Kashmir and North East) and holds 36.5% in TTML.

FINANCIAL SUMMARY

Particulars	FY17	FY16
Revenue (INR million)	27,029.10	29,720.90
Gross interest expenses (INR million)	12,822.70	6,836.30
Profit after tax (INR million)	-23,564.70	-3,583.40
Total debt (INR million)	145,228	119,470
Source : Annual Report, Ind-Ra		

RATING HISTORY

Instrument Type	Current Rating/Rating Watch			Historical Rating/Outlook	
	Rating Type	Rated Limits (billion)	Rating	30 December 2016	25 May 2015
Issuer rating	Long-term	-	IND A/RWE	IND A/Negative	IND A+/Stable
NCDs	Long-term	INR7.5	IND A/RWE	IND A/Negative	IND A+/Stable

COMPLEXITY LEVEL OF INSTRUMENTS

For details on the complexity level of the instruments please visit <https://www.indiaratings.co.in/complexity-indicators>.

SOLICITATION DISCLOSURES

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

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ABOUT INDIA RATINGS AND RESEARCH

India Ratings and Research (Ind-Ra) is India's most respected credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies, structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has six branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad and Kolkata. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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Applicable Criteria

Corporate Rating Methodology

Analyst Names

Primary Analyst

Nikhil Joshi

Analyst

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