

TATA TELESERVICES (MAHARASHTRA) LIMITED

Year on Year Performance - Last Ten Years

(Rs. in Crores)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Income from Telecommunication	2,836.69	2,649.43	2,608.16	2,470.25	2,248.74	2,069.10	1,941.68	1,707.19	1,406.98	1,095.13
Earnings Before Interest, Depreciation, Tax and Amortisation	646.46	614.30	500.63	548.83	1,146.77*	540.51	593.18	485.55	302.60	124.71
Profit/(Loss) before Extraordinary Items and Tax	(615.25)	(560.08)	(658.77)	(517.55)	49.91	(298.00)	(158.39)	(124.81)	(315.39)	(492.96)
Extraordinary Items	-	-	-	-	-	-	-	-	(5.48)	47.25
Profit/(Loss) after tax	(615.25)	(560.08)	(658.77)	(517.55)	49.90	(298.01)	(159.60)	(125.74)	(310.61)	(541.06)
End of Period Subscribers (Nos. in Thousands)	11,119	10,578	10,534	14,127	16,852	13,000	7,495	5,079	3,074	1,840

* Including Rs.834.93 Crores towards profit on sale of wholly owned tower subsidiary

BOARD OF DIRECTORS

Mr. Kishor A. Chaukar (*Chairman*)
 Mr. Nadir Godrej
 Prof. Ashok Jhunjhunwala
 Mr. D. T. Joseph
 Ms. Hiroo Mirchandani (w.e.f. 09.03.2015)
 Mr. Govind Sankaranarayanan (w.e.f. 09.03.2015)
 Mr. Narasimhan Srinath (*Managing Director*)
 Mr. Amal Ganguli (*Retired w.e.f. 25.09.2014*)
 Mr. S. Ramadorai (*Retired w.e.f. 06.10.2014*)

CONTENTS

Notice	2
Directors' Report	11
Corporate Governance Report	44
Management Discussion and Analysis Report	57
Auditors' Report	65
Balance Sheet	68
Statement of Profit & Loss	69
Cash Flow Statement	70
Notes forming part of the Financial Statements	71

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kiran Thacker

STATUTORY AUDITORS**Deloitte Haskins & Sells LLP**

Chartered Accountants
 Indiabulls Finance Centre, Tower 3,
 32nd Floor, Senapati Bapat Marg,
 Elphinstone (W),
 Mumbai - 400 013.

INVESTOR SERVICES

Mr. Hiten Koradia
 Manager – Investor Relations
 e-mail: investor.relations@tatatel.co.in

REGISTRARS & SHARE TRANSFER AGENTS**TSR Darashaw Limited**

6-10, Haji Moosa Patrawala Industrial Estate,
 20, Dr. E. Moses Road,
 Near Famous Studio, Mahalaxmi,
 Mumbai – 400 011.
 Tel: 91 22 6656 8484
 Fax: 91 22 6656 8494 / 6656 8496
 Email: csg-unit@tsrdarashaw.com
 Website: www.tsrdarashaw.com

REGISTERED OFFICE

Voltas Premises, T. B. Kadam Marg,
 Chinchpokli, Mumbai – 400 033.
 Tel: 91 22 6667 1414
 Fax: 91 22 6660 5335
 Website: www.tatateleservices.com

Twentieth Annual General Meeting of Tata Teleservices (Maharashtra) Limited will be held on Tuesday, September 22, 2015 at 1430 hours at "Rangaswar, 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021

The Annual Report can be accessed at the Company's website www.tatateleservices.com

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of Tata Teleservices (Maharashtra) Limited (the "Company") will be held on **Tuesday, September 22, 2015** at 1430 hours at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2015, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kishor A. Chaukar (DIN: 00033830), who retires by rotation and being eligible, offers himself for re-appointment, and who shall hold the office upto July 31, 2017.
3. To consider, review and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 (the 'Act'), and other applicable provisions, if any, of the Act and the Companies (Audit and Accounts) Rules, 2014, as amended from time to time, Deloitte Haskins & Sells LLP, Chartered Accountants, having Registration No. 117366W/W-100018, retiring Auditors of the Company, be and are hereby re-appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration as mutually agreed between the Board of Directors and the Auditors."

SPECIAL BUSINESS:

4. To consider, review and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Ms. Hiroo Mirchandani (DIN: 06992518), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 9, 2015 and who holds office upto the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 (the 'Act') and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other

applicable provisions, if any, of the Act, Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and Clause 49 of the Listing Agreement(s) with Stock Exchanges, Ms. Hiroo Mirchandani, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Clause 49 of the Listing Agreement and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold the office for a term of five years from March 9, 2015 to March 8, 2020."

5. To consider, review and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Govind Sankaranarayanan (DIN: 01951880), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 9, 2015 and who holds office upto the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 (the 'Act') and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. To consider, review and if thought fit, to pass with or without modification(s), if any, the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the earlier resolution passed at the Nineteenth Annual General Meeting of the Company held on September 25, 2014 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') as amended from time to time, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board' which expression shall be deemed to include any Committee/s thereof) for borrowing any sum or sums of money from time to time from any one or more of the Company's bankers and/or from any one or more other persons, firms, bodies corporate or financial institutions, whether in India or abroad and by issue of any instrument or otherwise as the Board may deem fit, whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge on the Company's assets, licences and properties, whether immovable or movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertaking of the Company, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the

Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, so that the total amount upto which the moneys may be borrowed by the Board and outstanding at any time shall not exceed the sum of Rs. 15000,00,00,000/- (Rupees Fifteen Thousand Crores only);

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director or any other Officer(s) of the Company to give effect to this resolution."

7. To consider, review and if thought fit, to pass with or without modification(s), if any, the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the earlier resolution passed at the Nineteenth Annual General Meeting of the Company held on September 25, 2014 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), as amended from time to time, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board' which expression shall be deemed to include any Committee/s thereof) to mortgage and/or create charge in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of business and concern of the Company in certain events of default, in favour of the lender(s), agent(s) and trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and convertible/non-convertible securities (including fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company upto the limit approved by the Members under Section 180(1)(c) of the Act together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment, remuneration of the agent(s) and/or trustee(s), premium (if any) on redemption, all other costs, charges and expenses including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Debenture

Trust Deed(s) or other Agreements or any other document entered into/to be entered into between the Company and the lender(s)/investor(s)/agent(s) and/or trustee(s) in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the lender(s), agent(s) and/or trustee(s);

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director or any other Officer(s) of the Company to give effect to this resolution."

8. To consider, review and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), remuneration of Rs. 2,00,000/- plus out of pocket expenses not exceeding 10% of the remuneration payable to M/s. Sanjay Gupta & Associates, Cost Accountants, having Firm Registration Number 000212, who are appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2016, be and is hereby ratified and approved;

RESOLVED FURTHER THAT the Board of Directors (which expression shall be deemed to include any Committee/s thereof), be and is hereby authorized to do all acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for the purpose of giving effect to this Resolution, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

Registered Office:

Voltas Premises,
T. B. Kadam Marg,
Chinchpokli,
Mumbai – 400 033.

CIN: L64200MH1995PLC086354

Website: www.tatateleservices.com

e-mail: investor.relations@tatatel.co.in

Tel: 91 22 6667 1414

Fax: 91 22 6660 5335

By order of the Board
For **Tata Teleservices
(Maharashtra) Limited**

Kiran Thacker
Company Secretary

Place: Mumbai

Date: July 30, 2015

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.

An instrument appointing a proxy in order to be effective should be completed and deposited at the Registered Office of the Company not less than **48 hours** before the commencement of the meeting either in person or through post/courier.

2. A person appointed as proxy, can act as a proxy for not more than 50 members and holding in aggregate not more than 10% of the total paid up share capital of the Company. A Member holding more than 10% of the paid up share capital of the Company may appoint a single person as proxy and such person appointed cannot act as proxy for any other Member.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act"), in respect of the special business is annexed hereto and forms part of this Notice.
4. The relevant details of Directors seeking appointment/re-appointment, as required by Clause 49(VIII)(E) of the Listing Agreements entered into with the Stock Exchanges, are annexed herewith.
5. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company and copies of such documents are also available at the Corporate Office located at D-26, TTC Industrial Area, Sanpada, Turbhe, Navi Mumbai – 400 703 on all working days, during the business hours upto the date of the Meeting. The copies of such documents shall also be available for inspection at the venue of this Annual General Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 15, 2015 to Tuesday, September 22, 2015 (both days inclusive).
7. Members are entitled to hold their shares in dematerialized ("Demat") form. Those Members who are holding shares in physical form are requested to dematerialize their shares by approaching any of the Depository Participant/s. In case any Member wishes to dematerialize his/her/its shares and needs any assistance, he/she/it may write to the Registrar & Transfer Agent of the Company at csg-unit@tsrdarashaw.com and/or to the Investor Relations Officer of the Company at investor.relations@tatatel.co.in.
8. Electronic copy of the Annual Report is being sent to all

the Members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copy of the Annual Report is being sent by the permitted mode. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agents/Depositories.

9. Electronic copy of the Notice of the Twentieth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies of the Notice of the Twentieth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by the permitted mode.
10. Members may note that the Notice of the Twentieth Annual General Meeting of the Company and the Annual Report will also be available on the website of the Company www.tatateleservices.com and on the website of National Securities Depository Limited ("NSDL") www.evoting.nsdl.com.

11. Updation of Members' Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/Registrar and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrar and Share Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

12. Voting through Electronic Means:

- A. In compliance with the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. In order to enable the Members who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is enclosed.

- B. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depository Participant(s)):
- Open the attached PDF file viz. **"TTML-eVoting.pdf"** giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said pdf file contains your "User ID" and "Password for e-voting". Please note that the password is an initial password.
 - Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
 - Click on "Shareholder - Login".
 - Insert User ID and password as initial password noted in step (i) above and click Login.
 - The Password Change Menu will appear on your screen. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Kindly take note of your new password for all future purposes. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
 - Home page of "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
 - Select e-voting EVENT Number ("EVEN") of "Tata Teleservices (Maharashtra) Limited".
 - Now you are ready for "e-Voting" as "Cast Vote" page opens.
 - Cast your vote by selecting appropriate option "For" or "Against" and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.
 - Upon confirmation, the message "Vote cast successfully" will be displayed.
 - If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on "RESET" for those resolutions for which you have not yet cast the vote.
 - Institutional/Corporate shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to evoting@mehta-mehta.com with a copy marked to evoting@nsdl.co.in.
- xiv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at the downloads section of www.evoting.nsdl.com.
- C. In case a Member receives physical copy of the Notice of AGM (for Members whose e-mail addresses are not registered with the Company/Depositories Participant(s) or requesting physical copy):
- Initial password is provided in the enclosed Ballot Form.
 - Please follow all steps from Sr. No. B (ii) to Sr. No. B (xiv) above, to cast vote.
- D. Other Instructions:
- The facility for voting, either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to cast their vote at the meeting.
 - The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not have right to cast their vote again.
 - The remote e-voting period commences on Friday, September 18, 2015 (9.00 a.m. IST) and ends on Monday, September 21, 2015 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on Tuesday, September 15, 2015 (the "cut-off date"), may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- Note: e-voting shall not be allowed beyond said time.*
- The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., Tuesday, September 15, 2015, only shall be entitled to avail the facility of remote e-voting, as well as voting at the AGM through ballot/polling paper.
 - Any person who acquires shares of the Company and becomes a member after dispatch of the notice and holding shares as of the cut-off date i.e., Tuesday, September 15, 2015, may obtain the log-in ID and password by sending request at

evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use the existing user ID and password for casting his/her vote.

- vi. Ms. Dipti A. Mehta (Membership No. FCS 3667), Partner, M/s. Mehta & Mehta, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- vii. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Notice) so as to reach the Scrutinizer not later than Friday, September 18, 2015. Ballot Form received after this date will be treated as if the reply from the Member has not been received. Members have the option to request for duplicate copy of the Ballot Form by sending an e-mail to investor.relations@tatatel.co.in by mentioning their Folio / DP ID and Client ID No.
- viii. A Member can opt for only one mode of voting i.e., either through e-voting or by Ballot Form. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot Form shall be treated as invalid.
- ix. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or any other Director authorised in this behalf, who shall countersign the same.
- x. The Chairman or any other Director authorized in this behalf shall forthwith on receipt of the consolidated scrutinizer's report, declare the results of the voting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tatateleservices.com and on the website of NSDL www.evoting.nsdl.com immediately after the results are declared by the Chairman or any other Director so authorised. Simultaneously, the same will also be communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Ms. Hiroo Mirchandani as an Additional Director of the Company with effect from March 9, 2015, and she holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013 (the "Act"). The Board has also appointed her as an Independent Director pursuant to the provisions of Section 149 of the Act read with Clause 49 of the Listing Agreement entered into with the Stock Exchanges, for a period of 5 years with effect from March 9, 2015, subject to approval of the Members. The Company has received a notice along with the requisite deposit pursuant to Section 160 of the Act proposing her candidature for the office of Director of the Company.

Ms. Hiroo Mirchandani has given a declaration stating that she meets the criteria of independence pursuant to Section 149(6) of the Act and Clause 49 of the Listing Agreement. Further, in the opinion of the Board, Ms. Hiroo Mirchandani fulfills the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and she is independent of the management.

The matter regarding appointment of Ms. Hiroo Mirchandani as an Independent Director was placed before the Nomination and Remuneration Committee, which has commended her appointment as an Independent Director for the period as specified in the Resolution.

In compliance with the provisions of Sections 149, 152 and 160 read with Schedule IV to the Act and Clause 49 of the Listing Agreement, the appointment of Ms. Hiroo Mirchandani as a Director and Independent Director is now being placed before the Members at the Annual General Meeting for their approval.

Ms. Hiroo Mirchandani, being an Independent Director, shall not be liable to retire by rotation.

The terms and conditions of appointment of Independent Director shall be open for inspection by the Members at the Registered Office of the Company and copy of the same shall also be available at the Corporate Office located at D-26, TTC Industrial Area, Sanpada, Turbhe, Navi Mumbai – 400 703 on all working days, during business hours upto the date of the Meeting.

The brief profile of Ms. Hiroo Mirchandani is given below:

Ms. Mirchandani's career of over thirty years has been in customer facing roles where she grew from Branch Manager to Business Unit Director. She has experience in Profit & Loss management across diverse industries. Ms. Mirchandani is an Independent Director on the Boards of several Companies including Punjab National Bank, DFM Foods Ltd. and

Nilkamal Ltd. She has been mentored as part of the 'Women on Corporate Boards' program of the FICCI Centre for Corporate Governance.

Ms. Mirchandani was Business Unit Director of the Consumer Health Products Division at Pfizer with India wide responsibility of revenue and profits. Prior to that, she has held leadership positions at World Gold Council, BPL Mobile and Dabur.

The details including the qualification and the list of companies in which Ms. Mirchandani serves as Director and Member/Chairman of various committees are stated in the annexure attached to the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives, except Ms. Mirchandani to the extent of her appointment, are in any way concerned or interested in passing of the resolution mentioned at Item No. 4 of the Notice.

Item No.5

The Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Mr. Govind Sankaranarayanan as an Additional Director of the Company with effect from March 9, 2015 and he holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013 (the "Act"). The Company has received a notice along with the requisite deposit pursuant to Section 160 of the Act proposing his candidature for the office of Director of the Company.

In compliance with the provisions of Sections 152 and 160 of the Act, the appointment of Mr. Govind Sankaranarayanan as a Director of the Company is now being placed before the Members at the Annual General Meeting for their approval.

Mr. Govind Sankaranarayanan shall be liable to retire by rotation.

The brief profile of Mr. Govind Sankaranarayanan is as under:

Mr. Govind Sankaranarayanan is the Chief Operating Officer - Retail Business & Housing Finance, Tata Capital Financial Services Limited. Govind joined the Tata Administrative Services in 1992. He has also specialized on working in companies which are undergoing transformation by having been acquired, restructured or privatized. Since 2007, he has been part of the Team that has grown Tata Capital into a successful and profitable company. Until 2007, Govind was the Executive Director and Chief Financial Officer of VSNL International, where he was responsible for VSNL's North American acquisitions of the TYCO Global network and Teleglobe. Govind was one of the first managers who was appointed to a key finance and integration role at the Tetley Group, immediately after the acquisition of Tetley by Tata Tea in 2000. Govind was General Manager of Tata Industries Ltd.,

where he was closely associated with the creation of Tata joint ventures with Bell Canada, Jardine Matheson and the Government of Singapore. He was also responsible for working with Tata entities in sectors as diverse as realty, composites, automotive components and telecommunications.

Mr. Sankaranarayanan is a Member of the Banking & Finance Committee of Bombay Chamber of Commerce & Industry and the Economic Affairs and Accounting Standards and Private Equity Committees of the CII.

The details including the qualification and the list of companies in which Mr. Sankaranarayanan serves as Director and Member/Chairman of various committees are stated in the annexure attached to the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Govind Sankaranarayanan to the extent of his appointment, are in any way concerned or interested in passing of the resolution mentioned at Item No. 5 of the Notice.

Item No. 6

The Company offers telecom services in Mumbai and Maharashtra (including Goa) telecom circles. The Company, in order to maintain its competitiveness in the market, needs to incur capital expenditure to match competitors' reach, gain better incremental market share and maintain its growth in subscriber base.

The Company succeeded in winning additional spectrum of 2.5 MHz each in 800 MHz band in Mumbai and Maharashtra service areas. The spectrum won in these service areas gives the Company ability to offer premium services of its choice in the superior 800 MHz spectrum band post liberalization of the existing spectrum holdings in this band. This will enable the Company to further strengthen its position in the fast growing data segment, where 'Tata DOCOMO Photon' brand is a market leader.

Further, the Company will require additional funds for liberalization of existing spectrum, investments in new business and capital expenditure for existing business.

Pursuant to Section 180(1)(c) of the Companies Act, 2013 (the "Act"), approval of Members is required, by way of Special Resolution, to borrow money exceeding paid-up capital and free reserves of the Company. The Shareholders at the Annual General Meeting of the Company held on September 25, 2014 had authorized the Board of Directors, to borrow money exceeding paid-up share capital and free reserve upto the limit of Rs. 13,000 Crores. Keeping in view the likely additional debt requirements of the Company, it is proposed to increase the said limit from Rs. 13,000 Crores to Rs. 15,000 Crores.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel and/or their relatives are in any way concerned or interested in passing of the resolution mentioned at Item No. 6 of the Notice.

Item No. 7

The Shareholders had, at Annual General Meeting held on September 25, 2014, accorded their consent to the Board of Directors (the "Board") by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013 (the "Act"), for creation of mortgages/charges on all or any of the movable and/or immovable properties of the Company, for securing borrowing of the Company availed/to be availed by way of loans and any other credit facilities up to Rs. 13,000 Crores.

In the view of the proposed increase in the borrowing limit from Rs. 13,000 Crores to Rs. 15,000 Crores, it is also proposed to increase the powers of the Board to create security on the assets of the Company up to the limit of Rs. 15,000 Crores.

Pursuant to Section 180(1)(a) of the Act, the above powers can be exercised by the Board only with the consent of the Members obtained by way of Special Resolution. It is therefore, necessary to obtain the approval of Members by way of Special Resolution under Section 180(1)(a) for creation of security on the assets of the Company in respect of the borrowings of the Company upto Rs. 15,000 Crores.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel and/or their relatives are in any way concerned or interested in passing of the resolution mentioned at Item No. 7 of the Notice.

Item No. 8

The Board of Directors at its meeting held on May 14, 2015, on the recommendation of the Audit Committee, has approved appointment of M/s. Sanjay Gupta & Associates as Cost Auditors of the Company for the Financial Year 2015-16 at a remuneration of Rs. 2,00,000/- (excluding service tax), plus out of pocket expenses incurred in connection with the said audit but not exceeding 10% of the remuneration.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rules made thereunder, remuneration of Cost Auditor of the Company is required to be ratified and approved by the Members of the Company.

M/s. Sanjay Gupta & Associates have certified that they are eligible for appointment as Cost Auditors, free from any disqualifications, are working independently and maintaining arms length relationship with the Company.

The Board commends the Ordinary Resolution at Item No. 8 of the Notice for ratification and approval by the Members.

None of the Directors, Key Managerial Personnel and/or their relatives are in any way concerned or interested in the resolution mentioned at Item No. 8 of the Notice.

Registered Office:

Voltas Premises,
T. B. Kadam Marg,
Chinchpokli,
Mumbai – 400 033.

CIN: L64200MH1995PLC086354

Website: www.tatateleservices.com

e-mail: investor.relations@tatatel.co.in

Tel: 91 22 6667 1414

Fax: 91 22 6660 5335

By order of the Board
For **Tata Teleservices**
(Maharashtra) Limited

Kiran Thacker
Company Secretary

Place: Mumbai

Date: July 30, 2015

Important Communication to Members

Members holding shares in electronic mode are requested to update their e-mail address with their respective Depository Participant and for members holding shares in physical mode are requested to provide their e-mail address to the Company at investor.relations@tatatel.co.in or to the Registrar and Share Transfer Agent at csg-unit@tsrdarashaw.com, so as to allow the Company to serve the documents in electronic mode.

Request to the Members

Members are requested to send their question(s), if any, to the Company Secretary / Chief Financial Officer at the Registered Office address of the Company or e-mail at investor.relations@tatatel.co.in in advance so that the answers/details can be kept ready at the Annual General Meeting.

Details of Directors as on the date of this Notice seeking Appointment/Re-appointment at the Annual General Meeting (“AGM”)

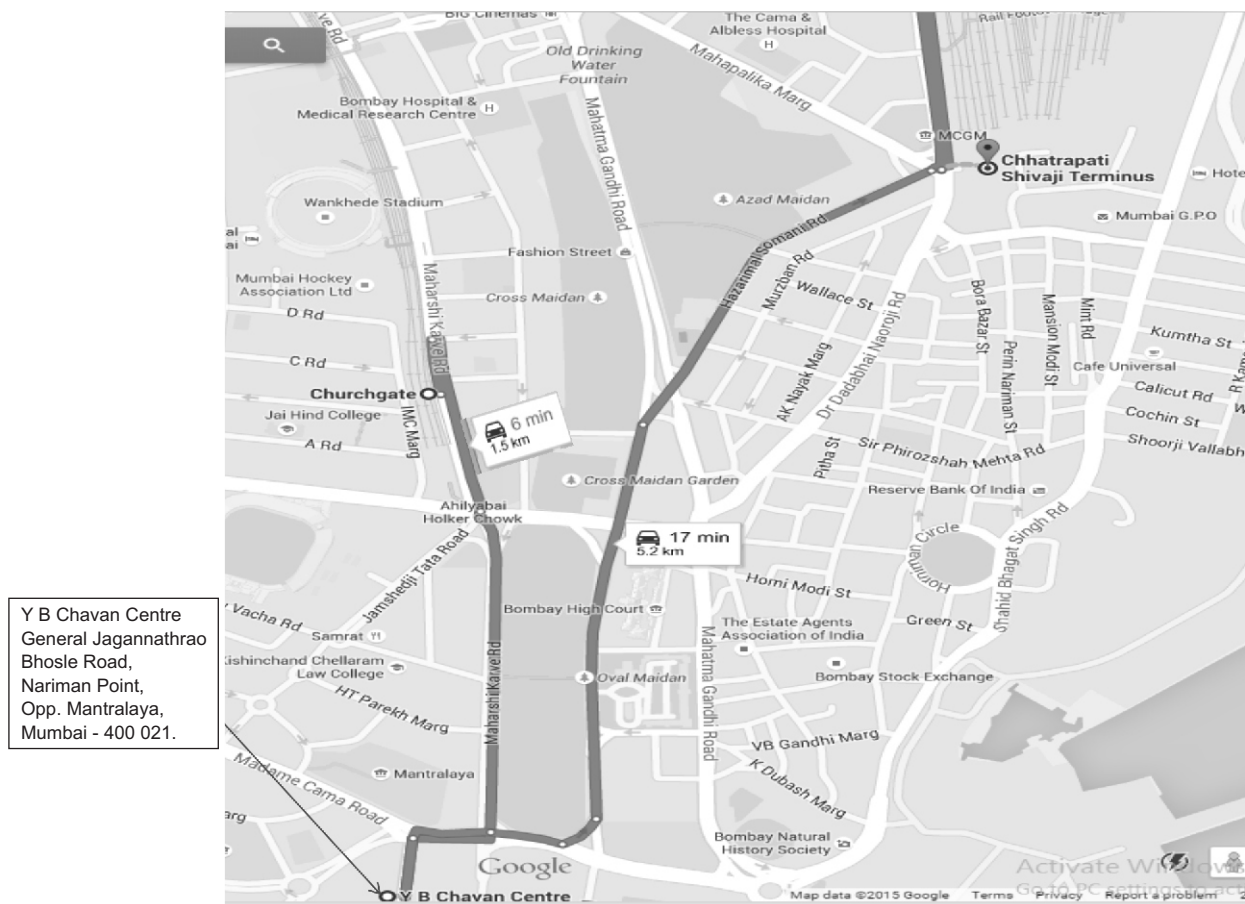
Particulars	Mr. Kishor A. Chaukar		Ms. Hiroo Mirchandani		Mr. Govind Sankaranarayanan	
Date of Birth	August 1, 1947		June 17, 1961		September 18, 1968	
Age	68		54		46	
Date of Appointment	September 5, 2012		March 9, 2015		March 9, 2015	
Qualifications	Post Graduate Diploma in Management from the IIM (Ahmedabad)		Leadership and Globalization at the London School of Economics and MBA in Marketing and Finance from the Faculty of Management Studies, Delhi.		B.E (Chemical Engineering) from Birla Institute of Science & Technology, Pilani, PGDM from IIM-Bangalore and Masters in Finance from London Business School.	
Experience	Over 40 years of experience in Management and Finance. Retired after the tenure of 14 years as Managing Director of Tata Industries Ltd. Prior to that, he was Managing Director of ISEC and Director of ICICI for some years.		Wide experience in customer facing roles and in Profit & Loss management across diverse industries		Experience of over 23 years in General Management and Finance. Currently, Chief Operating Officer - Retail Business & Housing Finance, Tata Capital Limited since September 2007. He has been instrumental in establishing key functions of Financial Management, Treasury, Risk and overall Corporate Strategy.	
Terms and conditions of appointment	<ul style="list-style-type: none"> - Director in Non-Executive Non-Independent capacity - Liable to retire by rotation 		<ul style="list-style-type: none"> - Director in Non-Executive Independent capacity - Not liable to retire by rotation - Term of appointment – 5 years from March 9, 2015 up to March 8, 2020 - Other terms and conditions- Available on the website of the Company i.e., www.tatateleservices.com and open for inspection at the registered office of the Company on all working days, during business hours upto the date of the Meeting 		<ul style="list-style-type: none"> - Director in Non-Executive Non-Independent capacity - Liable to retire by rotation 	
Remuneration sought to be paid	Sitting fees of Rs. 50,000 per meeting of the Board of Directors or any Committee thereof		Sitting fees of Rs. 50,000 per meeting of the Board of Directors or any Committee thereof		Sitting fees of Rs. 20,000 per meeting of the Board of Directors or any Committee thereof	
Last remuneration drawn during the year 2014-15	Nil		Sitting fees - Rs. 15,000 per meeting of the Board of Directors or any Committee thereof attended		Nil	
Number of Board meetings attended during the year	Held	Attended	Held	Attended	Held	Attended
	7	7	1	1	1	1
Expertise in Specific functional area	Rich experience in Finance and telecom industry		Rich experience in Sales & Marketing		Rich experience in General Management, Business Development, Finance & managing organization in transition.	
Number of Shares held in the Company (Including held by the dependents)	Nil		Nil		Nil	
Directorships held in other Public Companies #	Tata Autocomp Systems Ltd. Tata Communications Ltd. Tata Investment Corporation Ltd. Tata Petrodyne Ltd. Praj Industries Ltd. Tata AIA Life Insurance Co. Ltd. Tata Trustee Co. Ltd. BAIF Institute for Sustainable Livelihoods and Development Kirloskar Brothers Ltd.		Nilkamal Ltd. Tata Communications Payment Solutions Ltd. DFM Foods Ltd. Religare Health Insurance Company Ltd. Punjab National Bank Roots Corporation Ltd.		TC Travel and Services Ltd. Tata Capital Housing Finance Ltd. Tata Infrastructure Capital Ltd. Nectar Loyalty Management India Ltd. Tata Capital Forex Ltd.	
Memberships/ Chairmanships of Committees* of other Public Companies#	Audit Committee Tata Autocomp Systems Ltd. Tata Petrodyne Ltd. Tata Trustee Company Ltd. Stakeholders Relationship Committee Tata Communications Ltd.** Tata Investment Corporation Ltd. Kirloskar Brothers Ltd.**		Audit Committee Tata Communications Payment Solutions Ltd.** Religare Health Insurance Company Ltd. Roots Corporation Ltd.		--	
Relationship with other directors	None		None		None	

Public Companies excluding Foreign Companies, if any

* Includes only Audit Committee and Stakeholders Relationship Committee

** Chairmanship of the Committee

The route map of the AGM venue is given below:



DIRECTORS' REPORT

Dear Members,

Your Directors present 20th Annual Report on the business and operations of Tata Teleservices (Maharashtra) Limited ("TTML"/ the "Company"), together with the audited financial statements for the year ended March 31, 2015 and other accompanying reports, notes and certificates.

COMPANY OVERVIEW

TTML holds two Unified Access Service Licences ("UASL"), one for Mumbai Metro service area and the other for Maharashtra service area i.e., Rest of Maharashtra and Goa. The Company is an integrated player across:

- Technologies - Wireline, Code Division Multiple Access ("CDMA"), Global System for Mobile ("GSM") & 3G;
- Products - Voice, Data & Other enterprise services (Connectivity and Managed services, Verticals based mobile applications and Cloud services); and
- Customer segments – Retail, Large corporate and Small and medium enterprises.

The Company provides its range of products and services to about 11.1 Million (wireline + wireless) subscribers under the 'Tata DOCOMO' brand. Its network consists of about 14,000 Base Transceiver Stations and optical fibre transmission network in excess of 14,000 kms, in Mumbai and Maharashtra service areas.

FINANCIAL RESULTS

The financial highlights of the Company for the year ended March 31, 2015 are as follows:

(Rs. in Crore)

Particulars	2014-15	2013-14
Total Revenue	2,939	2,819
Expenditure	2,293	2,205
Earnings before Interest, Depreciation, Tax and Amortization ("EBITDA")	646	614
Finance & Treasury charges including foreign exchange impact	650	565
Depreciation / Amortization	611	609
Profit/(Loss) after tax	(615)	(560)

- The Company reported total income at Rs. 2,939 Crore as compared to Rs. 2,819 Crore in the previous year representing a growth of about 4%.
- The revenue growth also leads to a corresponding improvement in profitability. The Company witnessed a 5% growth in EBITDA at Rs. 646 Crore as against Rs.

614 Crore in the previous year. There was a slight improvement in the EBITDA margin.

- Net loss during the year was Rs. 615 Crore. The accumulated losses of the Company at the end of the financial year have exceeded its paid-up equity capital and reserves.

KEY DEVELOPMENTS DURING 2014-15

Spectrum Auction

The Department of Telecommunications ("DoT") recently concluded spectrum auction 2015, wherein a total of 470.75 MHz of spectrum was put to auction by DoT across 800 MHz, 900 MHz, 1800 MHz and 2100 MHz bands. The auction saw aggressive bidding by participants and took 115 Rounds to complete with final bids by seven operators amounting to a total of Rs. 109,875 Crore earning for the exchequer.

The Company succeeded in winning additional spectrum of 2.5 MHz each in 800 MHz band in Mumbai and Maharashtra service areas. The bid values for Mumbai and Maharashtra were Rs. 1,819 Crore and Rs. 1,999 Crore, respectively. The Company has availed the deferred payment facility offered by the Government. Under the same, the Company has paid Rs. 954 Crore as an upfront payment and the remaining amount will be paid in 10 equal installments starting after a moratorium of 2 years.

The validity of additional spectrum is for 20 years and is in addition to the current holding of 3.75 MHz in Mumbai and 2.5 MHz in Maharashtra. In accordance with the terms of the Notice Inviting Application ("NIA") released by the DoT, the Company has an option of deploying technology of its choice in respect of this additional spectrum. TTML currently also holds spectrum in 1800 MHz band in Mumbai and Maharashtra and 3G spectrum in 2100 MHz band in Maharashtra.

The spectrum won in these service areas gives the Company ability to offer premium services of its choice in the superior 800 MHz spectrum band post liberalization of the existing spectrum holdings in this band. This will enable the Company to further strengthen its position in the fast growing data segment, where 'Tata DOCOMO Photon' brand is a market leader.

The final allocation of spectrum is in process and shall be subject to the outcome of the litigations (pertaining to spectrum auction) pending before the Hon'ble Supreme Court of India.

New Products and Initiatives

The Data market continued to grow exponentially over the last one year, driven by increase in subscriber penetration as well as depth of usage. The Company further strengthened its

portfolio of data products and services, while also tapping into available opportunities in the voice market.

- With the objective of delivering relevant innovations in the data space to drive larger share of wallet with consumers, the Company introduced the 'carry forward unused data' feature in all its internet plans. This feature got instant traction with the consumers, removing a key irritant of losing out on left-over data post the validity expiry.
- Taking another step towards offering more value as well as relevant flexibility to the Company's postpaid subscribers, the entire free airtime which was earlier bifurcated between Local and STD minutes was consolidated to a single bucket. This allowed the customer to make calls as per his/her requirement.
- An industry first device that combines the benefits of a Wi-Fi Data Card and a Battery Bank was launched under the 'Photon Wi-Fi Duo' brand name. The product was test launched this year and has received extremely positive customer response. The Company also launched Photon 3G Wi-Fi Data Card during the year in Maharashtra service area.
- Instant talktime loan feature was also launched for the prepaid consumers during the year. In case the subscriber runs out of talktime and has an emergency call to be made, he can opt for this feature and get some talktime credited to his account instantly. This gets deducted once the customer gets his next recharge done.
- The Company was honoured at the prestigious 'Voice & Data Telecom Leadership Forum 2015'. Tata DOCOMO's online purchase portal 'eShop.tatadocomo.com' was given an award under the Marketing category for India's first and only full service telecom e-commerce platform that enables online purchase of pre-paid, post-paid SIMs and Internet access dongles (Photon) enabling door step delivery and activation. In the Product Innovation category, Tata DOCOMO was recognised for developing innovative Multi-SIM (Micro & Nano SIM built in normal classic SIM), which led to the reduction of overhead costs associated with maintaining multiple SIM types and also led to an overall reduction in carbon footprint. This innovation improved flexibility in stock levels, price and distribution efficiency right up to point-of-sales with added advantage for the customer to spend less by having a Multi SIM.
- For enterprise business customers, the strategy of the Company revolves around building products and solutions in the areas of Enterprise mobility, Cloud computing, Software as a Service ("SaaS"), Collaboration, Machine to Machine communication ("M2M") and Managed Services for voice and Data. The Company continues to innovate and during the course of the year introduced a host of innovative solutions such as

Hosted IVR, Call register Services, mobile applications for Service Ticketing and Internet of Things ("IoT")/M2M services such as Fleet Management and Automated Meter Reading ("AMR") solutions.

- The Company also introduced high speed broadband services on copper which enabled residential customers to get access the internet at speeds upto 40 Mbps.

Most of these new offerings challenge the established conventions in the industry today and are in line with our consumer centric approach.

The Company also initiated a transformational project during the year, targeted towards improving customers' experience of its various products and services. The project titled 'MAGIC' (Make A Great Impression on every Customer) aims at improving the customer experience across all touch points over the entire life-cycle of customers. The approach deployed by the Company is a holistic one that entails all functions and encompassing the entire organization. This will enable the Company to deliver a superior customer experience. While there is still some distance to traverse, the Company made significant progress on this front during the year.

Branding and Customer Service

The year saw the launch of a new brand campaign - "Bhalai Ki Supply" which highlighted the Company's attractive data and voice plans as the perfect enabler of sharing more with ones social networks. The campaign not only captured the imagination of the youth, delivering substantial improvement in the brand preference scores, but also won external recognition with a haul of five awards at the prestigious Creative Abby Festival, including 2 Gold and 2 Silver and five Blue Elephants at the Kyoorius Awards 2015.

Continuing with its focus on providing a superior experience to its customers, the Company has made substantial progress in driving Customer Centricity in 2014-2015, by inventive and empowering transformations in the Customer Service Domain.

- Key customer interfacing strategies and policies have been under a serious revamp and while there is still a long way to go, the Company made significant strides in reaching closer to its customers.
- Taking this crusade a step further was 'SAMPARK', a day when about 5,000 employees of the Company and Tata Teleservices Limited ("TTSL") personally connected with almost 50,000 Customers across India, through phone calls, personal meetings, and visits to Tata DOCOMO stores. The endeavour was to enable employees across functions and roles to capture the customer's expectation and feedback on the Company's services first hand and plough the learning back into the system for an enhanced service delivery.

- With continuous focus on relevant service innovations, the 'Tata DOCOMO Self Care Application' was launched with the aim of empowering customers with complete control of their accounts in a simple as well as convenient way.
- The Company also conducted the "Do Big Symposium" on harnessing the power of Social Networks and IOT for its enterprise business customers. These events were conducted in Mumbai and Pune where industry experts were invited to share their thoughts on how the customers could harness the power of these new technological innovations, offered by the Company within their respective organizations.

Network

Network performance and overall network quality measurement and benchmarking were being done through performance metric termed as Network Quality Index ("NQI") which is benchmarked against internal quality of service parameters as well as against competition.

During the year, performance measurement methodology was enhanced to individual Key Performance Indicator ("KPI") basis to also include metric for customer perceived Network Quality. With big data and mobile applications development, need for higher data rates are continuously going up. The challenge is to not only improve the quality of the network but also the quality of the network as perceived by the customers and eliminating their key concerns.

Initiatives were also taken up to enhance quality of 2G and 3G data services, with specific focus on High Value Customers ("HVC"), through effective management of the existing IP resources and expansion of packet core network.

During the year, the Company enhanced network quality and coverage in priority areas through consolidation. The Company currently provides wireless services in 898 towns for GSM and 947 towns for CDMA. The Company also has High Speed Internet Access ("HSIA") services in 30 towns in the states of Maharashtra and Goa. Seamless international roaming services are also provided to the customers supported by tie ups with more than 200 operators globally.

During the year, a rapid network growth was evident on the data segments primarily riding over Multiprotocol Label Switching ("MPLS") network and getting backhauled through Optic Dense Wavelength Division Multiplexing ("DWDM") layer. In order to meet the additional backhaul capacity on transport layer, the Company has augmented existing DWDM network capacity of 10G layer to 100G layer to achieve effective capacity of upto 8 Tbps as against 800 Gbps.

Safety

The Company has a well defined and practiced Employee Safety and Well-being Policy. The Company's Safety Policy comprises guidelines and standardized practices, based on

robust processes. It advocates in proactively improving its management systems, to minimize health and safety hazards, thereby ensuring compliance in all operational activities.

To minimize and mitigate risks related to Fire Safety and Physical Security, the Company has taken up various safety initiatives / projects including:

- First Aid and Fire Safety trainings for all employees.
- Frequent Emergency / mock fire drills (day/night) every six months.
- Dissemination of Safety Guidelines and Knowledge Management on health and safety issues, through Safety Awareness mailers and videos (covering Dos & Don'ts during emergency, Road Safety, Articles on Safety during Fire, Flood and Earthquake etc.).

The above actions are part of the Company's transformation journey based on the 4 pillars of Transformation Project on Safety comprising:

- Excellence in Awareness and Employee Communication;
- Risk Assessment through Audit Mechanism;
- Corrective and Preventive Actions ("CAPA"); and
- Benchmarking and Best Practice sharing, within and outside the Tata Group companies.

CORPORATE STRUCTURE

Holding Company

Pursuant to the provisions of the Companies Act, 2013 (the "Act"), Tata Sons Limited is the Holding Company of your Company.

Subsidiary and Associate Company

The Company does not have any subsidiary or associate company within the meaning of relevant provisions of the Act.

BOARD OF DIRECTORS, MEETINGS AND ITS COMMITTEES

As on March 31, 2015, the Board of Directors comprised of 7 (Seven) Directors. Of the 7 (Seven) Directors, 6 (Six) (i.e., 85.71%) are Non-Executive Directors and 1 (One) Managing Director. The Non-executive Directors include 1 (One) Chairman and 4 (Four) Independent Directors. The composition of the Board is in conformity with the provisions of the Act and Clause 40 of the Listing Agreements entered into with the Stock Exchanges.

Appointment

The Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Ms. Hiroo

Mirchandani as an Additional Director in the category of Independent Director and Mr. Govind Sankaranarayanan as an Additional Director in the category of Non-Executive Non-Independent Director with effect from March 9, 2015. Ms. Mirchandani and Mr. Sankaranarayanan hold the office till the forthcoming Annual General Meeting ("AGM") and are eligible for appointment at the AGM. The appointment of Ms. Mirchandani as an Independent Director for the period of 5 years with effect from March 9, 2015 is subject to approval of the Members of the Company at the ensuing AGM.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Clause 49 of the Listing Agreement.

Resignation/Retirement

Mr. Koji Ono, Non-Executive Director of the Company, resigned from the Board of the Company with effect from June 30, 2014 due to his relocation to Japan.

Mr. Amal Ganguli, Independent Director of the Company, who retired by rotation at the 19th AGM held on September 25, 2014, did not seek re-appointment at the said AGM and ceased to be a Director with effect from September 25, 2014.

Mr. S. Ramadorai, Non-Executive Director of the Company, retired from the Board of the Company with effect from October 6, 2014 on attaining the retirement age of 70 years as per the Guidelines for Composition of the Board of Directors, Committees of the Board and Retirement Age of Directors adopted by the Board.

The Board placed on record its appreciation for the contributions made by Mr. Koji Ono, Mr. Amal Ganguli and Mr. S. Ramadorai during their respective tenure.

Directors retiring by rotation

In accordance with the relevant provisions of the Act and in terms of the Articles of Association of the Company, Mr. Kishor A. Chaukar retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

Meetings of the Board of Directors

A calendar of Board and Committee meetings to be held during the financial year was circulated in advance to the Directors.

During the financial year, 7 (Seven) Board meetings were held. Details of the composition of the Board, meetings of the Board held and attendance of the Directors at such meetings, are provided in the Corporate Governance Report annexed to the Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Agreement.

Committees of the Board

There are currently 4 (Four) statutory Committees of the Board, as follows:

- (i) Audit Committee
- (ii) Corporate Social Responsibility Committee
- (iii) Nomination and Remuneration Committee
- (iv) Stakeholders' Relationship Committee

During the financial year, the Board re-constituted some of the Committees in accordance with the Act and Clause 49 of the Listing Agreement.

Details of all the Committees along with their terms of reference, composition and meetings of each Committee held during the year, are provided in the Corporate Governance Report, annexed to the Annual Report.

KEY MANAGERIAL PERSONNEL

At the meeting of the Board of Directors held on May 15, 2014, pursuant to the provisions of Section 203 of the Act, appointment of Mr. N. Srinath, Managing Director as Key Managerial Person of the Company was formalized. At the same meeting, Mr. Kiran Thacker was appointed as Company Secretary and Compliance Officer of the Company with effect from June 1, 2014 in place of Mr. Bhaskar Chandran and Mr. Suresh Mahadevan was appointed as Chief Financial Officer of the Company with effect from June 1, 2014 in place of Mr. S. G. Murali.

POLICIES AND PROCEDURES

Company's Policies on Appointment and Remuneration of Directors

The Policy of the Company on Directors' appointment including criteria for determining qualifications, positive attributes, independence of a Director and the Policy on remuneration of Directors, Key Managerial Personnel and other employees are annexed as **Annexure – IA** and **Annexure - IB** to this Report.

Evaluation of Every Director, Board and its Committees

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act.

The performance of the Board, the Committees and individual Directors was evaluated by the Board after seeking inputs from all the Directors through a questionnaire wherein the Directors were required to evaluate the performance on scale of one to five based on the following criteria:

- a) **Criteria for Board Performance Evaluation:** Degree of fulfillment of key responsibilities, Board structure and composition, Establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning, Board Culture

and Dynamics, Quality of relationship between the Board and the Management, Efficacy of communication with external stakeholders.

- b) Criteria for Committee Performance Evaluation:** Degree of fulfillment of key responsibilities, Adequacy of Committee Composition, Effectiveness of meetings, committee dynamics, Quality of Relationship of the Committee with the Board and the management.
- c) Criteria for evaluation of performance of Individual Directors:** Attendance, Contribution at meetings, guidance, Support to Management outside Board/Committee meetings.

The Chairman of the Board, who is one of the Members of the Nomination and Remuneration Committee ("NRC"), was nominated for conducting one-on-one discussions with Directors to seek their feedback on the Board and other Directors.

The NRC also reviewed the performance of the individual Directors. In addition, the Chairman was evaluated on the key aspects of his role and the Managing Director was evaluated on the basis of the goals achieved by him during the financial year.

In separate meetings of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Director and Non-Executive Directors. The same was then discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was discussed.

Risk Management Policy

During the year, the Company reviewed and strengthened its risk management policy and the risk management framework which ensures that the Company is able to carry out identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

Internal Financial Controls and their Adequacy

The Company has established and maintained adequate internal financial controls with respect to financial statements. Such controls have been designed to provide reasonable assurance with regard to providing reliable financial and operational information. During the year, such controls were operating effectively and no material weaknesses were observed.

Vigil Mechanism/Whistle Blower Policy

The Company has established a vigil mechanism in form of Whistle Blower Policy for Directors and employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of

Conduct or ethics policy, details of which are provided in the "Corporate Governance Report", which forms a part of the Annual Report.

The Policy provides for adequate safeguards against victimization of directors/employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

The Whistle Blower Policy has been placed on the website of the Company i.e., www.tatateleservices.com.

Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility ("CSR") Committee in accordance with Section 135 of the Act. The constitution of CSR Committee, the CSR Policy of the Company, the details about the development of CSR Policy and initiatives taken by the Company during the year have been provided in the **Annexure – II** to this Report.

OTHER STATUTORY DISCLOSURES

Contracts or Arrangements with Related Parties

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. Pursuant to Clause 49 of the Listing Agreement and Section 177 of the Act, prior approval of the Audit Committee is obtained for all related party transactions. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Your Company has adopted a Policy on Related Party Transactions. The Policy, as approved by the Board, is available on the Company's website and the same is accessible at the below mentioned web link:

<http://www.tatateleservices.com/download/aboutus/ttml/Policy-on-Related-Party-Transaction.pdf>

The details of material contracts or arrangement or transactions entered by your Company on arm's length basis are provided in Form No. AOC-2, which is annexed as **Annexure – III** to this Report.

Particulars of Loans, Guarantees or Investments

Your Company being in business of providing infrastructural facilities, provisions of Section 186 of the Act, do not apply to the Company in respect of loans made, guarantees given or security provided by the Company.

Your Company has not made any investments during the financial year under review.

Dividend and Appropriations

In view of the accumulated losses, the Directors regret their inability to recommend any dividend for the year under

consideration. No appropriations are proposed to be made for the year under consideration.

Deposits

The Company has not accepted any public deposits, during the financial period under review, within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposit) Rules, 2014.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and Redressal of complaints of sexual harassment at workplace. The objective of this policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices, and take appropriate decision in resolving such issues.

During the financial year 2014-15, the Company has received 1 (One) complaint on sexual harassment which has been disposed off and appropriate action has been taken. No complaint is pending.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure-IV** to this Report.

The statement containing particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Pursuant to Section 136(1) of the Act, this Report is being sent to the Members of the Company excluding the aforesaid information. However, the same is open for inspection at the registered office of the Company. Copies of this statement may be obtained by the Members by writing to the Company Secretary of your Company.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of Companies (Accounts) Rules, 2014, the details of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo are as under:

(A) Conservation of Energy:

(i) Steps Taken or Impact on Conservation of Energy:

- a. Electricity and Diesel Generators are used for the powering of the Company's telephone exchanges and other network infrastructure equipment. The Company regularly reviews power consumption patterns across its network and has implemented various innovative projects including green initiatives in order to optimize power consumption which resulted into substantive cost savings and reduction of carbon foot print. Some of the major projects undertaken during the year are:
 - Indoor to Outdoor conversion using outdoor capsule - 332 nos.
 - FCU (Free Cooling Units) deployment and AC (Air Conditioner) switch off - 175 nos.
 - DG (Diesel Generator) switch off - 59 nos.
 - Energy day is observed at core locations once a week where energy saving measures are taken.
- b. The initiatives on energy conservation has resulted into reduction of 4,297 Million units of energy consumption, carbon foot print reduction of 5,752 TCO₂ and also fetched industry recognition with felicitation of following awards:
 - ET Telecom Award for Excellence in Energy Management;
 - QualTech Award for Sustainability in 26th Qimpro Convention;
 - Voice & Data Telecom Leadership Award for Energy Management.
- c. Periodic energy audit and implementation of audit recommendations.

ii. Steps taken by the Company for utilizing alternate sources of Energy:

The Company has not utilised any alternate sources of energy.

iii. Capital Investment on Energy Conservation Equipments:

The Company has made capital investment of Rs. 3.29 Crore on energy conservation equipments.

(B) Technology Absorption: The Company has not imported any technology.

(C) Foreign Exchange Earnings and Outgo:

(Rs. in Crore)

Particulars	2014 - 15	2013 - 14
Earnings	6.35	6.23
Outgo	143.81	107.03
Capital Goods	76.34	18.31

Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and the Company's Operation in Future

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Extract of Annual Return

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form No. MGT-9 is annexed as **Annexure – V** to this Report.

AUDITORS**Statutory Auditors**

Deloitte Haskins & Sells LLP ("DHS"), Chartered Accountants, the present statutory auditors, retire at the conclusion of the ensuing AGM and have confirmed their willingness and eligibility for re-appointment in accordance with Section 139 read with Section 141 of the Act. The Audit Committee and the Board recommend their re-appointment from the conclusion of the ensuing AGM till the conclusion of the next AGM. Members are requested to consider the re-appointment of DHS and authorize the Board of Directors to fix their remuneration.

The Auditors' Report for the financial year ended March 31, 2015 does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors

The Board of Directors of your Company had upon recommendation of the Audit Committee re-appointed M/s. Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors of the Company for the financial year 2014-15.

The Board, on the recommendation of Audit Committee, approved the re-appointment and remuneration of M/s. Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors of the Company for the Financial Year 2015-16. Members are requested to consider, approve and ratify the remuneration payable to M/s. Sanjay Gupta & Associates for financial year 2015-16.

Internal Auditors

The Board has appointed Axis Risk Consulting Services

Private Limited, ANB Solutions Private Limited and Grant Thornton India LLP as Internal Auditors for handling internal audit of the Company.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Mehta & Mehta, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the year ending March 31, 2015. The Report of the Secretarial Audit Report in Form No. MR-3 is annexed as **Annexure – VI** to this report.

AUDITORS' OBSERVATIONS AND DIRECTORS' COMMENTS

The Secretarial Auditors' Report does not contain any qualifications, reservations or adverse remarks.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15.

Accordingly, pursuant to the provisions of Section 134 of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to information and explanation obtained by them, confirm that:

1. in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed and there are no material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2015 and of the loss for the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual financial statements on a going concern basis;
5. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

6. they have devised systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed report on Management Discussion And Analysis, as required under the Clause 49 of the Listing Agreement for the year under review is presented in a separate section, forming part of the Annual Report.

CORPORATE GOVERNANCE REPORT

A report on Corporate Governance appears after this Report. A certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, with regard to compliance with the Clause 49 of the Listing Agreements by the Company is annexed hereto and forms part of this Report.

The Company has complied with mandatory requirements prescribed under Clause 49 of the Listing Agreements with the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The Company has also implemented some of the non-mandatory provisions as contained in Clause 49 of the Listing Agreements.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation of the assistance and support extended by the employees, shareholders, customers, financial institutions, banks, vendors, dealers, Department of Telecommunications, the Central and State Governments and others associated with the activities of the Company. We look forward to their continued support in future.

For and on behalf of the Board of Directors

Mumbai
May 14, 2015

Kishor A. Chaukar
Chairman
DIN: 00033830

Annexure – IA to the Directors' Report

Company's Policy on Directors Appointment and Remuneration

The Company has formulated the criteria determining qualifications, positive attributes and independence of Director. The details of the same are as under:

1. Definition of Independence

- A director will be considered as an "independent director" if the person meets with the criteria for 'independent director' as laid down in the Act and Clause 49 (as may be applicable).

- The definition of Independence as provided in the Act and Clause 49 is as follows:

"An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director, -

- who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the company or its holding, subsidiary or associate company;
 - who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- who, neither himself nor any of his relatives -
 - holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -
 - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - holds together with his relatives two per cent. or more of the total voting power of the company; or

- (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
- (v) is a material supplier, service provider or customer or a lessor or lessee of the company; (additional provision as per Clause 49);
- (f) who is not less than 21 years of age (additional provision as per Clause 49)."
- Current and ex-employees of a Tata company may be considered as independent only if he/she has or had no pecuniary relationship with any Tata company (due to employment/receipt of monthly pension by way of Special Retirement Benefits/holding consultant or advisor positions) during the two immediately preceding financial years or during the current financial year.

2. Qualifications of Directors

- Board will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
- It is expected that board have an appropriate blend of functional and industry expertise.
- While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ("NRC") consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
- Independent Directors ("ID") ideally should be thought/practice leaders in their respective functions/domains.

3. Positive Attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

- 1) "Act in accordance with the articles of the company.
- 2) Act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- 3) Exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
- 4) Not be involved in a situation in which he may have a

direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

- 5) Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
- 6) Not assign his office."

Additionally, the Directors on the Board of a Tata Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment.

IDs are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

"An independent director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a bona fide manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- 6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices."

For and on behalf of the Board of Directors

Mumbai
May 14, 2015

Kishor A. Chaukar
Chairman
DIN: 00033830

Annexure – IB to the Directors' Report Remuneration Policy

Further, the Company has also formulated a Remuneration Policy for the Directors, Key Managerial Personnel and other employees and the same is given hereunder:

The philosophy for remuneration of Directors, Key Managerial Personnel ("KMP") and all other employees of Tata Teleservices (Maharashtra) Limited ("Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clause 49(IV)(B)(1) of the Equity Listing Agreement ("Listing Agreement"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- "(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;*
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and*
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"*

Key principles governing this remuneration policy are as follows:

- **Remuneration for independent directors and non-independent non-executive directors**

Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.

Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).

Overall remuneration should be reflective of size of the company, complexity of the sector/industry/ company's operations and the company's capacity to pay the remuneration.

Overall remuneration practices should be consistent with recognized best practices.

Quantum of sitting fees may be subject to review on a periodic basis, as required.

The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.

In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

- **Remuneration for managing director ("MD") / executive directors ("ED") / KMP / rest of the employees**

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be

- Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent);
- Driven by the role played by the individual,

- Reflective of size of the company, complexity of the sector/industry/company's operations and the company's capacity to pay,
- Consistent with recognized best practices, and
- Aligned to any regulatory requirements.

In terms of remuneration mix or composition,

- The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
- Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
- The company provides retirement benefits as applicable.
- In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
- In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/EDs such

remuneration by way of an annual incentive remuneration/performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:

Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,

Industry benchmarks of remuneration,

Performance of the individual.

- The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

● **Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

- a) The services rendered are of a professional nature; and
- b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

● **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

For and on behalf of the Board of Directors

Mumbai
May 14, 2015

Kishor A. Chaukar
Chairman
DIN: 00033830

Annexure – II to the Directors' Report Annual Report on Corporate Social Responsibility ("CSR") Activities

1. Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken

As a member of the Tata Group, Corporate Social Responsibility is at the core of the company. Keeping the ethos of the Tata Group's sustainability (including CSR) policy and focus, the Company has framed its CSR Policy during the year which is duly approved by the CSR Committee. Focus areas and key programs are as under:

Promoting employability through Education, Skill development

– The Tata Group has a volunteering initiative called 'Pro Engage', which brings together employee volunteers from across the globe (through 'Prakriti Club' – the volunteering arm of the Company), to collaborate and contribute to various CSR initiatives. NGOs, qualified through a rigorous screening process, along with the volunteers' support focus on skill development initiatives for women, differently-abled individuals and underprivileged youth. They also contribute to specific enablement programs through the Group level initiatives.

Livelihood enhancement - The Company has provided livelihood to visually impaired at an outbound contact center, enabling economic independence. It has also provided livelihood opportunities for economically backward youth at the Retail Stores. The Company encourages women employment through its 'SIM Kitting Process' at the warehouses.

Promoting women empowerment, health and such social issues – SMS messages were sent to ~0.75 million customers on 'Pulse Polio' and 'Routine Immunization'. The Company also supported 'Swachh Bharat' Campaign and reached out to ~5 million customers through SMS, bill messages and free download of Swachh Bharat hello tune.

Focus on Environment - Given the nature of the telecommunication business, the company focuses on reducing carbon reduction, leveraging green energy, and responsible management of e-waste. Through various initiatives, over the last three years, the Company achieved a steady decrease of tCO₂e per subscriber – 0.022 in FY13, 0.020 in FY14 and 0.025 in FY 15.

Disaster Relief – This is a focus area at the Tata group level, where the Company has nominated two employees who are now trained and competent project managers, participating in the Group level Disaster Relief Operations. It has also collected Rs. 2.62 lakhs as voluntary contributions from employees during the J&K disaster. The contribution was given to Tata Relief Fund towards J&K Relief efforts.

CSR Policy has been displayed on the website of the Company and the same is accessible at the below mentioned weblink –

<http://www.tatateleservices.com/download/aboutus/ttml/Policy-on-Corporate-Social.pdf>

2. Composition of CSR Committee

The CSR Committee for the Company comprises of the following Members:

Sr. No.	Name	Designation
1	Mr. Kishor A. Chaukar	Non-Executive Non-Independent Director
2	Mr. D. T. Joseph	Independent Director
3	Mr. N. Srinath	Managing Director

3. Average net profit of the Company for last 3 financial years, prescribed CSR expenditure and details of CSR spent during the financial year

The Company did not make profits in the past 3 financial years; hence it does not have any budgeted CSR expenditure. However, in keeping with the Tata Group's philosophy of giving back to the society, all the above initiatives are managed with internal resources.

Mr. N. Srinath
Managing Director
DIN: 00058133

Mr. Kishor A. Chaukar
Chairman,
Corporate Social
Responsibility Committee
DIN: 00033830

Mumbai
May 14, 2015

Annexure – III to the Directors' Report

Form No. AOC-2

(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Tata Teleservices (Maharashtra) Limited ("TTML") has not entered into any contact or arrangement or transaction with related parties which is not on arm's length during financial year 2014-15.

2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name of the Related Party and nature of Relationship: Tata Teleservices Limited ("TTSL") - Substantial interest in TTML and is Fellow Subsidiary.
- (b) Nature of contracts /arrangements /transactions: Refer Table A below.
- (c) Duration of the contracts/arrangements/transactions: Refer Table A below.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Refer Table A below.
- (e) Date(s) of approval by the Board, if any: Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.
- (f) Amount paid in Advance, if any : Nil.

Table A

Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any
Roaming Income/ Expenses	April 1, 2012 - March 31, 2015	TTML entered into agreement with all operators including TTSL to provide roaming services to customers. Contract Value: Inter Circle Roaming Expenses - NA (Value for FY 2014-15 Rs. 10.99 Crore) Inter Circle Roaming Income - NA (Value for FY 2014-15 Rs. 13.22 Crore)
Inter Usage Expenses (Carriage)	December 31, 2007 - March 31, 2015	TTML enters into interconnection agreement with all operators including TTSL as per licensing conditions. Contract Value - NA (Value for FY 2014-15 Rs. 74 Crore)
Inter Usage Income/ Expenses (Termination)	December 31, 2007 - Open Ended	These charges are prescribed by TRAI from time to time and are followed by all the telecom operators in India. Contract Value – NA (Value for FY 2014 -15 Network Cost-Inter Usage Connectivity-Termination-Expenses Rs. 169.99 Crore, Income Rs. 50.63 Crore)
Purchase/Sale of Inventory/Used assets	April 1, 2014 - March 31, 2015	Procurement Contract allows need based purchase / sale of inventory / used assets. Contract Value: Rs. 30 Crore (Value for FY 2014-15 Rs. 18.97 Crore)

Telecommunication Income	Open Ended	TTML is a telecom operator. It provides telecommunication services to various entities, including TTSL. Contract Value - NA (Value for FY 2014-15 Rs. 19.47 Crore)
Cost Sharing O & M bandwidth	October 1, 2008 - September 30, 2023	TTML has in place a "leasing of bandwidth agreement" dated October 25, 2007 with TTSL. The arrangement also requires TTML to maintain the fibre given to TTSL in Mumbai & Rest of Maharashtra and Goa. Contract Value: NA (Value for FY 2014-15 Rs. 0.95 Crore)
Other Income (Lease Income & Related Expenses Recovery Turbhe)	April 1, 2014 - March 31, 2016	Lease Income: Based on Independent Valuation, 51478 Sq.ft. Leased to TTSL for a consideration of Rs. 22 Lakhs of Rent per month. Recovery of housing keeping & facilities expense: At Actual without any Mark-up. Value of Contract- Rs. 5.80 Crore (excluding taxes) and reimbursement of housekeeping, electricity and fuel charges etc. at actual (Value for FY 2014-15 Rs. 9.53 Crore)
Other Income (Lease Income & Related Expenses Recovery Pune)	August 1, 2014 - July 31, 2016	Lease Income : Based on the rates charged by Landlord to TTML 3850 Sq.ft. Leased to TTSL for a consideration of Rs. 2.61 Lakhs of Rent per month. Recovery of housing keeping & facilities expense: At Actual without markup. Contract Value: Rs. 2.61 Lakhs per month (excluding taxes) and reimbursement of housekeeping, electricity and fuel charges etc. at actual (Value for FY 2014-15 Rs. 0.66 Crore)
Other Income	August 11, 2007 - Open Ended	TTML received certain Other income based on agreement. Contract Value - NA (Value for FY 2014-15 Rs. Nil)
Cost Sharing	April 1, 2012 - March 31, 2015	Sharing of common resources is based on "Various Ratios" without Mark-up. Contract Value - NA (Value for FY 2014-15 Rs. 101.59 Crore)

For and on behalf of the Board of Directors

Mumbai
May 14, 2015

Kishor A. Chaukar
Chairman
DIN: 00033830

Annexure – IV to the Directors' Report

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-Executive Directors	Ratio to median remuneration
Mr. Nadir Godrej	0.10
Prof. Ashok Jhunjhunwala	0.33
Mr. D. T. Joseph	0.25
Ms. Hiroo Mirchandani (w.e.f. March 9, 2015)	0.04
Mr. Amal Ganguli (upto September 25, 2014)	0.06
Mr. S. Ramadorai (upto October 6, 2014)	---
Mr. Kishor A. Chaukar	---
Mr. Govind Sankaranarayanan (w.e.f. March 9, 2015)	---
Mr. Koji Ono (upto June 30, 2014)	---

Remuneration paid to the above Non-Executive Directors is by way of sitting fees only.

Managing Director*	Ratio to median remuneration*
Mr. N. Srinath	---

- b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. N. Srinath - Managing Director*	N.A.
Mr. Suresh Mahadevan - Chief Financial Officer [#]	19.87%
Mr. Kiran Thacker - Company Secretary [#]	2.5%
Mr. S. G. Murali - Chief Financial Officer (upto May 31, 2014) [@]	N.A.
Mr. Bhaskar Chandran - Company Secretary (upto May 31, 2014) [@]	N.A.

* Mr. N. Srinath does not draw any remuneration from the Company.

Appointed w.e.f. June 1, 2014. The increase in the remuneration during the year is as per the Company's policy.

@ Mr. S. G. Murali and Mr. Bhaskar Chandran did not draw any remuneration from the Company

- c. The percentage increase in the median remuneration of employees in the financial year: 4.3%
- d. The number of permanent employees on the rolls of Company: 1,178
- e. The explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual increase of 4.3%. Increments given were based on individual performance. The increase in remuneration was in line with the market median trends at various employee levels and roles. However, Performance Pay paid to employees included the factor of the Company performance.

- f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of Key Managerial Personnel ("KMP") in FY 2014-15 (Rs. in Crores)	0.89*
Revenue (Rs. in Crores)	2,939
Remuneration of KMPs (as % of Revenue)	0.030%
Profit Before Tax (PBT) (Rs. in Crores)	(615.25)
Remuneration of KMP (as % of PBT)	N.A. [#]

* Mr. N. Srinath, Managing Director does not draw any remuneration from the Company.

Since PBT is negative for the year.

- g. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
Market capitalization (Rs. in Crores)	1,534.62	1,446.65	6.08
Price Earning Ratio*	N.A.	N.A.	N.A.

* Earning Per Share is negative for the current financial year and previous financial year

- h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	March 31, 2015	October 26, 2000 (IPO)	% Change
Market Price (BSE)	7.90	12.00	(22.62)
Market Price (NSE)	7.85	12.00	(23.48)

* Adjusted for 2:15 bonus issue in 2013-14.

- i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase during the year was 4.3% in case of employees other than managerial personnel.

- j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

	Mr. N. Srinath - Managing Director	Mr. Suresh Mahadevan - Chief Financial Officer [®]	Mr. Kiran Thacker - Company Secretary [®]
Remuneration in FY 2014-15 (Rs. in Crores)	Nil *	0.70	0.19
Revenue (Rs. in Crores)	2,939		
Remuneration as % of Revenue	Nil *	0.04 %	0.006 %
Profit before Tax (PBT) (Rs. in Crores)	(615.25)		
Remuneration (as % of PBT)	Nil *	N.A. [#]	N.A. [#]

* Mr. N. Srinath, Managing Director does not draw any remuneration from the Company

@ Appointed w.e.f. June 1, 2014

Since PBT is negative for the year

- k. The key parameters for any variable component of remuneration availed by the directors: None.
- l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Not Applicable. Managing Director does not draw any remuneration from the Company. Some of the Non-Executive Directors were paid sitting fees only. The remuneration drawn by the employees is not comparable with the sitting fees paid to Non-Executive Directors.

- m. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Annexure – V to the Directors' Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	:	L64200MH1995PLC086354
ii	Registration Date	:	March 13, 1995
iii	Name of the Company	:	Tata Teleservices (Maharashtra) Limited
iv	<ul style="list-style-type: none"> ▪ Category ▪ Sub-Category of the Company 	:	<ul style="list-style-type: none"> ▪ Company limited by Shares ▪ Indian Non-Government Company
v	Address of the Registered Office and contact details	:	Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai – 400 033 Tel.: 91 22 6667 1414 Fax: 91 22 6660 5335 Email: investor.relations@tatatel.co.in
vi	Whether listed company	:	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	TSR Darashaw Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi, Mumbai – 400 011 Tel: 91 22 6656 8484 Fax: 91 22 6656 8494 / 6656 8496 Email: csg-unit@tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Wired telecommunications activities	611	30%
2	Wireless telecommunications activities	612	70%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Tata Sons Limited Address: Bombay House, 24, Homy Modi Street, Mumbai – 400001	U99999MH1917PLC000478	Holding Company	19.58%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2014)				No. of Shares held at the end of the year (as on March 31, 2015)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters & Promoter Group									
1)	Indian									
a	Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d	Bodies Corporate	1234358382	0	1234358382	63.14	1234358382	0	1234358382	63.14	0.00
e	Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
F	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub - Total (A) (1)	1234358382	0	1234358382	63.14	1234358382	0	1234358382	63.14	0.00
2)	Foreign									
a	NRIs / Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c	Bodies Corporate	229856926	0	229856926	11.76	229856926	0	229856926	11.76	0.00
d	Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
e	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub - Total (A) (2)	229856926	0	229856926	11.76	229856926	0	229856926	11.76	0.00
	Total Shareholding of Promoters & Promoter Group (A) = (A) (1) + (A) (2)	1464215308	0	1464215308	74.90	1464215308	0	1464215308	74.90	0.00
B	Public Shareholding									
1)	Institutions									
a	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b	Banks / FIs	1995045	0	1995045	0.10	2003459	0	2003459	0.10	0.00
c	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d	State Govt.(s).	44199	0	44199	0.00	44199	0	44199	0.00	0.00
e	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f	Insurance Companies	935000	0	935000	0.05	935000	0	935000	0.05	0.00
g	FIs	10624653	0	10624653	0.54	14221295	0	14221295	0.73	0.18
h	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
j	Others (please specify)									
j-i	Foreign Bodies	4180	0	4180	0.00	4180	0	4180	0.00	0.00
j-ii	Foreign Portfolio Investors – Corporate	0	0	0	0.00	105529	0	105529	0.01	0.01
	Sub – total (B) (1)	13603077	0	13603077	0.70	17313662	0	17313662	0.89	0.19
2)	Non - Institutions									
a	Bodies Corporate									
(i)	Indian	49426098	4078	49430176	2.53	53542342	4078	53546420	2.74	0.21
(ii)	Overseas	1133	0	1133	0.00	1133	0	1133	0.00	0.00

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2014)				No. of Shares held at the end of the year (as on March 31, 2015)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2)	Non - Institutions									
b	Individuals									
(i)	Individual shareholders having nominal share capital upto Rs. 1 Lakh	276687667	2974416	279662083	14.31	265313384	2928938	268242322	13.72	-0.58
(ii)	Individual shareholders having nominal share capital in excess of Rs. 1 Lakh	136296079	82733	136378812	6.98	140329220	24933	140354153	7.18	0.20
c	Others (please specify)									
c.i	Trusts	49601	183499	233100	0.01	16453	0	16453	0.00	-0.01
c.ii	NRIs									
c.ii.a	Individual shareholding nominal shares upto Rs. 1 Lakh	3528172	33297	3561469	0.18	3427923	33297	3461220	0.18	-0.01
c.ii.b	Individual shareholding nominal shares upto Rs. 1 Lakh	7830517	0	7830517	0.40	7768404	0	7768404	0.40	0.00
c.iii.c	Foreign Nationals - DR	3626	0	3626	0.00	226	0	226	0.00	0.00
c.iv	Directors & their relatives	8426	0	8426	0.00	8426	0	8426	0.00	0.00
Sub – total (B) (2)		473831319	3278023	477109342	24.41	470407511	2991246	473398757	24.22	-0.19
Total Public Shareholding (B) = (B) (1) + (B) (2)		487434396	3278023	490712419	25.10	487721173	2991246	490712419	25.10	0.00
Grand Total (A + B + C)		1951649704	3278023	1954927727	100.00	1951936481	2991246	1954927727	100.00	0.00

(ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on April 1, 2014)			Shareholding at the end of the year (as on March 31, 2015)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Tata Teleservices Limited*	714317891	36.54	26.00	714317891	36.54	26.00	0.00
2	The Tata Power Company Limited*	137263174	7.02	0.00	137263174	7.02	0.00	0.00
3	Tata Sons Limited (Promoter)	327759467	16.77	0.00	327759467	16.77	0.00	0.00
4	Tata Sons Limited (Promoter)	55000000	2.81	0.00	55000000	2.81	0.00	0.00
5	Panatone Finvest Limited*	17850	0.00	0.00	17850	0.00	0.00	0.00
6	NTT DOCOMO INC. (Another Promoter)	229856926	11.76	0.00	229856926	11.76	0.00	0.00
Total		1464215308	74.90	26.00	1464215308	74.90	26.00	0.00

*Part of Promoter Group

(iii) Change in Promoters' Shareholding (please specify, if there is no change) = No change during the year

	Shareholding at the beginning of the year (as on April 1, 2014)		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	1464215308	74.90	1464215308	74.90
Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No change during the year			
At the end of the year	1464215308	74.90	1464215308	74.90

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on April 1, 2014)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
1	Globe Capital Market Ltd.	4,413,304	0.23					4413304	0.23
				04.04.2014	Purchase of shares	509	0.00	4,413,813	0.23
				04.04.2014	Sale of shares	-21,981	0.00	4,391,832	0.22
				11.04.2014	Purchase of shares	1,094	0.00	4,392,926	0.22
				11.04.2014	Sale of shares	-9,234	0.00	4,383,692	0.22
				18.04.2014	Purchase of shares	1,009	0.00	4,384,701	0.22
				18.04.2014	Sale of shares	-105,950	-0.01	4,278,751	0.22
				25.04.2014	Sale of shares	-81,582	0.00	4,197,169	0.21
				25.04.2014	Purchase of shares	10,593	0.00	4,207,762	0.22
				02.05.2014	Purchase of shares	13,499	0.00	4,221,261	0.22
				09.05.2014	Purchase of shares	1,067	0.00	4,222,328	0.22
				09.05.2014	Sale of shares	-1,452	0.00	4,220,876	0.22
				16.05.2014	Purchase of shares	32,178	0.00	4,253,054	0.22
				16.05.2014	Sale of shares	-22,000	0.00	4,231,054	0.22
				23.05.2014	Purchase of shares	223,537	0.01	4,454,591	0.23
				30.05.2014	Sale of shares	-197,754	-0.01	4,256,837	0.22
				30.05.2014	Purchase of shares	8,313	0.00	4,265,150	0.22
				06.06.2014	Sale of shares	-32,363	0.00	4,232,787	0.22
				06.06.2014	Purchase of shares	31,404	0.00	4,264,191	0.22
				13.06.2014	Purchase of shares	75,705	0.00	4,339,896	0.22
				13.06.2014	Sale of shares	-23,588	0.00	4,316,308	0.22
				20.06.2014	Sale of shares	-18,794	0.00	4,297,514	0.22
				20.06.2014	Purchase of shares	22,742	0.00	4,320,256	0.22
				30.06.2014	Purchase of shares	700	0.00	4,320,956	0.22
				30.06.2014	Sale of shares	-9,347	0.00	4,311,609	0.22
				04.07.2014	Purchase of shares	12,376	0.00	4,323,985	0.22
				04.07.2014	Sale of shares	-34,254	0.00	4,289,731	0.22

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on April 1, 2014)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
				11.07.2014	Purchase of shares	43,221	0.00	4,332,952	0.22
				11.07.2014	Sale of shares	-11,850	0.00	4,321,102	0.22
				18.07.2014	Sale of shares	-11,923	0.00	4,309,179	0.22
				18.07.2014	Purchase of shares	4,374	0.00	4,313,553	0.22
				25.07.2014	Purchase of shares	14,627	0.00	4,328,180	0.22
				01.08.2014	Sale of shares	-35,184	0.00	4,292,996	0.22
				01.08.2014	Purchase of shares	300,000	0.02	4,592,996	0.23
				08.08.2014	Sale of shares	-59,619	0.00	4,533,377	0.23
				15.08.2014	Purchase of shares	4,100	0.00	4,537,477	0.23
				15.08.2014	Sale of shares	-3,423,500	-0.18	1,113,977	0.06
				22.08.2014	Sale of shares	-412,800	-0.02	701,177	0.04
				22.08.2014	Purchase of shares	409,250	0.02	1,110,427	0.06
				29.08.2014	Purchase of shares	1,014,342	0.05	2,124,769	0.11
				05.09.2014	Sale of shares	-2,033	0.00	2,122,736	0.11
				12.09.2014	Purchase of shares	3,701	0.00	2,126,437	0.11
				15.09.2014	Purchase of shares	926	0.00	2,127,363	0.11
				15.09.2014	Sale of shares	-600	0.00	2,126,763	0.11
				19.09.2014	Sale of shares	-16,417	0.00	2,110,346	0.11
				19.09.2014	Purchase of shares	2,504,100	0.13	4,614,446	0.24
				25.09.2014	Sale of shares	-28,809	0.00	4,585,637	0.23
				25.09.2014	Purchase of shares	70,000	0.00	4,655,637	0.24
				30.09.2014	Purchase of shares	9,616	0.00	4,665,253	0.24
				30.09.2014	Sale of shares	-1,508,077	-0.08	3,157,176	0.16
				03.10.2014	Purchase of shares	30,446	0.00	3,187,622	0.16
				03.10.2014	Sale of shares	-31,445	0.00	3,156,177	0.16
				10.10.2014	Sale of shares	-52,615	0.00	3,103,562	0.16
				10.10.2014	Purchase of shares	35,229	0.00	3,138,791	0.16
				17.10.2014	Purchase of shares	3,495	0.00	3,142,286	0.16
				24.10.2014	Sale of shares	-1,649	0.00	3,140,637	0.16
				31.10.2014	Purchase of shares	269,923	0.01	3,410,560	0.17
				07.11.2014	Purchase of shares	19,381	0.00	3,429,941	0.18
				07.11.2014	Sale of shares	-23,203	0.00	3,406,738	0.17
				14.11.2014	Sale of shares	-1,000	0.00	3,405,738	0.17
				14.11.2014	Purchase of shares	378	0.00	3,406,116	0.17
				21.11.2014	Purchase of shares	1,400	0.00	3,407,516	0.17
				21.11.2014	Sale of shares	-4,654	0.00	3,402,862	0.17
				28.11.2014	Sale of shares	-1,000	0.00	3,401,862	0.17
				28.11.2014	Purchase of shares	7,750	0.00	3,409,612	0.17
				05.12.2014	Sale of shares	-5,785	0.00	3,403,827	0.17
				12.12.2014	Purchase of shares	2,400	0.00	3,406,227	0.17
				19.12.2014	Sale of shares	-1,500	0.00	3,404,727	0.17
				19.12.2014	Purchase of shares	3,266	0.00	3,407,993	0.17
				31.12.2014	Purchase of shares	400	0.00	3,408,393	0.17
				31.12.2014	Sale of shares	-392,637	-0.02	3,015,756	0.15
				02.01.2015	Purchase of shares	807,000	0.04	3,822,756	0.20

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on April 1, 2014)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
				02.01.2015	Sale of shares	-470,400	-0.02	3,352,356	0.17
				09.01.2015	Purchase of shares	500	0.00	3,352,856	0.17
				09.01.2015	Sale of shares	-110,851	-0.01	3,242,005	0.17
				16.01.2015	Purchase of shares	23,467	0.00	3,265,472	0.17
				16.01.2015	Sale of shares	-6,150	0.00	3,259,322	0.17
				23.01.2015	Sale of shares	-4,920	0.00	3,254,402	0.17
				23.01.2015	Purchase of shares	1,230,414	0.06	4,484,816	0.23
				30.01.2015	Sale of shares	-45,462	0.00	4,439,354	0.23
				30.01.2015	Purchase of shares	20,000	0.00	4,459,354	0.23
				06.02.2015	Purchase of shares	2,400	0.00	4,461,754	0.23
				06.02.2015	Sale of shares	-154,535	-0.01	4,307,219	0.22
				13.02.2015	Purchase of shares	53,175	0.00	4,360,394	0.22
				13.02.2015	Sale of shares	-40,000	0.00	4,320,394	0.22
				20.02.2015	Purchase of shares	5,000	0.00	4,325,394	0.22
				20.02.2015	Sale of shares	-74,743	0.00	4,250,651	0.22
				27.02.2015	Sale of shares	-216,000	-0.01	4,034,651	0.21
				27.02.2015	Purchase of shares	14,300	0.00	4,048,951	0.21
				06.03.2015	Sale of shares	-23,600	0.00	4,025,351	0.21
				06.03.2015	Purchase of shares	18,000	0.00	4,043,351	0.21
				13.03.2015	Purchase of shares	36,700	0.00	4,080,051	0.21
				13.03.2015	Sale of shares	-8,643	0.00	4,071,408	0.21
				20.03.2015	Sale of shares	-29,156	0.00	4,042,252	0.21
				27.03.2015	Purchase of shares	2,000	0.00	4,044,252	0.21
				27.03.2015	Sale of shares	-3,900	0.00	4,040,352	0.21
				31.03.2015	Sale of shares	-237,293	-0.01	3,803,059	0.19
				31.03.2015	Purchase of shares	19,172	0.00	3,822,231	0.20
				31.03.2015	At the end of the year	-	-	3,822,231	0.20
2	Ashwin Digambar Raikar .	2,855,847	0.15					2,855,847	0.15
				11.04.2014	Sale of shares	-750,000	-0.04	2,105,847	0.11
				25.04.2014	Purchase of shares	60,000	0.00	2,165,847	0.11
				02.05.2014	Sale of shares	-460,000	-0.02	1,705,847	0.09
				09.05.2014	Sale of shares	-50,000	0.00	1,655,847	0.08
				16.05.2014	Purchase of shares	94,153	0.00	1,750,000	0.09
				23.05.2014	Purchase of shares	125,000	0.01	1,875,000	0.10
				25.09.2014	Sale of shares	-918,492	-0.05	956,508	0.05
				05.12.2014	Sale of shares	-100,000	-0.01	856,508	0.04
				12.12.2014	Sale of shares	-139,834	-0.01	716,674	0.04
				19.12.2014	Purchase of shares	275,000	0.01	991,674	0.05
				09.01.2015	Purchase of shares	600,000	0.03	1,591,674	0.08
				31.03.2015	At the end of the year	-	-	1,591,674	0.08

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on April 1, 2014)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
3	The Emerging Markets Small Cap Series of The DFA Investment Trust Company	2,741,071	0.14					2,741,071	0.14
				09.05.2014	Purchase of shares	136,733	0.01	2,877,804	0.15
				16.05.2014	Purchase of shares	223,377	0.01	3,101,181	0.16
				23.05.2014	Purchase of shares	46,536	0.00	3,147,717	0.16
				30.06.2014	Purchase of shares	136,321	0.01	3,284,038	0.17
				04.07.2014	Purchase of shares	149,560	0.01	3,433,598	0.18
				18.07.2014	Purchase of shares	285,434	0.01	3,719,032	0.19
				25.07.2014	Purchase of shares	85,718	0.00	3,804,750	0.19
				05.09.2014	Purchase of shares	242,817	0.01	4,047,567	0.21
				07.11.2014	Purchase of shares	122,522	0.01	4,170,089	0.21
				31.03.2015	At the end of the year	-	-	4,170,089	0.21
4	Silicon Designs (M) India Private Limited	1,987,826	0.10					1,987,826	0.10
				04.04.2014	Purchase of shares	300,000	0.02	2,287,826	0.12
				11.04.2014	Sale of shares	-300,000	-0.02	1,987,826	0.10
				18.04.2014	Purchase of shares	600,000	0.03	2,587,826	0.13
				25.04.2014	Sale of shares	-1,627,543	-0.08	960,283	0.05
				02.05.2014	Purchase of shares	50,000	0.00	1,010,283	0.05
				09.05.2014	Purchase of shares	85,534	0.00	1,095,817	0.06
				16.05.2014	Purchase of shares	156,883	0.01	1,252,700	0.06
				23.05.2014	Purchase of shares	606,382	0.03	1,859,082	0.10
				18.07.2014	Purchase of shares	3,418,415	0.17	5,277,497	0.27
				01.08.2014	Sale of shares	-300,000	-0.02	4,977,497	0.25
				22.08.2014	Sale of shares	-400,000	-0.02	4,577,497	0.23
				12.09.2014	Sale of shares	-300,000	-0.02	4,277,497	0.22
				19.09.2014	Sale of shares	-515,191	-0.03	3,762,306	0.19
				25.09.2014	Sale of shares	-3,429,303	-0.18	333,003	0.02
				30.09.2014	Purchase of shares	950,000	0.05	1,283,003	0.07
				10.10.2014	Sale of shares	-580,244	-0.03	702,759	0.04
				17.10.2014	Sale of shares	-150,000	-0.01	552,759	0.03
				07.11.2014	Sale of shares	-50,000	0.00	502,759	0.03
				14.11.2014	Sale of shares	-21,696	0.00	481,063	0.02
				28.11.2014	Sale of shares	-100,000	-0.01	381,063	0.02
				05.12.2014	Purchase of shares	50,000	0.00	431,063	0.02
				12.12.2014	Purchase of shares	125,000	0.01	556,063	0.03
				19.12.2014	Purchase of shares	205,000	0.01	761,063	0.04
				31.12.2014	Sale of shares	-100,000	-0.01	661,063	0.03
				09.01.2015	Purchase of shares	700,000	0.04	1,361,063	0.07
				23.01.2015	Purchase of shares	40,000	0.00	1,401,063	0.07
				30.01.2015	Sale of shares	-130,000	-0.01	1,271,063	0.07
				06.02.2015	Sale of shares	-192,796	-0.01	1,078,267	0.06
				13.02.2015	Purchase of shares	150,000	0.01	1,228,267	0.06
				20.02.2015	Sale of shares	-50,000	0.00	1,178,267	0.06
				27.02.2015	Purchase of shares	50,000	0.00	1,228,267	0.06
				06.03.2015	Purchase of shares	5,000	0.00	1,233,267	0.06
				20.03.2015	Sale of shares	-120,000	-0.01	1,113,267	0.06
				31.03.2015	At the end of the year	-	-	1,113,267	0.06

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on April 1, 2014)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
5	C Loganathan	1,894,595	0.10					1,894,595	0.10
				31.12.2014	Decrease	-3,584	0.00	1,891,011	0.10
				31.12.2014	Increase	3,584	0.00	1,894,595	0.10
				31.03.2015	At the end of the year	-	-	1,894,595	0.10
6	Emerging Markets Core Equity Portfolio (The Portfolio) Of DFA Investment Dimensions Group Inc (DFAIDG)	1,811,713	0.09					1,811,713	0.09
				13.06.2014	Purchase of shares	198,085	0.01	2,009,798	0.10
				20.06.2014	Purchase of shares	78,571	0.00	2,088,369	0.11
				04.07.2014	Purchase of shares	121,447	0.01	2,209,816	0.11
				11.07.2014	Purchase of shares	58,205	0.00	2,268,021	0.12
				18.07.2014	Purchase of shares	164,973	0.01	2,432,994	0.12
				25.07.2014	Purchase of shares	416,189	0.02	2,849,183	0.15
				01.08.2014	Purchase of shares	143,965	0.01	2,993,148	0.15
				15.08.2014	Purchase of shares	76,249	0.00	3,069,397	0.16
				22.08.2014	Purchase of shares	152,869	0.01	3,222,266	0.16
				31.03.2015	At the end of the year	-	-	3,222,266	0.16
7	Vanguard Total International Stock Index Fund	1,686,903	0.09					1,686,903	0.09
				25.04.2014	Purchase of shares	854,664	0.04	2,541,567	0.13
				02.05.2014	Purchase of shares	240,741	0.01	2,782,308	0.14
				31.03.2015	At the end of the year	-	-	2,782,308	0.14
8	EM Resurgent Fund	1,414,492	0.07					1,414,492	0.07
				-	No Change	0	0.00	1,414,492	0.07
				31.03.2015	At the end of the year	-	-	1,414,492	0.07
9	IL And FS Securities Services Limited	1,397,576	0.07					1,397,576	0.07
				04.04.2014	Purchase of shares	81,816	0.00	1,479,392	0.08
				04.04.2014	Sale of shares	-85,000	0.00	1,394,392	0.07
				11.04.2014	Sale of shares	-83,800	0.00	1,310,592	0.07
				18.04.2014	Purchase of shares	5,210	0.00	1,315,802	0.07
				18.04.2014	Sale of shares	-10,000	0.00	1,305,802	0.07
				25.04.2014	Purchase of shares	10,768	0.00	1,316,570	0.07
				25.04.2014	Sale of shares	-12,000	0.00	1,304,570	0.07
				02.05.2014	Purchase of shares	164,890	0.01	1,469,460	0.08
				02.05.2014	Sale of shares	-35,843	0.00	1,433,617	0.07
				09.05.2014	Sale of shares	-178,500	-0.01	1,255,117	0.06
				09.05.2014	Purchase of shares	25,974	0.00	1,281,091	0.07
				16.05.2014	Sale of shares	-114,375	-0.01	1,166,716	0.06
				16.05.2014	Purchase of shares	276,000	0.01	1,442,716	0.07
				23.05.2014	Purchase of shares	151,115	0.01	1,593,831	0.08
				23.05.2014	Sale of shares	-44,335	0.00	1,549,496	0.08
				30.05.2014	Purchase of shares	238,216	0.01	1,787,712	0.09
				30.05.2014	Sale of shares	-220,794	-0.01	1,566,918	0.08
				06.06.2014	Purchase of shares	767,378	0.04	2,334,296	0.12
				13.06.2014	Sale of shares	-22,874	0.00	2,311,422	0.12
				20.06.2014	Sale of shares	-13,666	0.00	2,297,756	0.12
				30.06.2014	Sale of shares	-118,411	-0.01	2,179,345	0.11
				30.06.2014	Purchase of shares	121,000	0.01	2,300,345	0.12

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on April 1, 2014)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
				04.07.2014	Purchase of shares	104,713	0.01	2,405,058	0.12
				11.07.2014	Sale of shares	-115,034	-0.01	2,290,024	0.12
				11.07.2014	Purchase of shares	11,290	0.00	2,301,314	0.12
				18.07.2014	Purchase of shares	18,480	0.00	2,319,794	0.12
				18.07.2014	Sale of shares	-260,000	-0.01	2,059,794	0.11
				25.07.2014	Purchase of shares	-91,111	0.00	1,968,683	0.10
				01.08.2014	Purchase of shares	1,123,721	0.06	3,092,404	0.16
				01.08.2014	Sale of shares	-1,081,115	-0.06	2,011,289	0.10
				08.08.2014	Purchase of shares	33,002	0.00	2,044,291	0.10
				08.08.2014	Sale of shares	-15,000	0.00	2,029,291	0.10
				15.08.2014	Purchase of shares	4,998	0.00	2,034,289	0.10
				15.08.2014	Sale of shares	-55,800	0.00	1,978,489	0.10
				22.08.2014	Purchase of shares	1,214,000	0.06	3,192,489	0.16
				22.08.2014	Sale of shares	-767,828	-0.04	2,424,661	0.12
				29.08.2014	Purchase of shares	127,000	0.01	2,551,661	0.13
				29.08.2014	Sale of shares	-415,774	-0.02	2,135,887	0.11
				05.09.2014	Sale of shares	-10,495	0.00	2,125,392	0.11
				12.09.2014	Purchase of shares	8,231	0.00	2,133,623	0.11
				15.09.2014	Sale of shares	-6,980	0.00	2,126,643	0.11
				19.09.2014	Purchase of shares	25,800	0.00	2,152,443	0.11
				19.09.2014	Sale of shares	-45,804	0.00	2,106,639	0.11
				25.09.2014	Purchase of shares	160,562	0.01	2,267,201	0.12
				30.09.2014	Purchase of shares	24,018	0.00	2,291,219	0.12
				03.10.2014	Purchase of shares	46,800	0.00	2,338,019	0.12
				03.10.2014	Sale of shares	-56,800	0.00	2,281,219	0.12
				10.10.2014	Purchase of shares	161,000	0.01	2,442,219	0.12
				10.10.2014	Sale of shares	-152,590	-0.01	2,289,629	0.12
				17.10.2014	Purchase of shares	45,980	0.00	2,335,609	0.12
				24.10.2014	Purchase of shares	5,200	0.00	2,340,809	0.12
				31.10.2014	Purchase of shares	97,333	0.00	2,438,142	0.12
				07.11.2014	Purchase of shares	50,000	0.00	2,488,142	0.13
				07.11.2014	Sale of shares	-47,326	0.00	2,440,816	0.12
				14.11.2014	Purchase of shares	61,000	0.00	2,501,816	0.13
				14.11.2014	Sale of shares	-82,100	0.00	2,419,716	0.12
				21.11.2014	Purchase of shares	12,571	0.00	2,432,287	0.12
				21.11.2014	Sale of shares	-7,453	0.00	2,424,834	0.12
				28.11.2014	Purchase of shares	116,474	0.01	2,541,308	0.13
				28.11.2014	Sale of shares	-150	0.00	2,541,158	0.13
				05.12.2014	Purchase of shares	152,700	0.01	2,693,858	0.14
				05.12.2014	Sale of shares	-126,776	-0.01	2,567,082	0.13
				12.12.2014	Sale of shares	-3,366	0.00	2,563,716	0.13
				19.12.2014	Purchase of shares	494	0.00	2,564,210	0.13
				19.12.2014	Sale of shares	-62,467	0.00	2,501,743	0.13
				31.12.2014	Purchase of shares	67,508	0.00	2,569,251	0.13
				31.12.2014	Sale of shares	-87,354	0.00	2,481,897	0.13

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on April 1, 2014)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
				02.01.2015	Purchase of shares	6,281	0.00	2,488,178	0.13
				02.01.2015	Sale of shares	-249	0.00	2,487,929	0.13
				09.01.2015	Sale of shares	-31,414	0.00	2,456,515	0.13
				16.01.2015	Purchase of shares	247,473	0.01	2,703,988	0.14
				23.01.2015	Sale of shares	-162,311	-0.01	2,541,677	0.13
				30.01.2015	Sale of shares	-35,754	0.00	2,505,923	0.13
				06.02.2015	Purchase of shares	88,650	0.00	2,594,573	0.13
				13.02.2015	Purchase of shares	190,500	0.01	2,785,073	0.14
				13.02.2015	Sale of shares	-74,266	0.00	2,710,807	0.14
				20.02.2015	Sale of shares	-15,942	0.00	2,694,865	0.14
				27.02.2015	Sale of shares	-181,153	-0.01	2,513,712	0.13
				06.03.2015	Purchase of shares	1,586	0.00	2,515,298	0.13
				06.03.2015	Sale of shares	-13,928	0.00	2,501,370	0.13
				13.03.2015	Sale of shares	-40,479	0.00	2,460,891	0.13
				20.03.2015	Purchase of shares	116,746	0.01	2,577,637	0.13
				20.03.2015	Sale of shares	-20,000	0.00	2,557,637	0.13
				27.03.2015	Purchase of shares	597,663	0.03	3,155,300	0.16
				27.03.2015	Sale of shares	-380,226	-0.02	2,775,074	0.14
				31.03.2015	Purchase of shares	77,134	0.00	2,852,208	0.15
				31.03.2015	Sale of shares	-1,586	0.00	2,850,622	0.15
				31.03.2015	At the end of the year	-	-	2,850,622	0.15
10	Paresh Navinchandra Raja	1,338,266	0.07					1,338,266	0.07
				16.05.2014	Increase	8,642	0.00	1,346,908	0.07
				11.07.2014	Decrease	-250,000	-0.01	1,096,908	0.06
				30.09.2014	Decrease	-83,708	0.00	1,013,200	0.05
				12.12.2014	Decrease	-487,333	-0.02	525,867	0.03
				31.12.2014	Decrease	-525,867	-0.03	0	0.00
				31.12.2014	Increase	525,867	0.03	525,867	0.03
				09.01.2015	Decrease	-525,867	-0.03	0	0.00
				31.03.2015	At the end of the year	-	-	0	0.00
11	Dilipkumar Lakhi	1,260,979	0.06					1,260,979	0.06
				-	No Change	0	0.00	1,260,979	0.06
				31.03.2015	At the end of the year	-	-	1,260,979	0.06
12	Abinandan Holdings Private Limited	813,333	0.04					813,333	0.04
				15.08.2014	Purchase of shares	800,000	0.04	1,613,333	0.08
				31.03.2015	At the end of the year	-	-	1,613,333	0.08
13	Jayakrishna Taparia	0	0.00					0	0.00
				20.03.2015	Purchase of shares	400,000	0.02	400,000	0.02
				27.03.2015	Purchase of shares	250,000	0.01	650,000	0.03
				31.03.2015	Purchase of shares	800,000	0.04	1,450,000	0.07
				31.03.2015	At the end of the year	-	-	1,450,000	0.07

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (as on April 1, 2014)		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
1	Mr. Kishor A. Chaukar (Chairman)				
	At the beginning of the year	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
2	Mr. Nadir Godrej (Independent Director)				
	At the beginning of the year	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
3	Prof. Ashok Jhunjhunwala (Independent Director)				
	At the beginning of the year	5,293	0.00	5,293	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	5,293	0.00	5,293	0.00
4	Mr. D. T. Joseph (Independent Director)				
	At the beginning of the year	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
5	Ms. Hiroo Mirchandani (Independent Director)				
	At the beginning of the year	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
6	Mr. Govind Sankaranarayanan (Non-Executive Director)				
	At the beginning of the year	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
7	Mr. N. Srinath (Managing Director)				
	At the beginning of the year	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
8	Mr. Suresh Mahadevan (Chief Financial Officer)*				
	At the beginning of the year (as on June 1, 2014)	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
9	Mr. Kiran Thacker (Company Secretary)*				
	At the beginning of the year (as on June 1, 2014)	226	0.00	226	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	226	0.00	226	0.00
10	Mr. S. G. Murali (Chief Financial Officer)*				
	At the beginning of the year	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
11	Mr. Bhaskar Chandran (Company Secretary)*				
	At the beginning of the year	0	0.00	0	0.00
	Datewise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

* Appointed w.e.f. June 1, 2014

Upto May 31, 2014

V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Crores)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	5,897	680	0	6,577
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	32	0	0	32
Total (i+ii+iii)	5,929	680	0	6,609
Change in Indebtedness during the financial year				
▪ Addition	2,315	820	0	3,135
▪ Reduction	1,475	767	0	2,242
Net Change	840	53	0	893
Indebtedness at the end of the financial year				
(i) Principal Amount	6,734	733	0	7,467
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	35	0	0	35
Total (i+ii+iii)	6,769	733	0	7,502

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		Mr. N. Srinath (Managing Director)	
1	Gross salary	Mr. N. Srinath, Managing Director, does not draw any remuneration from the Company	
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961		
	c. Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- Others, specify...		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of the Directors									Total Amount
		Mr. Kishor Chaukar	Mr. Nadir Godrej	Prof. Ashok Jhunjhunwala	Mr. D. T. Joseph	Ms. Hiroo Mirchandani	Mr. Govind Sankaranarayanan	Mr. Koji Ono	Mr. Amal Ganguli	Mr. S. Ramadorai	
		(Non - Executive Director)	(Independent Director)	(Independent Director)	(Independent Director)	(Independent Director)	(Non-Executive Director)	(Non - Executive Director)	(Independent Director)	(Non - Executive Director)	
1.	Independent Directors										
	a. Fee for attending board / committee meetings	0	75,000	2,40,000	1,80,000	30,000	0	0	45,000	0	5,70,000
	b. Commission	0	0	0	0	0	0	0	0	0	0
	c. Others, please specify	0	0	0	0	0	0	0	0	0	0
	Total (1)	0	75,000	2,40,000	1,80,000	30,000	0	0	45,000	0	5,70,000
2.	Other Non - Executive Directors	0									
	a. Fee for attending board / committee meetings	0	0	0	0	0	0	0	0	0	0
	b. Commission	0	0	0	0	0	0	0	0	0	0
	c. Others, please specify	0	0	0	0	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0	0	0	0	0
Total (B) = (1+2)		0	75,000	2,40,000	1,80,000	30,000	0	0	45,000	0	5,70,000
Total Managerial Remuneration											Nil
Overall Ceiling as per the Act		Not applicable as only sitting fees paid.									

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (Note 1)		
		Mr. Suresh Mahadevan (Chief Financial Officer)*	Mr. Kiran Thacker (Company Secretary)*	Total
1	Gross Salary			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	66,10,868	17,93,664	84,04,532
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	7,930	7,930
	c. Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	a. as % of profit	0	0	0
	b. Others, specify			
5	Others, please specify	0	0	0
	Total	66,10,868	18,01,594	84,12,462

Note 1: Mr. S. G. Murali (Chief Financial Officer) and Mr. Bhaskar Chandran (Company Secretary) were holding the respective positions upto May 31, 2014 and they did not draw any remuneration from the Company.

*Appointed w.e.f. from June 1, 2014.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

For and on behalf of the Board of Directors

Annexure – VI to the Directors' Report**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and the rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,
The Members,
Tata Teleservices (Maharashtra) Limited,
Voltas Premises, T.B. Kadam Marg,
Chinchpokli, Mumbai: 400033**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Teleservices (Maharashtra) Limited (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officer, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (it is not applicable to the Company, during the year);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (it is not applicable to the Company, during the year);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (it is not applicable to the Company, during the year); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Telecom Regulatory Authority of India Act, 1997;

(vii) The Indian Telegraph Act, 1885;

(viii) The Indian Wireless Telegraphy Act, 1933;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (it is not applicable to the Company during the period under review);
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining meaningful participation at the meeting.

All decision of the Board is carried through unanimously. As per the records provided by the Company, none of the member of the Board dissented on any resolution passed at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there was following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.:-

1. The members of the Company, in the annual general meeting of the Company held on 25th September 2014, had approved a borrowing limit of Rupees Thirteen Thousand Crore under section 180(1)(c) of the Act.
2. The Members of the Company, vide postal ballot, had accorded consent to issue non-convertible debenture on private placement basis upto Rupees Two Thousand Five Hundred Crore.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner

FCS No : 3667
CP No. : 3202

Place : Mumbai
Date : May 14, 2015

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

To,
The Members,
Tata Teleservices (Maharashtra) Limited,
Voltas Premises, T.B. Kadam Marg,
Chinchpokli, Mumbai: 400033

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner

FCS No : 3667
CP No. : 3202

Place : Mumbai
Date : May 14, 2015

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2014-15

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2015.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is set of practices followed to ensure that the affairs of the Company are managed in a way which would ensure its accountability, transparency and fairness in all its transactions and meet its stakeholders' aspirations and social expectations.

The Company believes in highest standards of good and ethical Corporate Governance practices. Good Governance practices stem from the culture and mindset of the organization. It is also believed that Corporate Governance is not only about enacting regulations and procedures but also maintaining and establishing an environment of trust and confidence among various stakeholders. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

In order to adopt Corporate Governance practice in its true spirit, the Company has put in place "Tata Code of Conduct" for its employees including Managing Director and senior management and "Code of Conduct for its Non-Executive Directors". Both these codes are available on the website of the Company i.e., www.tatateleservices.com. Further, the Company's Corporate Governance philosophy has been strengthened through the "Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices".

TATA CODE OF CONDUCT

Tata Code of Conduct is a comprehensive document that serves as the ethical road map for the employees and the Company. It also inter alia governs the conduct of business in consonance with national interest, fair and accurate presentation of financial statements, being an employer providing equal opportunities to its employees, prohibition on acceptance of gifts and donations that can be intended or perceived to obtain business or uncompetitive favors, practicing political non-alignment, safe and healthy environment for its people, maintaining quality of products and services, being a good corporate citizen, ethical conduct and commitment to enhancement of stakeholder's value.

AFFIRMATION TO CODE OF CONDUCT

All the Directors and senior management personnel have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2015. The declaration by Managing Director in this respect appears elsewhere in the Annual Report for Financial Year 2014-15.

TATA CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF CORPORATE DISCLOSURE PRACTICES

In compliance with the Securities and Exchange Board of

India (Prohibition of Insider Trading) Regulations, 1992 ("Regulations"), the Company had framed a code under the nomenclature of 'Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices' ("Code") for prevention of insider trading and ensuring timely and adequate disclosures of all material price sensitive information in a transparent manner. Pursuant to the Code, Specified Persons (Directors / Officers / Designated Employees) of the Company are prohibited from dealing in the securities of the Company during the period when the Trading Window is closed. The Trading Window for dealing in securities of the Company remains closed for the following purposes, namely:

- declaration of financial results (quarterly and annual);
- declaration of dividends (interim and final);
- issue of securities by way of public/rights/bonus etc.;
- any major expansion plans or execution of new projects;
- amalgamation, mergers, takeovers and buy-back;
- disposal of whole or substantially whole of the undertaking; and
- any significant changes in policies, plans or operations of the Company.

In respect of declaration of financial results, the Trading Window remains closed for 7 (seven) days prior to the date on which quarterly or annual results are declared. As regards declaration of interim dividend and other matters referred to in (c) to (g) above, Managing Director/Chief Executive Officer is required, well before initiation of such activity/project, to form a core team of Designated Employees and/or Designated Group Persons who would work on such assignment. Managing Director/Chief Executive Officer is also required to designate a senior employee who would be in-charge of the project. Such designated team members are required to execute an undertaking not to deal in the securities of the Company till the Price Sensitive Information regarding the activity/project is made public or the activity/project is abandoned and the Trading Window would be regarded as closed for them. The Trading Window is opened 24 (twenty four) hours after the information referred to above is made public.

Further, the Specified Persons, within six months of buying or selling any number of Securities of the Company, cannot enter into an opposite transaction i.e., sell or buy, as the case may be, any number of the securities of the Company.

Through Code of Corporate Disclosure Practices, the Company inter alia ensures following:

- ✓ Price sensitive information is disclosed adequately and at a proper time to all the stakeholders.
- ✓ Response to the request for verification of market rumors.
- ✓ Timely reporting of shareholding/ownership of major shareholders and changes therein as required under applicable rules/regulations.

- ✓ Sharing of only public information to analysts and institutional investors.

BOARD OF DIRECTORS

Composition

The Board of Directors of the Company ("Board") has an optimum combination of Executive and Non-Executive Directors and is in conformity with Clause 49 of the Listing Agreements with the stock exchanges.

The Company has adopted the Governance Guidelines on Board Effectiveness (the "Guidelines") keeping in the view the provisions of the Companies Act, 2013 (the "Act") and Clause 49 of the Listing Agreements. These Guidelines, amongst other things, covers aspects related to composition of the Board/Committees with adequate numbers of Executive Directors, Non-Executive Directors and Independent Directors, effective discharge of duties by individual Directors, the Board and its Committees in the best interest of the stakeholders, appointment/retirement of Directors and performance evaluation of the individual Directors, the Board and its Committees.

The Board of Directors as on March 31, 2015 comprised of 7 (Seven) Directors including a Non-Independent Non-Executive Chairman. 6 (Six) i.e., 85.71% of the Directors were Non-Executive Directors and 4 (Four) i.e., 57% of them were Independent Directors. The Company is managed by the Managing Director under the supervision, direction and control of the Board. The Managing Director is assisted by a team of highly qualified and experienced professionals.

As required under Section 149(3) of the Act and Clause 49 of

the Listing Agreements, Ms. Hiroo Mirchandani has been appointed as an Independent Woman Director on the Board.

None of the Directors of the Company is a member in more than 10 mandatory Committees or acts as a Chairman in more than 5 mandatory Committees across all public companies in which he/she is a Director.

All the Directors of the Company, except Independent Directors, are liable to retire by rotation. The Company does not have any Nominee Director of Financial Institutions/Banks. The Board has agreed that Non-Executive Directors shall not be responsible for the day-to-day affairs of the Company.

The Board met at least once in each quarter and the maximum time gap between two Board meetings did not exceed the limit prescribed in the Act and Clause 49 of the Listing Agreements. 7 (Seven) meetings of the Board were held during the Financial Year ended on March 31, 2015, viz. May 15, 2014, August 6, 2014, August 13, 2014, September 25, 2014, November 13, 2014, January 29, 2015 and March 25, 2015.

The names and categories of the Directors on the Board, their attendance at Board meetings and Annual General Meeting ("AGM") held during the year, the number of Chairmanships/Directorships of the Board including that of the Company (Directorship does not include foreign companies) and Chairmanship/Membership of the Committees of the Board [includes only Audit Committee and Stakeholders' Relationship Committee across all public limited companies (listed as well as unlisted) including those of the Company] held by them as on March 31, 2015 are as follows:

Name of the Director	Director Identification Number	Category	Number of Shares held (including held by dependents)	Number of Directorship(s) (including in the Company)		Committee(s) position (including in the Company)	
				Member	Chairman	Member	Chairman
Mr. Kishor A. Chaukar, Chairman	00033830	Non-Independent, Non-Executive	-	8	1	4	1
Mr. Nadir Godrej	00066195	Independent, Non-Executive	-	9	1	2	1
Prof. Ashok Jhunjunwala	00417944	Independent, Non-Executive	8,426	12	-	5	2
Mr. D. T. Joseph	01716572	Independent, Non-Executive	-	6	-	4	1
Ms. Hiroo Mirchandani (appointed w.e.f. March 9, 2015)	06992518	Independent, Non-Executive	-	6	-	3	-
Mr. Govind Sankaranarayanan (appointed w.e.f. March 9, 2015)	01951880	Non-Executive	-	7	-	1	-
Mr. N. Srinath	00058133	Executive	-	6	-	2	-
Mr. Koji Ono (resigned w.e.f. June 30, 2014)	05292335	Non-Executive	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr. Amal Ganguli (retired w.e.f. September 25, 2014)	00013808	Independent, Non-Executive	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr. S. Ramadorai (retired w.e.f. October 6, 2014)	00000002	Non-Executive	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Attendance of Directors at Board Meetings and AGM

Name of the Director	Number of Board Meetings during the year 2014-15		Attendance at AGM held on September 25, 2014
	Held	Attended	
Mr. Kishor A. Chaukar	7	7	Present
Mr. Nadir Godrej	7	5	Absent
Prof. Ashok Jhunjhunwala	7	6	Present
Mr. D. T. Joseph	7	5	Present
Ms. Hiroo Mirchandani (appointed w.e.f. March 9, 2015)	1	1	Not Applicable
Mr. Govind Sankaranarayanan (appointed w.e.f. March 9, 2015)	1	1	Not Applicable
Mr. N. Srinath	7	7	Present
Mr. Koji Ono (resigned w.e.f. June 30, 2014)	1	1	Not Applicable
Mr. Amal Ganguli (retired w.e.f. September 25, 2014)	4	1	Not Applicable
Mr. S. Ramadorai (retired w.e.f. October 6, 2014)	4	2	Present

All the information required to be placed before the Board of Directors under Clause 49 of the Listing Agreements has been duly placed. Dates of the Board/Committee meetings in the ensuing year are decided before the start of the Financial Year and are communicated to all the Directors well in advance. Additional meetings of the Board are held when deemed necessary by the Board. The agenda along with the explanatory notes are sent in advance to the Directors.

Familiarization Programme for Independent Directors

At the time of appointment of an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Independent Directors of the Company were also provided with necessary documents/brochures, reports and internal policies to familiarize them about the telecom industry, business operations and functioning of various divisions / departments of the Company.

A copy of the Familiarisation programme of the Company is also available on the Company's website under the following weblink:

<http://www.tatateleservices.com/download/aboutus/ttml/Familiarisation-Programme-for-Independent-Directors.pdf>

AUDIT COMMITTEE

Composition

The composition of the Audit Committee of the Board is in compliance with the provisions of Clause 49 of the Listing Agreements read with Section 177 of the Act. The composition of the Committee as on March 31, 2015 is as follows:

Name of the Member	Description	Category
Prof. Ashok Jhunjhunwala	Chairman	Independent, Non-Executive
Ms. Hiroo Mirchandani (appointed as a Member w.e.f. March 9, 2015)	Member	Independent, Non-Executive
Mr. Govind Sankaranarayanan (appointed as a Member w.e.f. March 9, 2015)	Member	Non-Independent, Non-Executive

The Audit Committee meetings are generally attended by Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors. The representative of Cost Auditor is invited to attend the meeting of the Audit Committee when the Cost Audit report is tabled for discussion. The functional heads are also invited as and when required. The Company Secretary acts as the Secretary to the Committee.

Terms of Reference

The terms of reference of the Audit Committee as on March 31, 2015 were broadly as under:

a) Statutory Auditors

- Recommend to the Board of Directors (the "Board") the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors, including filling of a casual vacancy, fixation of audit fee/remuneration, terms of appointment.
- Recommend to the Board, the name of the audit firm who may replace the incumbent auditor on the expiry of their term.
- Approve the appointment of and the fees for any other services as may be rendered by the statutory auditors. Provided that the statutory auditors shall not render services prohibited to them by Section 144 of the Act or by professional regulations.

The Committee shall take into consideration the qualifications and experience of the individual/firm proposed to be considered for appointment as auditors and whether qualifications and experience are commensurate with the size, nature of business and requirements of the Company and also consider any completed and pending proceedings relating to professional matters of conduct against the proposed individual auditor/firm of auditors before the Institute of

Chartered Accountants of India or any competent authority or any Court.

b) Review and monitor independence and performance of statutory auditors

- i) Review and monitor the independence and performance of the auditors and effectiveness of audit process.
- ii) The Committee is also responsible for:
 - Actively engaging in dialogue with the Statutory Auditors with respect to any disclosed relationship or services that may impact the objectivity and independence of the statutory auditors, and
 - Recommending that the Board takes appropriate action in response to the Statutory Auditors' Report to satisfy itself of their independence.

c) Review audit plan

Review/discussion with the Statutory Auditors their plans for, and the nature and scope of, their annual audit and other examinations.

d) Review and examination of Audit Reports

Review and examination with the Statutory Auditors the proposed report on the annual audit, areas of concern, the accompanying management letter, if any, the reports of their reviews of the Company's interim financial statements, and the reports of the results of such other examinations outside of the course of the statutory auditors' normal audit procedures that they may from time to time undertake.

e) Review and examination of Financial Statements

Review and examination of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are accurate, sufficient and credible.

The Audit Committee shall review with appropriate officers of the Company and the Statutory Auditors, the annual financial statements of the Company prior to submission to the Board or public release thereof, focusing primarily on:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013 or the Corresponding provisions of the Companies Act, 1956.
- Any changes in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgement by management.

- Qualifications in draft audit report.
- Significant adjustments made in the financial statements arising out of audit.
- The going concern assumption.
- Compliance with accounting standards.
- Compliance with listing and other legal requirements relating to financial statements.
- Any related party transactions i.e., transactions of the Company with its subsidiaries, promoters or the management, or their relatives, etc. that may have conflict with the interest of the Company at large.
- Contingent liabilities.
- Status of litigations by or against the Company.
- Claims against the Company and their effect on the accounts.

The definition of the term "Financial Statement" shall be the same as under section 2(40) of the Companies Act, 2013.

f) Review quarterly/half yearly Results

Reviewing with the management, the quarterly/half yearly financial statements before submission to the Board for approval.

g) Risk Management Functions

Evaluation of internal financial and operational controls and risk management systems to obtain reasonable assurance based on evidence regarding processes followed and their appropriate testing that such systems are adequate and comprehensive, are in place and are working effectively.

The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required, the Committee may assign tasks to the Internal Auditors, the Company's internal Risk management team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

h) Review policies

Review and confirm that the Company has in place a system of determining and mitigating financial and enterprise-wide risks applicable to the Company and that the system is functioning effectively.

i) Internal Auditor

- i) Recommend to the Board the appointment, re-appointment and if required, the replacement or removal of the Internal Auditors, including fixation of audit fee/remuneration and terms of appointment.

ii) Review of performance of Internal Auditor.

j) Review internal audit function

Review the adequacy of the internal audit function, including the structure of the internal audit department, adequate staffing and the qualifications, experience, authority and autonomy of the person heading the department, the reporting structure, coverage and frequency of internal audit.

k) Review Internal Audit plans

Review with the senior internal audit executive and appropriate members of the staff of the internal auditing department and/or with outside individual/firm appointed as Internal Auditor the plans for and the scope of their ongoing audit activities and also review the periodicity and methodology for conducting the internal audit.

l) Review Internal Audit reports

i) Review with the senior internal auditing executive and appropriate members of the staff of the internal auditing department and/or with outside individual/firm appointed as Internal Auditor the periodic reports of the findings of the audit and reports and the necessary follow up and implementation of correction of errors and other necessary actions required.

ii) Review the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of the internal control system of a material nature and ensure that proper corrective action is taken. Any such matters shall be reported to the Board if necessary and appropriate.

m) Cost Auditor

The Committee shall after taking into consideration the qualifications and experience of the person proposed for appointment as the cost auditor, recommend such appointment to the Board, together with the remuneration to be paid to the cost auditor.

n) Other Auditor(s)

The Committee may appoint such other auditor(s) and recommend them to the Board, together with the remuneration to be paid to such auditor, as may be required by any law for the time being in force.

o) Review systems of internal accounting controls

Review with the statutory auditors and the senior internal auditing executive to the extent deemed appropriate by the Chairman of the Committee, the adequacy of the Company's internal accounting systems for appropriate control over the financial reporting and accounting process(es).

p) Review other matters

Review such other matters in relation to the accounting, auditing and financial reporting practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the review functions described above.

q) Review of Whistle Blower Policy

- i) Review and ensure the existence, adequacy and effective functioning of a Vigil Mechanism/Whistle Blower Policy appropriate to the size, complexity and geographic spread of the Company and its operations.
- ii) Chairman of the Audit Committee be directly accessible in exceptional cases.
- iii) To carry such other functions/actions as stated in the Whistle Blower Policy of the Company.

r) Approval for appointment of Chief Financial Officer ("CFO")

The Committee shall approve the appointment of the CFO (the whole-time Finance Director or any other person heading the finance function) after assessing the qualifications, experience and background etc. of the candidate.

s) Review and monitor the Statement of Uses and Application of Funds

Review and monitor, with the management, the statement of uses/application of funds raised through an issue (public, rights preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of the public issue or rights issue, and make appropriate recommendations to the Board.

t) Review of Related Party Transactions

- i) Review and approve transactions with related parties which are in ordinary course of business and on arms length basis.
- ii) Review, approve and recommend to the Board the transactions with related parties which are not in ordinary course of business or on arms length basis.
- iii) Review the statement in summary form of transactions with related parties.
- iv) Approval or any subsequent modification of all transactions of the Company with related parties.

u) Investigation

The Audit Committee has the authority to investigate any matter in relation to the items specified in Section 177 of

the Companies Act, 2013 or referred to it by the Board and for this purpose; it has full access to the information contained in the records of the Company.

v) Seek information / advice

The Audit Committee may seek information from any employee and may obtain from external independent sources any legal or other professional advice it considers necessary in the performance of its duties. It may also secure attendance of independent professional persons (outsiders) with suitable qualifications and relevant experience in specific matters, if it considers this necessary.

w) Review and monitor any default of payment

Looking into reasons for any substantial defaults in payment to depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors, if any.

x) Reporting of Fraud by the Auditors

In case the auditor has sufficient reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company, or by the Company, the Auditor shall forward his report to the Committee and the Committee shall send its reply or observations to the Auditor and such matters shall be reported to the Board by the Committee.

y) Review of other Information

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operation, to be included in the Company's Annual Report to its shareholders.
2. Statement of related party transaction submitted by the management.
3. Management letters or letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. Inter-corporate loans and investments.
6. Valuation of undertakings and assets of the Company whenever necessary.

z) Reporting to Board

Report its activities to the Board in such manner and at such times, as it deems appropriate.

aa) To attend Meeting(s)

The Chairman of the Audit Committee shall attend the Annual General Meetings of the Company to provide any

clarification on matters relating to its scope sought by the members of the Company.

The representatives of Statutory Auditors/Internal Auditors/Cost Auditors/or other auditors as may be appointed shall be special invitees to the Audit Committee meetings in which they are invited by the Committee to participate, and they shall participate in discussions related to the audit and reviews of the financial statements of the Company and any other matter that in the opinion of the statutory auditors needs to be brought to the notice of the Committee or any matter.

The Audit Committee may also invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives of the Company.

bb) Review of the Terms of Reference of the Audit Committee

The Committee shall review and reassess the adequacy of the terms of reference of the Audit Committee on a periodical basis, and where necessary obtain the assistance of the management, external auditors and external legal counsel.

Management Discussion and Analysis of Financial Condition and Results of Operations, statements of related party transactions, internal audit reports, fraud related reports, quarterly results, management letters to auditors, proposals and terms of appointment of internal auditors have been regularly placed before the Audit Committee for review during the Financial Year 2014-15.

Meetings held and attendance during the financial year

The Audit Committee met at least once in each quarter and the maximum time gap between two Audit Committee meetings did not exceed the limit prescribed in Clause 49 of the Listing Agreements. 7 (Seven) meetings of the Audit Committee were held during the Financial Year ended on March 31, 2015, viz. May 15, 2014, July 10, 2014, August 6, 2014, November 13, 2014, December 24, 2014, January 29, 2015 and March 25, 2015. Details of attendance of each Member at such meetings are given below:

Name of the Member	Category	No. of meetings during the Financial Year 2014-15	
		Held	Attended
Prof. Ashok Jhunjhunwala	Independent, Non-Executive	7	7
Ms. Hiroo Mirchandani (appointed as a Member w.e.f. March 9, 2015)	Independent, Non-Executive	1	1

Name of the Member	Category	No. of meetings during the Financial Year 2014-15	
		Held	Attended
Mr. Govind Sankaranarayanan (appointed as a Member w.e.f. March 9, 2015)	Non-Executive	1	1
Mr. Kishor A. Chaukar (appointed as a Member w.e.f. September 25, 2014 and ceased to be a Member w.e.f. March 9, 2015)	Non-Executive	3	3
Mr. D. T. Joseph (appointed as a Member w.e.f. September 25, 2014 and ceased to be a Member w.e.f. March 9, 2015)	Independent, Non-Executive	3	3
Mr. S. Ramadorai (ceased to be a Member w.e.f. October 6, 2014)	Non-Executive	3	1
Mr. Amal Ganguli (ceased to be a Member w.e.f. September 25, 2014)	Independent, Non-Executive	3	2

The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 25, 2014.

NOMINATION AND REMUNERATION COMMITTEE

Composition

The composition of the Nomination and Remuneration Committee ("NRC") of the Board is in compliance with the provisions of Clause 49 of the Listing Agreements read with Section 178 of the Act. The composition of the NRC Committee as on March 31, 2015 is as follows:

Name of the Member	Description	Category
Mr. D. T. Joseph	Chairman	Independent, Non-Executive
Prof. Ashok Jhunjunwala	Member	Independent, Non-Executive
Mr. Kishor A. Chaukar	Member	Non-Independent, Non-Executive

Terms of Reference

The terms of reference of the NRC as on March 31, 2015 were broadly as under:

1. Recommend to the Board the set up and composition of the Board. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a director".

2. Recommend to the Board the appointment or reappointment of directors.
3. Devise a policy on Board diversity.
4. Carry out the evaluation of every director's performance and support the Board and independent directors, as may be required, in evaluation of the performance of the Board, its committees and individual directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board."
5. Recommend the remuneration policy for the directors, KMP, executive team and other employees. While formulating the policy NRC shall ensure that:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
6. Recommend the remuneration payable to the Managing Director and Executive Director/s and shall discharge any other statutory duties and functions as may be specified under law, or to perform such task/s as may be entrusted to NRC by the Board of Directors from time to time.

Meetings held and attendance during the financial year

3 (Three) meetings of the NRC were held during the Financial Year ended on March 31, 2015, viz. September 25, 2014, January 29, 2015 and March 25, 2015. Details of attendance of each Member at such meetings are given below:

Name of the Member	Category	No. of meetings during the Financial Year 2014-15	
		Held	Attended
Mr. D. T. Joseph	Independent, Non-Executive	3	3
Prof. Ashok Jhunjunwala	Independent, Non-Executive	3	3
Mr. Kishor A. Chaukar	Non-Independent, Non-Executive	3	3

Remuneration Policy

The Company has adopted the Remuneration Policy for its Directors, Key Managerial Personnel and other employees of the Company, which has been annexed to the Directors' Report which forms part of this Annual Report.

Remuneration paid to the Directors

None of the Non-Executive Directors have any material pecuniary relationship or transaction with the Company.

Independent Non-Executive Directors: Sitting fee of Rs.15,000/- per head per meeting is paid to the Independent Directors for physically attending meetings of the Board, Audit and Nomination and Remuneration Committees and Rs. 5,000/- per head per meeting for attending other Committee meetings.

Non-Independent Non-Executive Directors: No sitting fees is paid to the Non-Independent Non-Executive Directors.

The Company also reimburses out-of-pocket expenses incurred by the Directors for attending meetings of the Board and Committees of the Board of Directors of the Company and for business of the Company.

None of the Directors has been issued any stock options by the Company during the Financial Year 2014-15 or anytime in the past. None of the Directors of the Company are in receipt of any Commission from the Company.

The details of sitting fees paid by the Company to its Directors during the Financial Year 2014-15 are as follows:

A) Non-Executive Directors

Name of the Director	Sitting Fees (Rs.)
Mr. Kishor A. Chaukar	-
Mr. Nadir Godrej	75,000
Prof. Ashok Jhunjhunwala	2,40,000
Mr. D. T. Joseph	1,80,000
Ms. Hiroo Mirchandani	30,000
Mr. Govind Sankaranarayanan	-
Mr. Koji Ono	-
Mr. Amal Ganguli	45,000
Mr. S. Ramadorai	-

B) Managing Director

Mr. N. Srinath, who was re-appointed as Managing Director of the Company w.e.f. February 1, 2014, does not draw any remuneration from the Company.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition

The Composition of Stakeholders' Relationship Committee ("SRC") (earlier known as Investors' Grievance Committee) as on March 31, 2015 is as follows:

Name of the Member	Description	Category
Mr. D. T. Joseph	Chairman	Independent, Non-Executive
Mr. N. Srinath	Member	Executive

Terms of Reference

The SRC specifically looks into redressal of grievances of shareholders and other securities holders. SRC considers and resolves the grievances of shareholders of the Company including complaints related to transfer of shares, non-receipt of annual report, dematerialization of shares, issue of duplicate and renewed share certificates, etc.

The Committee has delegated its powers to officers and employees of the Company and/or to the Company's Registrar and Share Transfer Agent. The delegates regularly attend to share transfer formalities at least once in every 15 days.

Meetings held and attendance during the financial year

During the Financial Year 2014-15, the Committee met once on September 25, 2014. Details of attendance of each Member at the meeting are given below:

Name of the Member	Category	No. of meetings during the Financial Year 2014-15	
		Held	Attended
Mr. D. T. Joseph	Independent, Non-Executive	1	1
Mr. N. Srinath	Executive	1	1

Details of complaints received and redressed

The details of complaints received and redressed during the Financial Year 2014-15 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
1	314	315	0

The status of complaints is reported to the Board on quarterly basis.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition

The composition of the Corporate Social Responsibility ("CSR") Committee of the Board is in accordance with the provisions of the Section 135 of the Act. The composition of Committee as on March 31, 2015 is as follows:

Name of the Member	Description	Category
Mr. D. T. Joseph	Member	Independent, Non-Executive
Mr. Kishor A. Chaukar	Member	Non-Independent, Non-Executive
Mr. N. Srinath	Member	Executive

Terms of Reference

The terms of reference of CSR Committee as on March 31, 2015 are as follows:

1. To frame the CSR Policy, subject to the approval by the Board.
2. To make the necessary and required modifications and variations in the CSR Policy, subject to the approval by the Board.
3. To determine the amount to be expended towards the CSR activities subject to the minimum limits prescribed by the Act.
4. To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

Meetings held and attendance during the financial year

During the Financial Year 2014-15, the Committee met twice i.e., on November 13, 2014 and on March 25, 2015. Details of attendance of each Member at the meetings are given below:

Name of the Member	Category	No. of meetings during the Financial Year 2014-15	
		Held	Attended
Mr. D. T. Joseph	Independent, Non-Executive	2	2
Mr. Kishor A. Chaukar	Non-Independent, Non-Executive	2	2
Mr. N. Srinath	Executive	2	2

In addition to the above, the Company also has other Committees, viz.:

1. Executive Committee to review business and strategy related approvals, long-term financial projections and cash flows, capital and revenue budgets and capital expenditure programmes, acquisitions, divestments and business restructuring proposals, senior management succession planning; and
2. Finance Committee for inter alia consideration and approval of the proposals for availing various loans / credit facilities and other treasury related matters within the powers delegated by the Board.

INDEPENDENT DIRECTORS' MEETING

During the Financial Year 2014-15, the Independent Directors met on March 25, 2015, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

RISK MANAGEMENT

The Company has devised a formal Risk Management framework for risk assessment, prioritization and minimization. Further, the Company assesses the risk management framework periodically. The scope of the Audit Committee includes review of the Company's financial and risk management framework.

GENERAL BODY MEETINGS

Details of General meetings

The Company's first statutory meeting was held on April 24, 1995. Till date, the Company has held 19 Annual General Meetings ("AGM") and 15 Extra Ordinary General Meetings of the shareholders.

The details of date, time and venue of the AGMs held during the last three years till March 31, 2015 are as under:

Particulars	Date	Time	Venue
17 th Annual General Meeting	August 29, 2012	3:00 p.m.	"Rangaswar", 4 th Floor, Yashwantrao Chavan Pratishthan Mumbai, Nariman Point, Mumbai - 400021
18 th Annual General Meeting	September 23, 2013	3:00 p.m.	"Rangaswar", 4 th Floor, Yashwantrao Chavan Pratishthan Mumbai, Nariman Point, Mumbai - 400021
19 th Annual General Meeting	September 25, 2014	3:00 p.m.	"Rangaswar", 4 th Floor, Yashwantrao Chavan Pratishthan Mumbai, Nariman Point, Mumbai - 400021

Details of Special Resolution passed in the above referred AGMs are as under:

Particulars of the AGM	Section under which Special Resolution was passed	Purpose
19 th AGM held on September 25, 2014	Section 180(1)(c) and 180(1)(a)	To borrow money exceeding paid-up share capital and free reserves upto Rs. 13,000 Crores and creation of security on the assets of the Company upto Rs. 13,000 Crores

Postal Ballot

Special Resolution passed through Postal Ballot

Approval of the Members by a Special Resolution under Sections 42, 71 and other applicable provisions of the Act for issue of Non-Convertible Debentures ("NCDs") on private placement for an amount not exceeding Rs. 2,500 Crores was obtained through Postal Ballot (including e-voting) and results whereof were announced on March 10, 2015. Ms. Dipti A. Mehta, Partner, M/s. Mehta & Mehta, Practicing Company Secretaries, was appointed as the Scrutinizer for carrying out the postal ballot process. The above said resolution was passed with the requisite majority as per the following details:

Voted in favour of the resolution			Voted against the resolution		
Number of Members voted	Number of Votes cast by them (Shares)	% of total number of valid votes cast	Number of Members voted	Number of Votes cast by them (Shares)	% of total number of valid votes cast
1,921	1,47,04,55,159	99.20	154	1,18,90,979	0.80

Special Resolutions proposed to be passed by way of Postal Ballot

The Board at its meeting held on May 14, 2015 approved the postal ballot notice for seeking approval of the shareholders of the Company by way of Special Resolution for Material Related Party Transactions with Tata Teleservices Limited.

Procedure for Postal Ballot

In compliance with the Clause 35B of the Listing Agreements and Sections 108, 110 and other applicable provisions of the Act, read with the related Rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engages the services of National Securities Depository Limited for the purpose of providing e-voting facility to all its Members.

The Members have the option to vote either by Ballot Form or e-voting. The Company dispatches the postal ballot notices and forms (a) through electronic means to all the Members whose e-mail IDs are registered with the Company or Depository Participant(s) and (b) in physical form, with a postage prepaid self-addressed envelope, to all other Members at their registered address by the permitted mode. The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the Scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting.

The Scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman / Authorized Officer. The results are also displayed on the

website of the Company viz., www.tatateleservices.com, besides being communicated to the stock exchanges.

DISCLOSURES

Disclosure on Materially Significant Related Party Transactions

All transactions entered into with Related Parties as defined under the Act and Clause 49 of the Listing Agreements during the Financial Year 2014-15 were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Act. All Related Party Transactions were approved by the Audit Committee. The Company has entered into Related Party Transactions which were material as per Clause 49 of the Listing Agreements and as per the Policy for Related Party Transactions as approved by the Board. The Company is in the process of obtaining approval of shareholders by way of postal ballot for such Material Related Party Transactions. There were no Materially Significant Related Party Transactions during the Financial Year 2014-15 which in the opinion of the Board may have potential conflict with the larger interest of the Company.

Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

Apart from paying sitting fees, there was no pecuniary transaction undertaken by the Company with the Independent/Non-Executive Directors during the Financial Year ended March 31, 2015.

A policy for Related Party Transactions, as approved by the Board, is available on the Company's website under the following weblink:

<http://www.tatateleservices.com/download/aboutus/ttml/Policy-on-Related-Party-Transaction.pdf>

Disclosure on Whistle Blower Policy

The Company has adopted a Whistle Blower Policy which ensures protection and confidentiality to whistle blowers. The

Chairman of the Audit Committee is authorized to receive from whistle blowers the Protected Disclosures under this policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made by whistle blowers in accordance with the policy.

Compliance with mandatory requirements of Clause 49 of the Listing Agreements

As required under Clause 49 of the Listing Agreements for the Financial Year 2014-15, the Company has submitted to the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), quarterly compliance reports signed by the Compliance Officer of the Company, confirming compliance with the mandatory requirements of the said Clause.

A certificate has been obtained from Deloitte Haskins & Sells LLP, Auditors, with respect to compliance of the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreements for Financial Year 2014-15 and the same is annexed to this Report.

Implementation of Non-Mandatory Corporate Governance Requirements

The Company has implemented with the following non-mandatory requirements of Clause 49 of the Listing Agreements relating to Corporate Governance as under:

- The Company has provided office facilities to Non-Executive Chairman of the Company.
- The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director.
- The Internal Auditors report to the Audit Committee.

Certification with Respect to Financial Statements

The certificate as required under Clause 49 of the Listing Agreements is periodically furnished by the Managing Director and the Chief Financial Officer of the Company to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls.

MEANS OF COMMUNICATION

- The quarterly, half yearly and annual results are communicated through a Press Release and published in Business Line (English) and Navshakti (regional language). The Financial results, official press releases and presentations, if any, are also displayed on the website of the Company viz. www.tatateleservices.com
- The financial and other information filed by the Company from time to time are also available on the websites of the stock exchanges i.e., BSE and NSE. BSE has introduced online filling of information through BSE Corporate Compliance and Listing Centre and NSE has introduced NSE Electronic Application Processing System

(NEAPS). Various compliances as required/prescribed under the Listing Agreements executed with the stock exchanges are also filed through these systems.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis forms part of the Annual Report for Financial Year 2014-15.

GENERAL SHAREHOLDER INFORMATION

Twentieth Annual General Meeting

Date	September 22, 2015
Day	Tuesday
Time	2:30 p.m.
Venue	"Rangaswar", 4 th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021

Financial Year

The Company follows the April - March financial year.

Date of Book Closure

The share transfer books and the Members' register will be closed between Tuesday, September 15, 2015 to Tuesday, September 22, 2015 (both days inclusive) for the purposes of the Twentieth (20th) Annual General Meeting of the Company.

Listing on the Stock Exchanges

The Company's equity shares are listed on the following stock exchanges and the listing fees have been paid to both the stock exchanges within the stipulated time:

Name and Address of the Stock Exchanges	Stock Code / Scrip Code	ISIN Number for NSDL / CDSL (Dematerialised shares)
BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001	532371	INE517B01013
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	TTML	

Market Price Data

The High & Low of the Company's shares during each month in the last financial year were as follows:

(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
April 2014	9.70	7.01	9.70	7.25
May 2014	13.25	8.26	13.20	8.25
June 2014	13.10	10.76	13.10	10.75
July 2014	14.05	11.36	14.10	11.30
August 2014	12.78	10.32	12.80	10.35
September 2014	12.27	9.64	12.30	9.60
October 2014	10.26	8.85	10.25	8.80
November 2014	10.04	8.53	10.05	8.50
December 2014	8.97	7.41	9.00	7.40
January 2015	11.19	7.60	11.25	7.55
February 2015	9.47	8.35	9.50	8.30
March 2015	9.60	7.55	9.60	7.60

Source: BSE and NSE Websites

Performance of the Company's Share Price in comparison to BSE and NSE indices

The performance of the Company's share price vis-à-vis the broad based BSE and NSE indices during the Financial Year 2014-15 are as under:

Particulars	TTML Share Price v/s BSE Sensex		TTML Share Price v/s NSE Nifty	
	TTML Share Price (Rs.)	BSE Sensex	TTML Share Price (Rs.)	NIFTY
As on April 1, 2014	7.31	22,446.44	7.30	6,721.05
As on March 31, 2015	7.90	22,957.49	7.85	8,491.00
Change (%)	8.07	24.55	7.53	26.33

Registrar and Share Transfer Agents

The Company has appointed TSR Darashaw Limited ("TSR") as its Registrar & Share Transfer Agents. Shareholders are advised to approach TSR on the following address for any shares and demat related queries and problems:

TSR Darashaw Limited

6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Near Famous Studio,
Mahalaxmi, Mumbai – 400 011.

Tel.: 91 22 6656 8484

Fax: 91 22 6656 8494 / 8496

E-mail: csg-unit@tsrdarashaw.com

Website: www.tsrdarashaw.com

Share Transfer System

In order to expedite the process of share transfer and for administrative convenience, the authority for all physical share transfers is delegated to TSR. The transferee is required to furnish the transfer deed, duly completed in all respects, together with the share certificates to TSR at the above said address in order to enable TSR to process the transfer. As regards transfers of dematerialized shares, the

same can be effected through the demat accounts of the transferor/s and transferee/s maintained with the recognized Depository Participants.

Pursuant to Clause 47(c) of the Listing Agreements, the Company obtains certificate from a Practicing Company Secretary on half-yearly basis to the effect that all the transfers are completed within 15 days from the date of lodgment of the transfer. A copy of the certificate so received is submitted to both the stock exchanges, where the shares of the Company are listed.

Distribution of Shareholding

The broad shareholding distribution of the Company as on March 31, 2015 with respect to categories of investors was as follows:

Category of Investors		Percentage of Shareholding	
		As on March 31, 2015	As on March 31, 2014
Promoters & Promoter Group Companies	Indian	63.14*	63.14*
	Foreign	11.76	11.76
International Investors (FIIs / NRIs / OCBs / Foreign Banks / Foreign Corporate Bodies)		1.31	1.13
Indian Financial Institutions / Banks / Mutual Funds / Insurance Companies / Central & State Govt.		0.15	0.15
Private Bodies Corporate / Trusts		2.74	2.54
Individuals		20.90	21.28
TOTAL		100.00	100.00

*Tata Teleservices Limited (Promoter Group Company) has pledged its shareholding equivalent to 26% of the Company's total paid-up capital to secure the term loans/facilities availed by the Company.

The broad shareholding distribution of the Company as on March 31, 2015 with respect to size of holdings was as follows:

Range (No. of Shares)	% of Paid-up Capital	Total No. of Shareholders	% of Total No. of Shareholders
1 to 500	2.31	2,52,216	61.76
501 to 1000	2.38	70,314	17.22
1001 to 2000	3.31	49,567	12.14
2001 to 3000	1.79	14,480	3.55
3001 to 4000	1.04	5,825	1.43
4001 to 5000	0.83	3,525	0.86
5001 to 10000	2.45	6,981	1.71
10001 and above	85.89	5,426	1.33
Total	100.00	4,08,334	100.00

The quarterly shareholding patterns filed with the stock exchanges are also available on the website of the Company and on the website of the stock exchanges where equity shares of the Company are listed i.e., BSE and NSE.

Dematerialization of Shares and Liquidity

The equity shares of the Company are under compulsory dematerialized form. As of March 31, 2015, 99.85% of the total equity shares issued by the Company have been dematerialised. The equity shares of the Company are available for dematerialisation with both the depositories in India i.e., National Securities Depository Limited and Central Depository Services (India) Limited.

Outstanding Employee Stock Options, GDRs, ADRs, etc.

The Company has not issued any GDRs/ADRs/Warrants. There are no outstanding Foreign Currency Convertible Bonds ("FCCBs") and Employee Stock Options.

Where we offer service

The Company now offers GSM service in 898 towns and CDMA services in 947 towns in the States of Maharashtra and Goa through its telephone exchanges located at Turbhe (Navi Mumbai), Nariman Point (Mumbai), Andheri (Mumbai), Pune, Nasik, Panjim, Nagpur, Aurangabad and Kolhapur.

Address for correspondence

Shareholders holding shares in physical mode are requested to direct all equity shares related correspondence/queries to TSR and only the non-shares related correspondence and complaints regarding TSR should be addressed to the Compliance Officer at the registered office of the Company. Shareholders holding shares in electronic mode (dematerialized) should address all shares related correspondence to their respective Depository Participants only.

Auditors' Certificate

The certificate dated May 14, 2015 issued by Deloitte Haskins & Sells LLP, Statutory Auditors, on compliance with the Corporate Governance requirements by the Company is annexed to this Report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. Both these codes are available on the Company's website.

I confirm that the Company has, in respect of the Financial Year ended March 31, 2015, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the General Manager cadre and above and the Company Secretary.

Mumbai
May 14, 2015

Mr. N. Srinath
Managing Director

AUDITORS' CERTIFICATE

TO THE MEMBERS OF TATA TELESERVICES (MAHARASHTRA) LIMITED

We have examined the compliance of conditions of Corporate Governance by **TATA TELESERVICES (MAHARASHTRA) LIMITED** (the "Company"), for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement for the year ended March 31, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

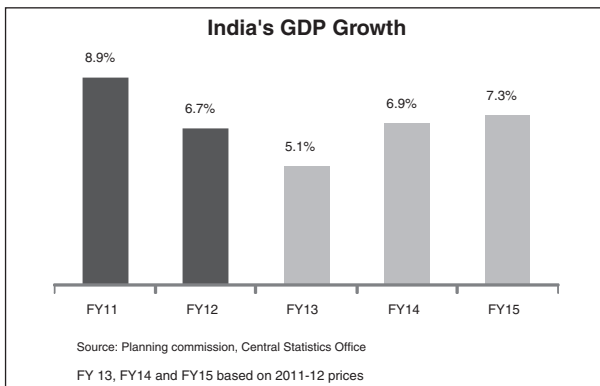
Saira Nainar
Partner
Mumbai, May 14, 2015 (Membership No. 040081)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW OF INDIA'S ECONOMY

According to the new data, rebased to 2011-12, released by the Central Statistics Office ("CSO"), India - the seventh-largest economy in the world by nominal GDP and the third-largest by purchasing power parity, is projected to have grown at the rate of the 7.3% in 2014-15 as compared to 6.9% in the previous year. While there was minimal growth in agriculture, industry and services sector grew faster than the previous year. Domestic consumption continued to major component of the GDP followed by capital formation.

India is being considered as macro-economic stable again by rating agencies, which can be credited to both external factors such as favorable crude prices, currency under control as well as internal ones with the most significant being reduced inflation and improvement in "twin deficits":



- Current Account Deficit ("CAD") narrowed sharply to 0.2% of GDP, in the fourth quarter of 2014-15 mainly on account of a lower trade gap. For the full fiscal year the current account deficit shrank to 1.3% of GDP, from 1.7% of GDP, a year ago; and
- Fiscal deficit at 4% of GDP, as per the latest estimates, overcoming a shortfall in tax collections. This is marginally better than the ambitious target of 4.1% of GDP.

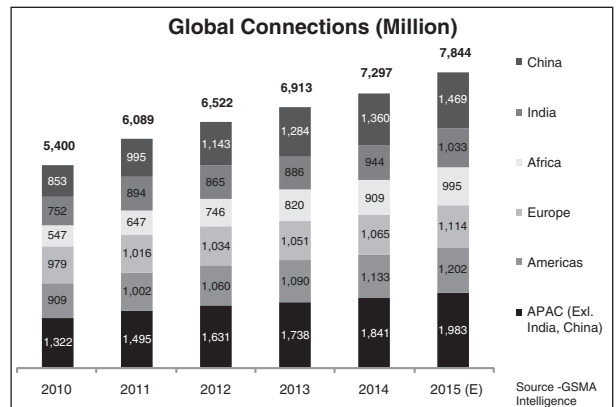
According to the Reserve Bank of India's ("RBI") Monetary Policy Report (April 2015), the broad-based decline in retail inflation since September 2014, plans announced in the Union Budget to step up infrastructure investment, depressed commodity prices and upbeat financial market conditions have improved the prospects for growth in 2015-16. RBI's Consumer Confidence Survey ("CCS") points to growing consumer optimism since June 2014, reflecting purchasing power gains arising from lower inflation as well as improved perception of income, spending and employment growth. As per median estimates, based on the Survey of Professional Forecasters conducted by RBI, the Indian economy is expected to grow by 7.9% in 2015-16 as compared to 7.3% in

2014-15 (based on 2011-12 data series), while The International Monetary Fund ("IMF") in its World Economic Outlook projects the growth of GDP for Indian economy at 7.5%.

TELECOM INDUSTRY DEVELOPMENTS

Global Telecom Industry

The mobile industry continues to scale rapidly, with a total of 7.3 Billion connections at the end of 2014 while the unique subscribers were about 3.6 Billion. Roughly half of the world's population now has a mobile subscription, up from just one in five about 10 years ago and by 2020, this is expected to scale up to three-fifths of the global population, with close to one Billion new subscribers added over the period. The global mobile connections increased by about 5% in the year 2014. Developed markets are growing more slowly as penetration rates approach levels close to saturation. For example, in Europe the connections growth was just above 1% in 2014. At the other end of the spectrum, Africa was still the world's most under-penetrated region with connections growth at nearly 11%.



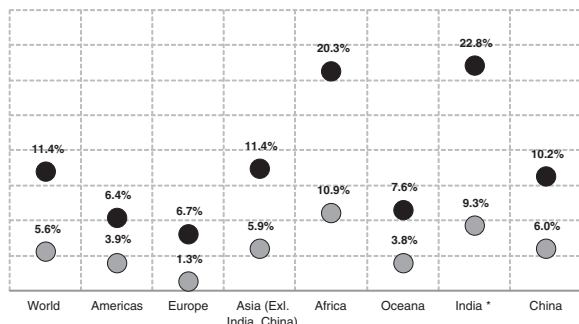
Indian Telecom Industry

With 960 Million connections and 833 Million Visitor Location Register ("VLR") subscribers, India continues to be the world's second largest telecommunications' market, next only to China. In 2014, VLR subscribers in India grew by 9.3% which was little below Africa at 10.9% and significantly above the global growth of 5.6%.

What is also noteworthy is India's growth of internet subscribers at 23% during 2014, higher than Africa. Indian telecom market continued to evolve dramatically over the past two decades starting from voice calling to the advent of SMS and mobile messaging, to the most recent emergence of smartphone and the mobile application ecosystem. These innovative third-party applications, more commonly referred to as 'Apps', have pushed the boundaries of digital communications and shown us what users now expect from modern mobile communications services.

Growth in 2014 (%)

● Connections ● Internet subscribers

Source : GSMA Intelligence, Telecom Regulatory Authority of India
*VLR subscribers

Telecommunication service providers in the Country today seem to be divided in their opinion about whether these services are a threat to their operations or an opportunity. However, it is undeniable that these have in fact brought a new wave of growth into the industry which was going through fears of getting stagnated. While the operators are still refining their position in the value chain in many of these emerging market opportunities, the tangible benefits in terms of both data usage and revenue growth have already started accruing for all operators including the Company.

Overall urban
smartphone
penetration

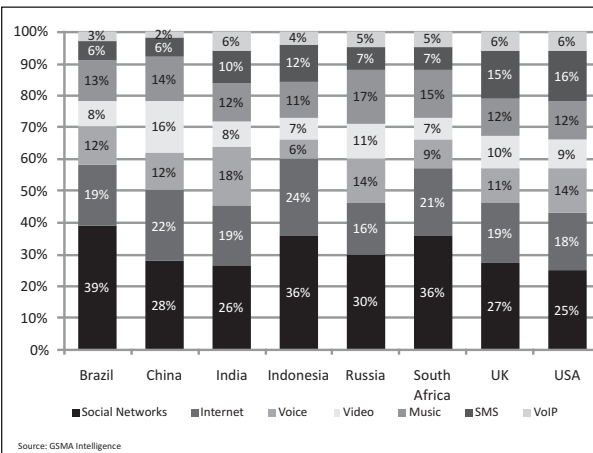
34%

One in three are using
smartphones in urban India2G
14%3G
20%Three in five smartphones
users using mobile
broadband in urban India

Source: Ericsson - The Changing Mobile Broadband Landscape

The Indian mobile broadband landscape is still evolving. Smartphone adoption is on the rise across all sections of the society. As per industry estimates, around one in three people in urban India today use smartphones and around three in five are using mobile broadband. With the cost of owning a smartphone decreasing sharply, these figures are expected to continue rising. Rural India, although currently trailing, is

catching up fast and the overall smartphones in the country are expected to go up by about 5 times by 2019.



Source: GSMA Intelligence

Consumers today are using their mobile phones for a whole bunch of services, which include social networking and instant messaging. According to a research by GSMA intelligence smartphone users across the eight major markets surveyed spend roughly twice as much time using social networking (an average of 13 hours a week) than making voice calls rendering social networks the dominant communications medium. Driven primarily by smartphone adoption, the transformative shift in consumer behaviour towards social networking is universal, with consumers in Brazil and South Africa spending up to 15 hours a week on social networking and those in the US spending more than 12 hours a week on the same activity. Consumers in India currently spend about 10 hours or about 26% of their time on social networks. It is likely that the Indian consumer will also gradually shift more towards social network and internet from voice calling in the years to come.

1 Petabyte
1,000 Terabytes or
250,000 DVDs480 Terabytes
A digital library of all of the world's
catalogued books in all languages100 Petabytes
The amount of data produced in a single minute
by the new particle collider at CERN1 Exabyte
1,000 Petabytes or
250 million DVDs5 Exabytes
A text transcript of all words ever spoken100 Exabytes
A video recording of all the meetings that
took place last year across the world400 Exabytes
The amount of data that will cross the Internet
in 2012 alone1 Zettabyte
1,000 Exabytes or
250 billion DVDs1 Zettabyte
The amount of data that has traversed the
Internet since its creation300 Zettabytes
The amount of visual information conveyed
from the eyes to the brain of the entire
human race in a single year1 Yottabyte
1,000 Zettabytes or
250 trillion DVDs20 Yottabytes
A holographic snapshot of the earth's surface

With a diverse consumer base adopting mobile broadband, increasing smartphone adoption and using a wide variety of services, the mobile data traffic is increasing. Data traffic per month in 2014 was about 87.9 Petabytes, which is 1.7 times the previous year traffic and was 244 times the traffic five years earlier (in 2009). To put things in perspective, this was the equivalent of 22 million DVDs each month or 242 million text messages each second. That is the scale of growth data traffic is witnessing in India and as per the latest industry estimates the trend is expected to continue leading to data traffic in 2019 becoming 3163 times the traffic in 2009. This amounts to about 1.1 Exabytes per month in 2019 (the equivalent of 285 million DVDs each month), up from 87.9 Petabytes per month in 2014.

This is an unprecedented quantum of traffic on the telecommunications network. While this promises to be an exciting phase of growth for the Company, it also implies an ongoing challenge to maintain network experience and meet customer demands for the entire industry.

The Company is also evaluating the need to be ready with the network as well as operational strategy to be able to satisfy the needs of the evolved new age customers. Simplicity is the key, as consumers need for easy-to-understand data plans.

KEY REGULATORY DEVELOPMENTS / LITIGATIONS

Dual Technology

- The challenge by Cellular Operators Association of India to the Government of India's Dual Technology Policy is pending before the Supreme Court ("SC"). The matter will be listed in due course.

3G Intra Circle Roaming ("ICR")

- Telecom Disputes Settlement and Appellate Tribunal ("TDSAT") judgment pronounced on April 29, 2014 held that intra-circle 3G roaming arrangements do not violate any licence provisions.
- DoT has filed an appeal before SC and also an application seeking stay on the judgment passed by TDSAT. DoT's appeal was admitted and no interim relief was granted by the SC. The main appeal filed by DoT is pending for hearing.

Adjusted Gross Revenue ("AGR") Definition

- TDSAT has pronounced its judgment in April 2015, wherein the impugned demands have been set aside by the Tribunal and it has directed the DoT to rework the licence fee payable for the duration which was challenged. The highlights of the judgment are as follows:

Under licence agreement, revenue is no different from the way it is defined in AS 9 i.e., gross inflow of cash, receivables, or other consideration arising in

the course of the ordinary activities of an enterprise from the sale of goods, from the rendering of services and from the use by others of enterprise resources yielding interest, royalties and dividends.

By virtue of SC order in Association of Unified Telecom Service Providers of India ("AUSPI") case, for computation of licence fee of an enterprise, gross revenue would also include inflow from all its business activities whether under the licence or beyond the licence.

Gross revenue will also include all the items expressly specified in Clause 19.1 of the licence agreement whether or not in accounting system any of those items are viewed as revenue.

Deductions are only those permissible which are expressly specified in Clause 19.2 of the licence agreement.

Spectrum Trading and Spectrum Sharing

- TRAI has submitted its recommendation on spectrum trading and sharing to the DoT. The Telecom Commission has referred back to TRAI seeking clarifications on some of the recommendations on both spectrum trading and sharing.

3G Rollout Obligation

- DoT has issued revised Test Schedule Test Procedure ("TSTP") on February 5, 2015 addressing the concerns of the industry. Major highlights of TSTP are as follows:

RSCP level of >-99dB as against initially of >-93dBm. This will save a large number of 3G Sites required to meet the test criteria.

50m x 50m grid has been removed and revised grid size for metro/big DHQ/big town will be 4Km x 4Km and for other DHQ/towns the grid size will be 2Km x 2Km.

50% loading of Cell Site has been removed. This was critical, if implemented; more sites would have been required.

- As the testing procedure has been issued only in February 2015, the industry is seeking extension of date of rollout.

Certain Amendments Issued by TRAI

- **Reduction in Interconnect Usage Charge ("IUC")**

TRAI vide its regulation dated February 23, 2015 has revised the IUC which is effective from March 1, 2015.

Local and National Long Distance ("NLD") calls (Wireless to wireless: means full mobility, limited

mobility & fixed wireless access services) reduced from 20 paisa/min. to 14 paisa/min.

Carriage charges reduced from 65 paisa/min. to 35 paisa/min.

International Long Distance ("ILD") calls (incoming calls to wireless & wireline) have been increased from 40 paisa/min. to 53 paisa/min.

No termination charges will be applicable from wireless to wireline, wireline to wireline & from wireline to wireless.

■ Reduction in National Roaming Tariffs

Outgoing local voice call: Reduced from Rs. 1/min. to Rs. 0.8/min.; Outgoing long distance (inter-circle) voice call reduced from Rs. 1.5/min. to Rs. 1.15/min.;

Incoming voice call reduced from Rs. 0.75/min. to Rs. 0.45/min.;

Outgoing local SMS reduced from Rs. 1/SMS to Rs. 0.25/SMS and Outgoing long distance SMS reduced from Rs. 1.5/SMS to Rs. 0.38/SMS.

■ Net Neutrality

TRAI has issued Consultation Paper in March 2015.

Key issues discussed at the Consultation Paper:

- Current policy dispensation for Over the top ("OTT") players vis-à-vis Telecommunication service providers;
- Issues arising because of net neutrality.

■ Full Mobile Number Portability ("MNP")

TRAI has issued amendment to the Telecommunication MNP Regulation 2009, which will facilitate full MNP (Pan India portability) in the country w.e.f. May 3, 2015. The industry had expressed its inability to implement full MNP by DoT deadline. Government has extended this date by two months.

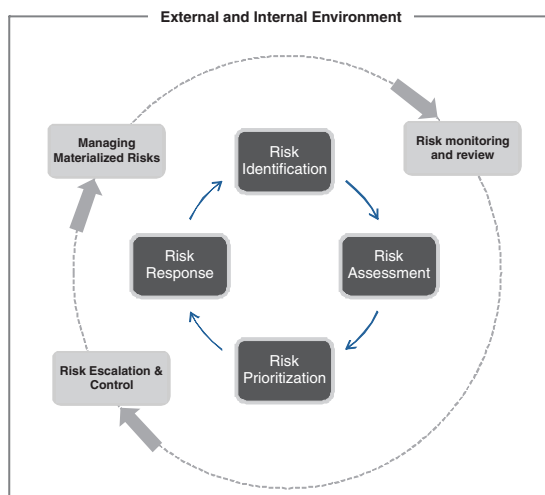
RISKS AND CONCERNS

This section discusses the various aspects of enterprise-wide risks management. It might be noted that the risk related information outlined here is not exhaustive and is for information purpose only.

The Company is exposed to a number of risks such as regulatory risks, technology risks, financing risks and competition risks.

The Company has a well defined risk management

framework and Governance process including a risk management calendar which enables proactive identification, recording, tracking of risks and monitoring of mitigation plans to respond to changes in business and regulatory environment. The risk management process is embedded in all facets of Company's work systems, thereby reassuring all stakeholders, customers, investors, employees and partners of the Company's business sustainability.



This objective of the Company's risk management policy is to ensure that an effective Enterprise Risk Management ("ERM") program is established and implemented within the Company which will provide regular reports on:

1. The performance of the ERM program, including any exceptions, to key stakeholders.
2. The movement of identified risk, to give an overview of the Risk Profile of the Company as on a date.

The ERM framework aims to realize the following benefits for the organization:

1. Enhance risk management;
2. Facilitate risk based decision making;
3. Improve governance and accountability;
4. Enhance credibility with key stakeholders such as investors, employees, government, regulators, society etc.;
5. Protect and enrich stakeholder value.

The key risks facing the Company include:

1. Regulatory Risks

Telecom Policies in areas of dual technology licence, allocation of spectrum, EMF radiation, green technology issues, security guidelines and the decision to charge One

Time Spectrum Charge ("OTSC") within contracted quantum of spectrum etc. have led to litigation and these issues are now pending before various courts.

The Company's licences and spectrum allocations are for fixed periods and are renewable for additional terms subject to approvals and successful bidding in future auctions.

2. Technological Risks

The technological landscape within the telecom industry continues to change rapidly. New services offerings such as 4G are being launched by competition and these products would compete with the existing voice and data offerings of the Company and could impact its current market share and pricing. The Company's CDMA technology has witnessed a similar phenomenon wherein the ecosystem has continued to witness a gradual decline globally due to limited availability of handsets and limited scope for international roaming.

Such changes in technology may require the Company to invest in newer technologies which would demand significant capital investments. The Company's purchase of spectrum in 800 MHz band in the recently concluded auction was one such investment. The Company may need to deploy additional resources on a continuous basis to ensure that it is able to offer state of the art technology to meet the evolving customer's expectations.

3. Financing Risks

The Company continues to invest in expanding its telecom infrastructure. Further, the Company has successfully bid and won additional spectrum during the year and may require additional capital to enable its growth plans.

The Company may not be able to raise adequate capital to meet its capital expenditure requirements or the terms of raising fresh capital may not be in line with past terms and conditions and/or may be subject to such covenants which may be challenging for the Company to adhere to thereby impacting the costs of not only incremental capital but also existing debt adversely.

The Company has experienced difficulties in its borrowing programs in the past when the telecom sector was faced with uncertainties and continued uncertainty around various business and regulatory parameters may continue to affect the ability of the Company to raise additional funds from Banks and Financial Institutions.

4. Competition Risks

The Indian telecommunication industry continues to witness intense competition. Over the past year, the focus of the telecom companies has shifted from voice to the high growth domain of data services. Efforts by operators (existing and new) to penetrate 3G services further and 4G services offerings could further intensify competition in data services. Competition also creates need for continued significant

expenditure on marketing and advertising to ensure sustainability and growth of the Company's revenues. While the Company will ensure all efforts to sustain and grow its revenues, due to factors beyond the control of the Company, the Company may not be successful or fall short of its targets.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

An Audit Committee of the Board of Directors has been constituted as per the provisions of Section 177 of the Companies Act, 2013 ("Act").

The internal audit for various functions/aspects is conducted by the independent firms, which conduct reviews and evaluation and present their reports to the Audit Committee and the management at regular intervals.

The Internal Auditors' Reports dealing with internal control systems are reviewed by the Audit Committee and appropriate actions are taken, wherever necessary.

OPPORTUNITIES AND THREATS

Opportunities

The evolving Indian telecom market continues to provide operators with new growth opportunities. During the last couple of years, the industry has seen some moderation in the competitive landscape resulting in some positive signs in tariffs and profitability.

- In the spectrum auctions concluded in March 2015, the industry players have spent Rs. 109,875 Crore to acquire spectrum in the 800 MHz, 900 MHz, 1800 MHz and 2100 MHz bands. Such large investments made by telecom operators to acquire spectrum could possibly lead to tariff increases during the next year.
- The Indian wireless data market is in its nascent stage. The projected increase in smartphones' penetration levels (4 to 5 times between 2014 to 2019) will lead to faster growth of the data services in coming years and provide the operators with an opportunity to focus on servicing data needs of the consumer and acquire a share in this segment. The Company enjoys leadership position in the data segment and has consistently been a pioneer in launching successful data products including Tata DOCOMO Photon portfolio.
- New business services such as Wi-Fi etc. provide potential for the operators to expand the breadth of their services and remain competitive in the market. The Company is well positioned to serve the customer in these areas after having launched innovative products and services in the past year.

Thus increase in data volumes, increase in tariffs and increased penetration in rural areas are expected to be the key growth enablers in near future.

Threats

The last few years have witnessed uncertainty on the regulatory front and slowdown on the economic front. A stable regulatory and economic environment is critical for realizing the telecom sector's growth potential.

Further, the competitive intensity in the telecommunications sector is expected to remain a challenge for all service providers due to launches by new operators, introduction of new technologies, aggressive pricing and marketing practices and fierce competition in bidding for spectrum.

HUMAN RESOURCES ("HR")

With the changing workforce dynamics and business requirements, it is important to streamline the Company's HR practices to cater to organizational needs more effectively. The Company continued to focus on capability building and talent development during the year, with the ultimate objective of increased higher productivity of employees.

The Company developed its new learning and development model which emphasizes on functional needs of the employees and is an evolution over its previous editions. This has been developed in line with the global trends and the need for employees to keep pace with rapid changes in their respective fields.

The Company also continued the automation and centralization of its processes with the goal of improving efficiency of the employees and the organization.

The Company had a total of 1,178 employees on its rolls as on March 31, 2015.

QUALITY AND PROCESSES

The Company has undertaken TL 9000 (R 5.0) certification to demonstrate its capability to consistently provide services that enhance customer satisfaction through effective deployment of a quality management system. The Company received this prestigious certification for the first time in December 2009 for Data Products (Multiprotocol Label Switching, Internet Leases Line, Domestic Leased Circuit and National Private Leased Circuit). The Surveillance Audit was successfully completed in October 2014.

The Company was awarded with ISO 27001:2005, ISMS (Information Security Management Systems) Certification in May 2011. The Recertification Audit was successfully completed in April 2014 and an upgrade Audit to ISO 27001:2013 in April 2015.

The Company was awarded with BS 25999-2:2007, BCMS (Business Continuity Management Systems) certification in June 2012. The upgrade to ISO 22301:2012 and Surveillance Audit was successfully completed in May 2014 while the company is undergoing an Integrated Management System Recertification audit for ISO 27001:2013 and ISO 22301:2012 in May 2015.

The Company deploys the newly established "FITT" (Framework for Improvement in Tata Teleservices) framework, which is an integrated bouquet of methodologies (including Lean/Six Sigma/Gemba-Kaizen etc.) to drive Quality and process improvement projects across functions. Benchmarking and adoption of best practices, both within and outside the industry, has been institutionalized as part of this framework. 'QUICK' certification continues to enhance competency of Junior Management and builds the culture of small improvements at workplace. Introduced in 2013, QUICK has ensured that over 93% of employees on the ground are certified after attending a training program and completing a project to apply the learning and practice the tools. "QUICK PLUS" certifications were introduced this year as a competency enhancement tool to enable the middle managers to focus on improving productivity and efficiency.

There were other process improvement initiatives this year around enhancing customer experience and profitability, in line with overall organizational strategy. Customer service operations and delivery process cycle (particularly customer acquisition, payment collection, customer complaint and query handling) have been re-engineered under "MAGIC – Make A Great Impression on every Customer" umbrella of projects to administer an improved experience at key customer interfaces. MAGIC is a key initiative undertaken by the Company which embarks on the journey of Customer Experience transformation.

Large-scale pan-India initiatives (aka 'Transformation projects') also lead to identification of key process gaps / improvement opportunities which are then looped back within the FITT framework to simplify and optimize using appropriate methodology.

The Company promotes a culture of innovation and has provided various forums (platforms) for employees to post innovative ideas and suggestions against business challenges and to showcase their innovations. "TTL Innovation Awards" is now an established practice in order to recognize and celebrate the spirit of innovation, and promote a culture that strives to 'open up and do the new'. This contest aims to identify and recognize the best innovations within the organization, awarding individuals and teams in areas of customer service, marketing, products and processes among others.

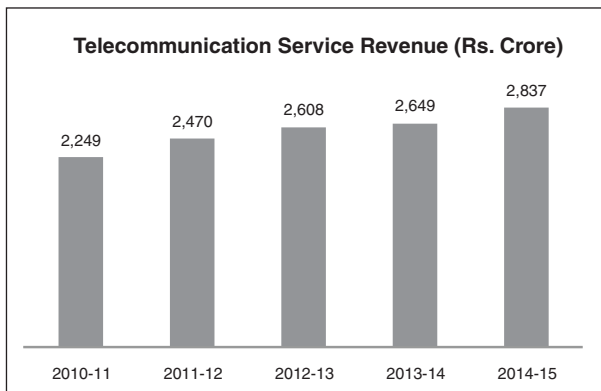
KEY FINANCIAL INFORMATION & OPERATIONAL PERFORMANCE

Revenue from Telecommunications service

As on March 31, 2015, the Company had a total wireless subscriber base of 10.3 Million as compared to previous year level of 9.8 Million. There was a reduction in subscriber base of CDMA technology by about 8% while the subscriber base for GSM grew by about 14%.

CDMA technology is a part of a globally diminishing ecosystem, and has seen a gradual decline in customer base as well as revenue over the last few years. GSM technology although new for the Company is a part of a growing ecosystem and has so far the growth in GSM has compensated for the decline in CDMA.

The Company's service revenue for the year ended March 31, 2015 increased to Rs. 2,837 Crore as against Rs. 2,649 Crore in the previous year.



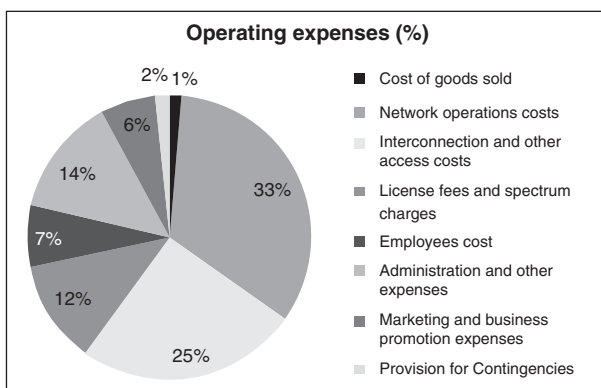
Similar to the growth in subscribers, operating revenue growth was about 7% during the year. Revenue growth from GSM and wireline operations were better at about 13% and 11% respectively while the CDMA operations witnessed a decline in revenue by about 5%.

Other Income

Other income during the year stood at Rs. 102 Crore (Previous year Rs. 169 Crore) which included income from rendering of services to the tune of Rs. 56 Crore (Previous year Rs. 82 Crore).

Operating expenses

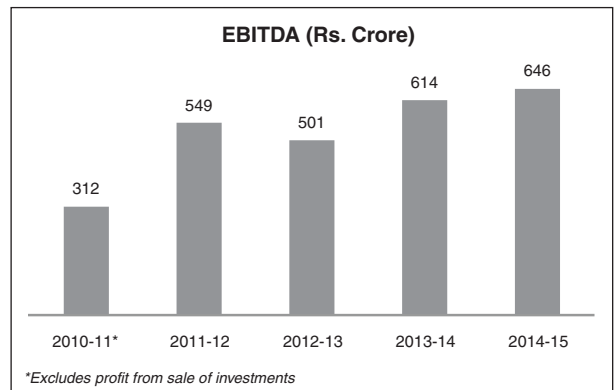
Operating expenses including provision for contingencies for the year were recorded at Rs. 2,293 Crore as against Rs. 2,205 Crore in the previous year. The major components of the total operating expenses are as follows –



Network operations costs were reported about 8% higher at Rs. 764 Crore as compared to Rs. 708 Crore in the previous year. This was due to a combination of expansion of network by the Company as well as annual increase in costs. The employee cost reduced by about 8% during the year at Rs. 159 Crore against Rs. 173 Crore in the previous year.

Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA")

The focus during the last couple of years for the Company has been on optimizing its operations and increasing the asset utilizations. Due to these efforts, the Company continues to witness an improvement in the EBITDA.



Net loss

The Company's loss before taxes increased to Rs. 615 Crore as compared to last year level of Rs. 560 Crore. Although the operating profit was higher for the Company, the net loss increased with a substantial increase in finance cost.

Balance Sheet

The Shareholders' Funds was Rs. 2,968 Crore (Negative) as at March 31, 2015 against Rs. 2,353 Crore (Negative) as at March 31, 2014.

Total borrowing for the Company (including long term borrowing, short term borrowing and current maturities of long term borrowing, acceptance and payables under usage of credit) was Rs. 7,579 Crore as compared to Rs. 6,672 Crore in the previous year.

The Net Block (including tangible as well as intangible assets) as at March 31, 2015, reduced to Rs. 4,188 Crore as compared to Rs. 4,518 Crore in the previous year. The tight control by the Company on investments has resulted in fixed assets not going up.

The long term loans and advances for the Company have increased sharply to Rs. 1,327 Crore against Rs. 632 Crore in the previous year. This is primarily on account of Rs. 600 Crore capital advance paid for the spectrum acquired by the Company in Spectrum Auctions conducted by the DoT in March 2015.

OUTLOOK

The outlook for the Company continues to be positive with the telecom sector continuing to offer opportunities, both in voice and data, to quality operators in the long run. The Company has set ambitious targets for the future.

Albeit a late entrant, the Company's GSM business has witnessed healthy growth driven by a focus on the growing subscriber base, process improvement across business lines and brand strength. The growth in the GSM business shall continue to be better than the decline in the CDMA business, which is stemming from shrinking CDMA ecosystem globally. The Company continues to focus on profitable revenue growth, with specific focus on data, tapping the growing data market.

The broad strategy of the Company would revolve around:

1) Acquiring better customers

The Company is striving to shift a larger part of its customer base from 'voice only' customers to 'voice + data' customers as well as focus on driving higher penetration of smartphones among its customers. These initiatives will enable the Company, to effectively sustain the substantial growth in data revenue witnessed in the last two years. The Company has invested substantially in the spectrum auctions thereby gearing up to launch new generation technologies in the near future.

2) Providing superior customer experience

The Company is plowing a two pronged approach. On one end it is improving the customer's experience with everyday services such as billing, collections, call centers as well as improving the overall experience at all critical touch points with the customer. On the other end, the Company is also concentrating on providing differentiated services to its best customers which will include exclusive retention tools and schemes, special help desks at retail stores and empowered employees for faster resolution of any concerns.

3) Building a stronger organization

The Company plans to continue investing in its strongest assets which are the employees. There is a framework laid out to ensure that the Company engages in quality hiring and reduced attrition, building its leadership capability and maintaining a strong emotional connect with its employees.

Also, to tap the emerging opportunities in new-generation services, the Company has a dedicated team to focus on non-voice services, which will be the driver of revenues and margins in the future. Several services have been launched already such as home surveillance, smart tracking solutions, m-commerce and other machine-to-machine solutions. The changing needs of customers will necessitate that the Company continue to evolve with the market if they are to truly provide value and remain competitive on a sustained basis.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TATA TELESERVICES (MAHARASHTRA) LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Tata Teleservices (Maharashtra) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of

material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the

directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 (II) to the financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if

any, on long-term contracts including derivative contracts – Refer Note 11 to the financial statements;

- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W - 100018)

Saira Nainar
Partner

Mumbai, May 14, 2015

Membership No. 040081

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(ii) In respect of its inventories:

- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and The Cost Accounting Records (Telecommunication Industry) Rules, 2011 prescribed by the Central Government under Section 148 of the Companies Act, 2013 and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection

Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service

Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in Crores)
The Income-tax Act, 1961	Income tax demand	Commissioner of Income Tax (Appeal)	AY 2005-06 to 2012-13	79.63
The Income-tax Act, 1961	Income tax demand	Income Tax Appellate Tribunal	AY 2003-04 to 2012-13	14.20
Finance Act	Service tax demand	Custom Excise & Service Tax Appellate Tribunal	April 2004 to March 2013	242.79
Finance Act	Service tax demand	Additional Commissioner of Service Tax, Mumbai-II	FY 2008-2009 to 2011-12	0.83
Finance Act	Service tax demand	Commissioner Service Tax, Mumbai-II	FY 2008-2009 to 2011-12	107.99

- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- (viii) The accumulated losses of the Company at the end of the financial year are not less than fifty percent of its net worth and the Company has incurred cash losses only during the current year but has not incurred any cash loss during the preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W - 100018)

Saira Nainar
Partner

Mumbai, May 14, 2015

Membership No. 040081

BALANCE SHEET AS AT MARCH 31, 2015

	Note No.	As at March 31, 2015 Rs. in crores	As at March 31, 2014 Rs. in crores
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	3	1,954.93	1,954.93
(b) Reserves and surplus	4	(4,923.01)	(4,307.76)
		<u>(2,968.08)</u>	<u>(2,352.83)</u>
(2) Non Current Liabilities			
(a) Long-term borrowings	5	5,009.85	4,713.79
(b) Other long-term liabilities	6	12.07	22.63
(c) Long-term provisions	7	4.33	4.22
		<u>5,026.25</u>	<u>4,740.64</u>
(3) Current Liabilities			
(a) Short-term borrowings	8	1,761.37	1,422.43
(b) Trade payables	9	704.97	711.53
(c) Other current liabilities	10	979.98	669.90
(d) Short-term provisions	11	535.22	474.72
		<u>3,981.54</u>	<u>3,278.58</u>
Total		<u>6,039.71</u>	<u>5,666.39</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed assets	12		
(i) Tangible assets		2,947.05	3,123.53
(ii) Intangible assets		1,241.08	1,394.36
(iii) Capital work - in - progress		46.40	37.62
		<u>4,234.53</u>	<u>4,555.51</u>
(b) Long-term loans and advances	13	1,327.07	632.18
(2) Current Assets			
(a) Inventories	14	12.42	4.44
(b) Trade receivables	15	189.28	257.68
(c) Cash and bank balances	16	49.49	21.65
(d) Short-term loans and advances	17	98.14	131.20
(e) Other current assets	18	128.78	63.73
		<u>478.11</u>	<u>478.70</u>
Total		<u>6,039.71</u>	<u>5,666.39</u>

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Saira Nainar
Partner

Kishor A. Chaukar
(Chairman)

N. Srinath
(Managing Director)

Suresh Mahadevan
(Chief Financial Officer)

Kiran Thacker
(Company Secretary)

Place: Mumbai
Date : May 14, 2015

Place: Mumbai
Date : May 14, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Note No.	For the year ended March 31, 2015 Rs. in crores	For the year ended March 31, 2014 Rs. in crores
I. Income			
(a) Revenue from operations	19	2,892.73	2,731.18
(b) Other income	20	46.27	87.49
TOTAL REVENUE		2,939.00	2,818.67
II. EXPENSES			
(a) Employee benefits expenses	21	158.53	172.67
(b) Operating and other expenses	22	2,064.91	1,932.30
(c) Cost of goods sold	23	32.70	-
(d) Finance cost	24	650.78	565.05
(e) Depreciation and amortisation expenses	12	610.93	609.33
(f) Provision for contingencies	25	36.40	99.40
TOTAL EXPENSES		3,554.25	3,378.75
III. Loss for the year		(615.25)	(560.08)
IV. Earnings per share - Basic and Diluted (Rs.)		(3.15)	(2.86)
(Refer note 38)			
Par value (Rs.)		10.00	10.00

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Saira Nainar
Partner

Kishor A. Chaukar
(Chairman)

N. Srinath
(Managing Director)

Suresh Mahadevan
(Chief Financial Officer)

Kiran Thacker
(Company Secretary)

Place: Mumbai
Date : May 14, 2015

Place: Mumbai
Date : May 14, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	April 1, 2014 to March 31, 2015 Rs. in crores	April 1, 2013 to March 31, 2014 Rs. in crores
A Cash flows from operating activities		
Loss before extraordinary items and tax	(615.25)	(560.08)
Adjustments for :		
Depreciation and amortisation expense	610.93	609.33
Loss on sale of fixed assets	1.02	4.89
Net gain on sale of investments	(2.91)	(5.56)
Interest income	-	(2.26)
Liabilities / provisions no longer required written back	(39.41)	(72.08)
Provision for doubtful trade and other receivables, loans and advances	39.26	45.47
Provision for contingencies	36.40	99.40
Finance cost	650.78	565.05
	<u>1296.07</u>	<u>1,244.24</u>
Operating profit before working capital changes	680.82	684.16
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(7.98)	(1.25)
Trade receivables	29.14	(6.10)
Short-term loans and advances	33.06	111.96
Long-term loans and advances	(48.84)	(33.70)
Other current assets	(65.05)	(26.47)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	30.59	55.64
Other current liabilities	28.34	(21.41)
Other long-term liabilities	(0.10)	(0.08)
Short-term provisions	0.95	(19.14)
Long-term provisions	0.11	(0.93)
Cash generated from operations	681.04	742.68
Net income tax paid	(48.04)	(33.92)
Net cash generated from operating activities	633.00	708.76
B Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(785.44)	(326.77)
Proceeds from sale of fixed assets	0.44	3.89
Investment in / Maturity of term deposits (Net)	-	48.49
Current investments not considered as cash and cash equivalents		
- Purchased	(971.02)	(1,660.80)
- Proceeds from sale	973.93	1,666.36
Interest received	-	2.96
Net cash used for investing activities	(782.09)	(265.87)
C Cash flow from financing activities		
Proceeds from long term borrowings	900.00	-
Repayment of long term borrowings	(433.73)	(278.53)
Proceeds from short term borrowings	1,893.56	1,106.11
Repayment of short term borrowings	(1,564.25)	(929.33)
Proceeds / (Repayment) of cash credit accounts (Net)	(11.42)	173.75
Finance cost paid	(607.23)	(581.56)
Net cash generated from / used for financing activities	176.93	(509.56)
Net increase in cash or cash equivalents	27.84	(66.67)
Cash and cash equivalents at the beginning of the year	21.64	88.31
Cash and cash equivalents at the end of the year	49.48	21.64
	<u>27.84</u>	<u>(66.67)</u>
Reconciliation of cash and cash equivalents with the Balance Sheet:		
Cash and Bank Balances (Refer Note 16)	49.49	21.65
Less: Bank balances not considered as cash and cash equivalents as		
- In other deposit accounts (original maturity more than 3 months)	0.01	0.01
Cash and cash equivalents at the end of the year	49.48	21.64

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Saira Nainar
Partner

For and on behalf of the Board of Directors

Kishor A. Chaukar
(Chairman)
Suresh Mahadevan
(Chief Financial Officer)

N. Srinath
(Managing Director)
Kiran Thacker
(Company Secretary)

Place: Mumbai
Date : May 14, 2015

Place: Mumbai
Date : May 14, 2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1:

Corporate Information

Tata Teleservices (Maharashtra) Limited ("the Company"), was incorporated on March 13, 1995. The Company is licensed to provide basic and cellular telecommunication services. The Company presently holds two Unified Access (Basic and Cellular) Service Licenses, one for Mumbai Service Area and another for Maharashtra and Goa and provides telecommunication services using Code Division Multiple Access (CDMA) technology/ Global System for Mobile Communications (GSM) technology under the aforesaid licenses. The Company also holds the National Internet Service provider – Internet Telephony license and 3G spectrum in Maharashtra and Goa circle (excluding Mumbai).

Note 2:

Significant Accounting Policies

The significant accounting policies have been predominantly presented below in the order of the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Differences between actual results and estimates are recognised in the periods in which the results are known / materialise.

c) Fixed Assets

Fixed assets are stated at their historical cost of acquisition or construction, less accumulated depreciation/amortisation and impairment loss, if any. Cost includes all costs incurred to bring the assets to their working condition and location (also refer note 27) and Site Restoration cost obligations where outflow of resources is considered probable.

Assets retired from active use and held for disposal are stated at lower of net book value and net realisable value.

Expenditure related to and incurred during the construction period of switches and cell sites are capitalised as part of the construction cost and allocated to the relevant fixed assets.

Capital inventory comprises switching equipment, field unit cards, and capital stores that are carried under capital work-in-progress till such time they are issued for new installation or replacement.

The Company capitalises software and related implementation costs as intangible assets, where it is reasonably estimated that the software has an enduring useful life.

License fees paid by the Company for acquiring licenses to operate telecommunication / internet telephony services are capitalised as intangible assets.

Indefeasible Rights of Use ('IRU') bandwidth capacities by the Company are capitalised as intangible assets.

Assets acquired pursuant to an agreement for exchange of similar assets are recorded at the net book value of the assets given up, with an adjustment for any balancing receipt or payment of cash or any other form of consideration.

d) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

- i) Tangible Fixed assets are depreciated on a straight line basis. Depreciation on tangible fixed assets has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.:

	Useful Life (In years)	
	As per Company	As per Schedule II
Plant and Machinery		
- Network Equipment	12	13
- Air- Conditioning Equipment	6	10
- Generators	6	10
- Electrical Equipments	4-6	10
Office Equipments	3	5
Furniture and Fittings	3	10
Vehicles	5	8

There is no impact due to adoption of Schedule II of the Companies Act, 2013 as the Company has historically been providing depreciation based on estimated useful lives of tangible fixed assets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- ii) Leasehold land and premises are amortised over the period of lease.
- iii) License fees are amortised uniformly over the original license period of 20 years / extended period as permitted by DoT, as applicable, from the date of commencement of operations. Since the Company has the intention of being in business for a period well beyond 10 years and the telecommunication business cannot be carried on without the Telecom license, the useful life of the asset will exceed the rebuttable presumption of 10 years under AS 26 on "Intangible Assets".
- iv) Indefeasible Right to Use ('IRU') bandwidth capacities by the Company are amortised over a period of fifteen years based on management estimate of useful life of the assets or period of the agreement whichever is lower.
- v) Depreciation on additions and deletions to assets during the year is charged to revenue pro rata to the period of their use.
- vi) The Company provides for obsolescence of its slow moving capital inventory by way of depreciation, at the rate of 33.33% p.a. of cost.

e) Foreign currency transactions and translations

- i) Transactions in foreign currency are recorded at the original rates of exchange in force at the time transactions are effected.
- ii) Foreign currency denominated assets and liabilities are reported as follows:
 - a) Monetary items are translated into rupees at the exchange rates prevailing at the balance sheet date. Non-monetary items such as fixed assets are carried at their historical rupee values.
 - b) Gains/losses arising on settlement of foreign currency transactions or restatement of foreign currency denominated assets and liabilities (monetary items) are recognised in the statement of profit and loss, except for long term assets/liabilities which pertain to acquisition of fixed assets which are adjusted in the cost of fixed assets.
- iii) In case of forward exchange covers, the premium or discount arising at the inception of the contract, which are not intended for trading or speculation purposes, is amortised as expense or income over the life of the contract except those relating to hedged long term liabilities which pertain to acquisition of fixed assets which are adjusted to the cost of fixed assets. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made, except those relating to hedged long term liabilities which pertain to acquisition of fixed assets which are adjusted to the cost of fixed assets.

f) Derivative financial instruments

The Company enters into derivative contracts in the nature of interest rate swaps, cross currency interest rate swaps and forward contracts (refer accounting policy for foreign currency transactions and translations for accounting policy for forward contracts). Pursuant to the announcement on accounting for derivatives issued by the Institute of Chartered Accountants of India (ICAI), the Company provides for losses in respect of all outstanding derivative contracts at the balance sheet date by marking them to market. Any gains arising on such mark to market are not recognised as income.

g) Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the Company participates in a group gratuity cum life assurance scheme administered by the Life Insurance Corporation (LIC). The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of short-term compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date."

h) Revenue recognition

Revenue from telecommunication services is recognised as the service is performed on the basis of actual usage of the Company's network in accordance with contractual obligations and is recorded net of service tax. The amount charged to subscribers for specialised features which entitle them to access the network of the Company and where all other services and products are paid for separately, are recognised as and when such features are activated.

Unbilled revenues resulting from unified access services provided from the last billing cycle date to the end of each period are estimated and recorded. Revenues from Unified Access Services rendered through prepaid cards are recognized based on usage by the customers during the year and over the validity period in case of upfront collection.

Income from rendering other operating services are recognised as the services performed.

Revenue is recognised when it is earned and no significant uncertainty exists as to its ultimate realisation or collection.

i) Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan or 5 years, whichever is lower. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets.

j) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

k) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any

deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

l) Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

m) Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

n) Operating Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

o) Inventories

Inventories are valued at the lower of cost (weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

p) Income Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Deferred income tax reflects the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years/ period. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future income will be available except that deferred tax assets in case there are unabsorbed depreciation and losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

q) Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss. The recoverable amount is the

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

greater of the net selling price and their value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of the asset and from its ultimate disposal are discounted to their present values using a pre-determined discount rate that reflects the current market assessments of the time value of money and risks specific to the asset. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

r) Investments

Current investments are carried individually, at the lower of cost and fair value. Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Cost of investments include acquisition charges such as brokerage, fees and duties.

s) Provision for contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent Liabilities are disclosed in respect of possible obligations that may arise from past events whose existence and crystallization is confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Company. Contingent assets are not recognised in the financial statements.

t) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Note 3 :

Share Capital

a) Authorised, issued, subscribed and paid up Share Capital:

Authorised:

	As at March 31, 2015		As at March 31, 2014	
	Numbers	Rs. in crores	Numbers	Rs. in crores
Equity shares of Rs.10/- each with voting rights	2,500,000,000	2,500.00	2,500,000,000	2,500.00
	<u>2,500,000,000</u>	<u>2,500.00</u>	<u>2,500,000,000</u>	<u>2,500.00</u>

Issued, subscribed and paid up:

Equity shares of Rs.10/- each fully paid-up with voting rights	1,954,927,727	1,954.93	1,954,927,727	1,954.93
	<u>1,954,927,727</u>	<u>1,954.93</u>	<u>1,954,927,727</u>	<u>1,954.93</u>

b) Reconciliation of the number of shares outstanding:

Equity shares outstanding at the beginning of the year	1,954,927,727	1,954.93	1,897,196,854	1,897.20
Increase during the year (Bonus issue)	-	-	57,730,873	57.73
Decrease during the year	-	-	-	-
Equity shares outstanding at the end of the year	<u>1,954,927,727</u>	<u>1,954.93</u>	<u>1,954,927,727</u>	<u>1,954.93</u>

c) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

d) Equity shares held by the holding company and its subsidiaries and associates:

Of the above 1,234,358,382 equity shares are held by Tata Sons Limited (the holding company*) and its subsidiaries and associates as follows:

Name of the Shareholder	Relationship	As at March 31, 2015	As at March 31, 2014
Tata Sons Limited	Holding company	382,759,467	382,759,467
Tata Teleservices Limited	Subsidiary of holding company	714,317,891	714,317,891
The Tata Power Company Limited	Associate of holding company	137,263,174	137,263,174
Panatone Finvest Limited	Subsidiary of holding company	17,850	17,850

* Tata Sons Limited is the holding company as per definition given in section 2(46) of the Companies Act, 2013. However, it is not a holding company or any related party as per the definition stated in Accounting Standard 18.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

e) Details of equity shares held in the Company by each shareholder holding more than 5% shares

Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	No of shares held	% of holding	No of shares held	% of holding
Tata Teleservices Limited	714,317,891	36.54	714,317,891	36.54
Tata Sons Limited	382,759,467	19.58	382,759,467	19.58
NTT Docomo Inc.	229,856,926	11.76	229,856,926	11.76
The Tata Power Company Limited	137,263,174	7.02	137,263,174	7.02

	As at March 31, 2015 Rs. in crores	As at March 31, 2014 Rs. in crores
--	--	--

Note 4 :

Reserves and Surplus

(a) Securities Premium Reserve :

Opening balance	525.43	583.16
Less: Issue of Bonus Share	-	57.73
Closing balance	525.43	525.43

(b) Deficit in Statement of Profit and Loss

Opening balance	(4,833.19)	(4,273.11)
Add: Loss for the year	(615.25)	(560.08)
Closing balance	(5,448.44)	(4,833.19)
	(4,923.01)	(4,307.76)

Note 5 :

Long-Term Borrowings Secured

(a) Term Loans

- From banks (Gross)	3,160.64	2,994.37
Less: Current maturities of long term debt	638.96	383.73
	2,521.68	2,610.64

(b) External Commercial Borrowings (ECB)

Foreign Currency Non Resident Loans (FCNR)	196.82	-
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Unsecured

(a) Term Loans

- From banks (Gross)	100.00	-
	5,009.85	4,713.79

Long-Term Borrowings - Secured

(a) Term Loans from banks (Secured)

- Stipulated securities for the loans are first pari passu charge on the assets of the Company and one or more of the following as per terms of the arrangements with respective banks:
 - by pledge of shares held by Tata Teleservices Limited in the Company,
 - by assignment of the proceeds on sale of network in the event of cancellation of the telecom license,
 - by assignment of telecom license,

- by assignment of insurance policies and material project contracts,
- by sponsor support undertaking of Tata Sons Limited

ii) Terms of repayment :-

- Term loans from some banks are repayable in 36 quarterly installments by January, 2019.
- Term Loan from one bank is repayable in 28 quarterly installments ending on March, 2026.
- Term Loan from one bank is fully repayable in June, 2016.
- Term Loan from one bank is repayable in 3 half yearly installments ending on March, 2016.
- Term Loan from one bank is repayable in 4 half yearly installments ending on October, 2017.

iii) Interest rate :-

- Interest rate for term loans from banks is in the range of 10.50% to 11.35 % p.a.

(b) External Commercial Borrowings (ECB)

i) Stipulated securities for the loans are first pari passu charge on the assets of the Company and one or more of the following as per terms of the arrangements with respective banks:

- by pledge of shares held by Tata Teleservices Limited in the Company,
- by assignment of the proceeds on sale of network in the event of cancellation of the telecom license,
- by assignment of telecom license,
- by assignment of insurance policies and material project contracts,
- by sponsor support undertaking of Tata Sons Limited

ii) Terms of repayment :-

- ECB loans are repayable in 3 annual installments commencing from March, 2020

iii) Interest rate :-

- Interest rate on ECB is linked to 6 months LIBOR + Spread (Spread not exceeding 4.2% p.a)

(c) Foreign Currency Non Resident Loans (FCNR)

i) Stipulated securities for the loans are first pari passu charge on the movable assets of the Company and assignment of insurance policies and material project contracts

ii) Terms of repayment :-

- FCNR loan is fully repayable on December, 2017

iii) Interest rate :-

- Interest rate on FCNR-B is linked to 3 months LIBOR + Spread of 3% p.a.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Long-Term Borrowings - Unsecured

- i) Terms of repayment :-
- Term Loan fully repayable in June, 2016
- ii) Interest rate :-
- Interest rate for rupee long term loan is less than 11.00% p.a.

	As at March 31, 2015 Rs. in crores	As at March 31, 2014 Rs. in crores
Note 6 : Other Long-Term Liabilities		
(a) Deposits from customers and others	0.30	0.40
(b) Payables on purchase of fixed assets - Under usance letter of credit	11.77	22.23
	<u>12.07</u>	<u>22.63</u>

Note 7 : Long-Term Provisions

Provision for employee benefits		
For compensated absences	3.44	3.33
Others:		
For asset retirement obligation (site restoration cost)	0.89	0.89
	<u>4.33</u>	<u>4.22</u>

Note 8 : Short-Term Borrowings

(a) Secured		
From Banks		
(i) Short-Term Loans	853.00	430.00
(ii) Cash Credit Accounts	173.20	184.62
(iii) Buyers' Credit	159.02	184.44
	<u>1,185.22</u>	<u>799.06</u>
(b) Unsecured		
(i) From Banks		
(i) Short-Term Loans	425.00	425.00
(ii) Buyers' Credit	151.15	198.37
	<u>576.15</u>	<u>623.37</u>
	<u>1,761.37</u>	<u>1,422.43</u>

Notes :

Short-Term Borrowings - Secured

Stipulated securities for the loans are first pari passu charge on the movable assets of the Company

- (a) Short-Term Loans
 - Interest rate for rupee short term loan is in the range of 10.85% to 11.30 % p.a.
- (b) Cash Credit Accounts
 - Interest rate for cash credit is in the range of bank base rate + 1.00 % to 2.50% p.a.

- (c) Buyers' Credit
 - Buyers' credit is linked with LIBOR + Spread as applicable

Short-Term Borrowings - Unsecured

- (a) Short-Term Loans
 - Interest rate for rupee term loan is in the range of 10.65% to 10.90% p.a.
- (b) Buyers' Credit
 - Buyers' credit is linked with LIBOR + Spread as applicable

	As at March 31, 2015 Rs. in crores	As at March 31, 2014 Rs. in crores
Note 9 : Trade Payables		
(a) Acceptances	56.62	56.59
(b) Other than Acceptances	648.35	654.94
	<u>704.97</u>	<u>711.53</u>

Note 10 : Other Current Liabilities

(a) Current maturities of long term debt	638.96	383.73
(b) Interest accrued but not due on loans	34.96	32.43
(c) Income received in advance	90.37	61.97
(d) Other payables :		
(i) Temporary overdrawn bank balances as per books	5.61	1.83
(ii) Statutory liabilities	2.55	5.43
(iii) Deposits from customers	56.72	56.92
(iv) Payable on purchase of fixed assets		
- Under usance letter of credit	100.51	73.35
- Other than under usance letter of credit	50.30	54.24
	<u>979.98</u>	<u>669.90</u>

Note 11 Short-term Provisions

Provision for employee benefits		
(a) For compensated absences	0.75	0.83
(b) For gratuity	2.72	1.68
Provision - Others:		
(a) For contingencies	503.77	467.37
(b) For wealth tax	-	0.01
(c) For estimated loss on derivatives	27.98	4.83
	<u>535.22</u>	<u>474.72</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2015 Rs. in crores	As at March 31, 2014 Rs. in crores
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Note 13 :

Long-Term Loans and Advances

Unsecured - considered good

(a) Capital advances	600.62	2.61
(b) Premises and other deposits		
Unsecured	65.33	65.26
Doubtful	1.30	-
Less : Provision for doubtful deposits	1.30	-
	65.33	65.26
(c) Prepaid expenses	0.97	1.28
(d) Advance tax paid (Tax deducted at source)	157.52	109.48
(e) Advance to suppliers	154.86	154.86
(f) Amount paid under dispute	347.77	298.69
	<u>1,327.07</u>	<u>632.18</u>

Note 14 :

Inventories

(at lower of cost and net realisable value)

Starter Kits	1.75	1.80
Handsets & accessories	10.67	2.64
	<u>12.42</u>	<u>4.44</u>

Note 15 :

Trade Receivables

(Unsecured)

(a) Outstanding for a period exceeding six months from the date they were due for payment		
- Considered good	26.77	16.50
- Doubtful	121.32	90.15
Less: Provision for doubtful trade receivables	121.32	90.15
	26.77	16.50
(b) Others		
- Considered good	162.51	241.18
- Doubtful	7.67	9.20
Less: Provision for doubtful trade receivables	7.67	9.20
	<u>162.51</u>	<u>241.18</u>
	<u>189.28</u>	<u>257.68</u>

Note 16 :

Cash and Bank Balances

(a) Cash and Cash Equivalents (As per AS 3 Cash Flow Statement)

(i) Cash in hand	0.17	0.22
(ii) Cheques on hand	4.17	0.47
(iii) Balance with banks in		
- Current accounts	44.85	20.55
- Cash credit accounts	0.29	0.40

Total cash and cash equivalents (As per AS 3 Cash Flow Statement)

	<u>49.48</u>	<u>21.64</u>
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(b) Other Bank Balances

- Term deposits with original maturity more than 3 months but less than 12 months	-	0.01
- Term deposits with original maturity more than 12 months	0.01	-

Total cash and cash equivalents (a+b)

	<u>49.49</u>	<u>21.65</u>
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Note 17 :

Short-Term Loans and Advances

(Unsecured)
(considered good unless otherwise stated)

(a) Advances to employees	0.29	0.54
(b) Balance with government authorities	42.66	61.35
(c) Premises and other deposits		
Unsecured	2.16	4.33
Doubtful	0.56	-
Less : Provision for doubtful deposits	0.56	-
	2.16	4.33
(d) Prepaid expenses	17.82	14.61
(e) Advances to suppliers		
Unsecured	35.21	50.37
Doubtful	2.49	2.87
Less : Provision for doubtful advances	2.49	2.87
	35.21	50.37
	<u>98.14</u>	<u>131.20</u>

Note 18 :

Other Current Assets

(a) Unbilled revenue	86.62	40.12
(b) Unamortised expenses		
Ancillary borrowing costs	2.14	0.84
Premium on forward contracts	40.02	22.77
	<u>128.78</u>	<u>63.73</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014		April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014
	Rs. in crores	Rs. in crores		Rs. in crores	Rs. in crores
Note 19 :					
REVENUE FROM OPERATIONS					
(a) Telecommunication services			(c) License fees and spectrum charges	269.50	243.60
(i) Telephony	2,368.10	2,243.89	(d) Administrative and other expenses		
(ii) Internet services	162.82	130.01	(i) Rent	11.77	12.52
(iii) Interconnection usage charges	266.53	262.93	(ii) Rates and taxes	5.98	3.45
(iv) Sale of traded goods	39.24	12.60	(iii) Repairs and maintenance -others	15.19	12.20
	<u>2,836.69</u>	<u>2,649.43</u>	(iv) Travel and conveyance	8.73	8.59
(b) Other operating income			(v) Collection/credit verification charges	29.88	27.34
(i) Income from rendering of services	56.03	81.48	(vi) Customer service and other direct cost	125.85	134.37
(ii) Infrastructure sharing	0.01	0.27	(vii) Legal and profession fees	10.84	10.59
	<u>56.04</u>	<u>81.75</u>	(viii) Bad Debts written off	7.26	115.97
	<u>2,892.73</u>	<u>2,731.18</u>	(ix) Provision for Doubtful Debts written back	(7.26)	(115.97)
Note 20 :			(x) Provision for doubtful debts and advances	39.26	45.47
Other income			(xi) Insurance	-	0.01
(a) Excess provision / sundry credit balances in respect of earlier years written back	39.41	72.08	(xii) Loss on fixed assets sold / written off (Net)	1.02	4.89
(b) Interest income on term deposits with banks	-	2.26	(xiii) Miscellaneous expenses	61.35	53.28
(c) Profit on sale / redemption of units (Current investment)	2.91	5.56		<u>309.87</u>	<u>312.71</u>
(d) Miscellaneous receipts	3.95	7.59	(e) Marketing and business promotion expenses		
	<u>46.27</u>	<u>87.49</u>	(i) Advertisement and business promotion expenses	40.51	37.05
Note 21 :			(ii) Handset subsidy	4.94	14.65
Employee benefits expenses			(iii) Sales commission and expenses	85.85	68.75
(a) Salaries and bonus	143.74	156.47	(iv) Traded goods - starter kits		
(b) Contribution to provident and other funds	8.15	7.11	Opening stock	1.80	3.19
(c) Staff welfare	6.64	9.09	Add: Purchases	12.80	19.27
	<u>158.53</u>	<u>172.67</u>	Less: Closing stock	1.74	4.44
Note 22 :				<u>12.86</u>	<u>18.02</u>
Operating and other expenses				<u>144.16</u>	<u>138.47</u>
(a) Network operation costs				<u>2,064.91</u>	<u>1,932.30</u>
(i) Repairs and maintenance - plant and machinery	121.31	104.08	Note 23 :		
(ii) Power	205.57	200.65	Cost of goods sold		
(iii) Rates and taxes	2.46	2.09	Traded goods - Handsets & accessories:		
(iv) Insurance	1.40	1.35	Opening stock	2.64	-
(v) Infrastructure sharing cost	397.23	364.01	Add: Purchases	40.73	-
(vi) Miscellaneous	35.61	35.46	Less: Closing stock	10.67	-
	<u>763.58</u>	<u>707.64</u>		<u>32.70</u>	<u>-</u>
(b) Interconnection and other access costs	577.80	529.88			

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014
	Rs. in crores	Rs. in crores

Note 24 :

Finance cost

(a) Interest expense		
On Term loans	566.96	523.88
On Inter-corporate deposits	-	2.62
On Cash credit accounts	17.34	3.13
On Acceptances	12.64	4.80
On Others	0.28	1.90
(b) Mark to market loss on cross currency interest rate swap	9.29	-
(c) Expenses for loan arrangement, bill discounting and bank charges	13.79	13.19
(d) Foreign exchange fluctuations (Net)	30.48	15.53
	<u>650.78</u>	<u>565.05</u>

25 Contingent liabilities and commitments

	As at March 31, 2015	As at March 31, 2014
	Rs. in crores	Rs. in crores
I) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Tangible assets	52.12	45.58
Intangible assets*	3,217.28	-

*The Company has successfully bid for 2 blocks of 800MHz spectrum each in Mumbai and Maharashtra circles. The Company has paid an advance of Rs. 600 crores as of March 31 2015 and a further Rs. 354.32 crores in April 2015 as upfront payment. The Company has exercised the option to pay the balance amount of Rs. 2,862.96 crores (excluding interest) under the EMI scheme offered by the DoT. The operators have approached the Supreme Court seeking to annul the auction and the allocation of the spectrum is subject to the verdict of the Hon'ble Supreme Court. The Company is yet to receive Letter of Intent for the spectrum bid and the amount paid has been disclosed as capital advance. The Company has disclosed the principal value of spectrum of Rs. 3,217.28 crores (net of advance paid Rs. 600 crores) as Capital commitment subject to final outcome of the case at the Hon'ble Supreme Court.

II) Contingent Liabilities

i) Claims against the company not acknowledged as debt		
Telecom regulatory matters* (Refer notes below)	431.97	460.55
Others **	292.82	314.43

* Amounts are net of provision for contingencies made aggregating Rs. 355.14 crores (previous year Rs. 318.74 crores)

** Amounts are net of provision for contingencies made aggregating Rs 148.63 crores (previous year Rs 148.63 crores)

Bank guarantees	50.21	51.77
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Notes:

Contingent liabilities in respect of telecom regulatory matters include:

a) Bharat Sanchar Nigam Limited (BSNL) issued demand notices to pay Access Deficit Charge (ADC) aggregating Rs.166.90 crores, including interest, for the period November 14, 2004 upto February 28, 2006, the date after which ADC is payable on Net Adjusted Gross Revenue Basis. The demands stated that 'fixed wireless' services provided by the Company under the brand name "WALKY" had mobility features and should be treated as mobile services for the purpose of Interconnect Usage Charges Regulations and ADC was payable on such calls. The Company filed a petition before the Hon'ble Telecom Dispute and Settlement Appellate Tribunal (TDSAT) in this regard, wherein the TDSAT disallowed the Company's petition and held that ADC is payable. Thereafter, Company filed an appeal before the Hon'ble Supreme Court (SC) who vide order dated April 30, 2008 confirmed that ADC was payable and since there were claims and counter-claims between the Company and BSNL, the SC directed that quantification of amounts payable to each other be made by TDSAT. The Company had filed a review petition in SC which was rejected.

The Company filed a petition in TDSAT to determine / reconcile amounts payable to each other and TDSAT vide its order dated August 12, 2008 held that BSNL and the Company should exchange relevant information and reconcile the differences. However, on April 15, 2010, TDSAT confirmed BSNL demands for period up to August 25, 2005 and has given BSNL liberty to lodge its claim for a further period up to February 28, 2006. The Company's appeal before SC against the aforesaid TDSAT order dated April 15, 2010 was admitted by the SC vide its order dated July 23, 2010 but no stay has been granted. The SC had asked for details / break up of demands which have been filed. The Company has also filed stay application in the SC.

Out of the aforesaid Rs.166.90 crores, the Company, has, till date, provided for amounts aggregating Rs. 60.88 crores pertaining to ADC for the period from August 26, 2005 upto February 28, 2006. The balance amounts aggregating Rs.106.02 crores have been disclosed as Contingent Liability under 'Others'.

Payments made till date aggregates Rs 111.61 crores

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(previous year - Rs 111.61 crores) in relation to the above.

- b) The Company had received a demand letter dated March 17, 2008 from Wireless Planning Commission division (WPC) of Department of Telecommunications (DoT) for Rs.8.38 crores, being a demand for spectrum charges for the period from April 1, 2005 to February 29, 2008. This demand was subsequently revised to Rs.184.69 crores by DoT, vide its demand letters dated July 3, 2008, for the period from October 1, 1998 to June 30, 2008 which was further increased to Rs. 266.00 crores vide letter dated February 28, 2009. The amount was again revised to Rs. 259.70 crores vide letter dated November 25, 2009 for the extended period till November 30, 2009. The Company had represented to WPC various items of differences mentioned in the demand orders, vide letter dated September 24, 2008. Though the Company had received a revised demand of Rs. 111.25 crores from DoT on January 3, 2013, Hon'ble TDSAT vide its order dated August 25, 2010 has held that the Company should be given credit for all payments made on producing proof and no penalty should be levied and only simple interest should be charged. The Company has been following up the matter with WPC and had also filed an execution petition before Hon'ble TDSAT on April 27, 2012. TDSAT has asked the Company to file the application as a miscellaneous petition which was filed and has been admitted. The Company has filed its reply to the revised demand note. The demand is not in line with TDSAT order mentioned above. The WPC has additionally raised in March 2013, demands for the financials years 2009-10, 2010-11 and 2011-12 aggregating Rs. 11.26 crores. The Company has sought details from WPC on the aforesaid demands. The matter will be taken up in due course for hearing. The Company in March 2014 paid Rs. 15.47 crores computing the liability without penalty and simple interest on the principal amount.
- c) The definition of Adjusted Gross Revenue (AGR) does not specifically include capital gain from sale of shares/securities and does not specifically allow exemption for bad debts in computation of License Fees (LF) payable to the Government. The TDSAT had vide its Order dated August 30, 2007, held that income from sale of securities is not related to licensed activity and hence should not attract LF and that bad debts written off, waivers and discounts are actual monies lost by service providers and hence should be deducted from AGR. The DoT had filed an appeal in SC against the aforesaid TDSAT Order. The Company has considered Rs.154.86 crores, being the LF on profit on sale of investment and bad debts written off during an earlier year, as contingent liability and has also made payment of the same to DoT under protest. However, as a matter of abundant caution, the Company allocated Rs. 154.86 crores of provision for contingencies made in earlier year towards this contingency. The SC vide its Order dated October 11, 2011 has set aside the Order passed by TDSAT and has given leave to the licensees to approach TDSAT in case if specific demands have been raised by DoT not in accordance with the License Agreement. Prior to the aforesaid judgment, the Company had received provisional assessment orders from DoT, against which applications have now been filed with the TDSAT in line with the aforesaid judgment and further the replies and rejoinders were also filed by DoT and TTML respectively. TDSAT restrained DoT from taking any coercive steps for enforcement of any impugned demands without its permission. The Company has not received any further demands on this matter. TDSAT commenced final hearing in the matter in May 2014 and pronounced its judgment in April 2015, wherein the impugned demands have been set aside by the Tribunal and it has directed the DoT to rework the license fee payable for the duration which was challenged. The Company is in the process of analyzing the same.
- d) During financial year 2012-13, the Company received a show cause notice (SCN) from DoT based on special audit conducted for the financial years 2006-07 and 2007-08, towards alleged short payment of license fees and interest thereon aggregating Rs. 52.11 crores. The Company had replied to DoT against the SCN in the previous year. The Company in November 2012 received a demand from DoT. The Company has filed a petition before TDSAT against the demand. The matter was heard by TDSAT and TDSAT granted stay and restrained DoT from taking coercive action. TDSAT commenced final hearing in the matter in May 2014 and pronounced its judgment in April 2015, wherein the impugned demands have been set aside by the Tribunal and it has directed the DoT to rework the license fee payable for the duration which was challenged. The Company is in the process of analyzing the same.
- e) The Company in October, 2013 received a circular from DoT directing all operators to include certain items contested (as not being covered under the definition of Adjusted Gross Revenue) and to re-compute Gross Revenue / Adjusted Gross Revenue for the financial years 2006-07 to 2012-13 as per the guidelines in the circular. Cellular Operators Association of India (COAI) and Association of Unified Telecom Service Providers of India (AUSPI) responded with a joint industry reply in October 2013 seeking withdrawal of the circular considering pendency of cases in various forums. DoT has not reverted on this matter.
- f) A demand for Rs. 290.17 crores for start up spectrum beyond 2.5MHz, being a one time spectrum charges claimed for the period from January 1, 2013 till the date of expiry of the license, was received from the DoT. The Company has filed a writ petition in the Bombay High Court against the demand and obtained a stay order. The Company has undertaken (written to DoT

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

conveying its intent) to surrender 1.25 MHz of CDMA spectrum after retaining 1.25 MHz of spectrum over and above start up spectrum of 2.5 MHz in Mumbai and to surrender the spectrum beyond 2.5 MHz in Maharashtra. Pursuant thereto, the Company has paid under protest three installments aggregating Rs. 89.70 crores and also completed the surrender of spectrum in Mumbai and Maharashtra under protest.

	As at March 31, 2015 Rs. in crores	As at March 31, 2014 Rs. in crores
ii) Disputed income tax demands with respect to tax deducted at source and other matters in appeals before relevant authorities	101.13	101.13

iii) Notices received from Service Tax authorities:		
Show cause notices	108.82	68.32
Demand notices	245.95	186.68

iv) The Company has imported capital equipments under "Export Promotion of Capital Goods Scheme" of the Central Government at a concessional rate of Customs Duty. The Company has undertaken Export Obligation (EO) to the extent of USD 100.8 millions (Rs. 415.35 crores), excluding the fixed wireless phones/terminals equipments, to be fulfilled during a period of 8 years commencing from January 29, 2003, failing which the Company will be liable to pay the differential customs duty. The Licensee can exercise option twice to extend the obligation period for fulfilling its export obligation. To the extent the Company fails to fulfill export obligations even within the extended period, the Company would be liable to pay the differential customs duty (Rs. 36.66 crores as at March 31, 2015) along with interest and penalties, as imposed. For discharge of EO, Foreign Trade Policy permits Company to fulfill its EO through sharing of surplus exports undertaken by Group Company. The Company had applied to the DGFT, Mumbai, for fulfilling its EO against exports undertaken by Tata Consultancy Services (TCS) as a Group Company. The Company had filed writ petition before the Hon'ble Bombay High Court and the matter has been adjudicated in favour of the Company. Based on the High Court order dated December 20, 2014, the Company filed application to discharge its entire outstanding export obligation using TCS Surplus Export Turnover & own ILDO Revenue with DGFT and is awaiting discharge certificate.

v) With regards to disputes and claims referred to above against the Company, appropriate competent professional advice is available with the Company based on which, favorable outcomes are anticipated and no liability is expected to accrue to the Company.

26 Pursuant to the notification issued by the Central Government extending the applicability of amendment to

Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates' upto March 31, 2020, which provides an option for adjustment of foreign exchange gain / loss arising on long term foreign currency borrowings against the carrying value of related fixed assets, the Company has continued to exercise the option and has adjusted exchange loss / (gain) aggregating Rs. 95.13 crores and Rs. 219.57 crores for year ended March 31, 2015 and March 31, 2014 respectively against the carrying value of fixed assets. The balance amount, based on the aforesaid adjustments, of plant and machinery to be amortised, as at the year-end, aggregates Rs. 587.20 crores (Previous year Rs. 550.22 crores).

27 Payments to Auditors (excluding service tax)

	2014-15 Rs. in crores	2013-14 Rs. in crores
i) For audit (including quarterly audits)	0.51	0.51
ii) For taxation matters	0.25	0.25
iii) For other services	0.08	0.08
iv) For reimbursement of expenses	0.03	0.01
	<u>0.87</u>	<u>0.85</u>

28 Value of imports on CIF basis in respect of:

	2014-15 Rs. in crores	2013-14 Rs. in crores
Capital goods	76.34	18.31

29 Expenditure in Foreign Currency (Accrual basis) on account of:

	2014-15 Rs. in crores	2013-14 Rs. in crores
Interest	141.78	104.32
Royalty	0.47	0.94
Other matters (Including international outroaming charges)	1.56	1.77
	<u>143.81</u>	<u>107.03</u>

30 Details of consumption of imported and indigenous items:

	2014-15 Rs. in crores	%	2013-14 Rs. in crores	%
Indigenous Spare parts	0.49	100.00	0.17	100.00

31 Earnings in foreign exchange

	2014-15 Rs. in crores	2013-14 Rs. in crores
Other income (International inroaming revenue)	6.35	6.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

32 Trade payables include amount payable to Micro, Small and Medium Enterprises aggregating Rs. 0.13 crore as at March 31, 2015 (Previous year Rs. 0.22 crore). This information is given to the extent the same is available with the Company.

33 Details on derivative instruments and unhedged foreign currency exposures

I The following derivative positions are open as at March 31, 2015. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Notes 2 (e) and 2 (f).

(a) Forward exchange contracts (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables.

(b) Interest rate swaps to hedge against fluctuations in interest rate changes

i) Outstanding derivatives :

	As at March 31, 2015		As at March 31, 2014	
	USD in millions	Rs. in crores	USD in millions	Rs. in crores
a) Forward contract	143.77	900.14	95.49	573.77
b) Interest rate swaps	350.00	2,191.35	350.00	2,103.15
c) Cross currency interest rate swap	31.44	196.82	-	-

ii) The mark to market loss on outstanding derivative contracts as at the year-end aggregate Rs. 27.98 crores (Previous year - Rs. 4.83 crores)

II. The foreign currency exposure that are not hedged by derivative instruments:

	As at March 31, 2015			As at March 31, 2014		
	In millions USD	EUR	Rs. in crores	In millions USD	EUR	Rs. in crores
Vendor payables	1.22	0.03	7.86	3.30	0.41	23.20
External commercial borrowings	315.00		1,972.22	350.00		2,103.15
	316.22	0.03	1,980.08	353.30	0.41	2,126.35

34 The disclosure as required under AS 15 regarding the Employee benefits is as follows:

Employee benefit plans

Defined contribution plans

The Company makes Provident Fund, Superannuation

Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs 3.26 crores for the year ended 31 March, 2015 for Provident Fund contributions, Rs 0.26 crore for the year ended 31 March, 2015 for Superannuation Fund contributions and Rs 0.05 crore for the year ended 31 March, 2015 for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

- Gratuity (included as part of line item (b) in Note 21 Employee benefits expense)
- Long-term compensated absences (included as part of line item (b) in Note 21 Employee benefits expense)

The Company offers the gratuity under employee benefit schemes to its employees

Rs. in crores

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
Components of employer's expense		
Current service cost	1.07	1.36
Interest cost	0.79	0.79
Expected return on plan assets	(0.59)	(0.62)
Actuarial losses/(gains)	0.77	(1.24)
Total expense recognised in the Statement of Profit and Loss	2.04	0.29
Actual contribution and benefit payments for the year		
Actual benefit payments	2.25	1.75
Actual contributions	1.00	1.44
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	8.95	8.47
Fair value of plan assets	6.23	6.79
Funded status [Surplus / (Deficit)]	(2.72)	(1.68)
Net asset / (liability) recognised in the Balance Sheet	(2.72)	(1.68)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	8.47	9.92
Current service cost	1.07	1.36
Interest cost	0.79	0.79
Liability transferred in	-	-
Liability transferred out	-	-
Actuarial (gains) / losses	0.87	(1.86)
Benefits paid	(2.25)	(1.74)
Present value of DBO at the end of the year	8.95	8.47

Change in fair value of assets during the year		
Plan assets at beginning of the year	6.79	7.10
Expected return on plan assets	0.59	0.62
Actual company contributions	1.00	1.44
Actuarial gain / (loss)	0.10	(0.62)
Benefits paid	(2.25)	(1.75)
Plan assets at the end of the year	6.23	6.79
Actual return on plan assets	0.69	-

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
Composition of the plan assets is as follows:		
Others (INSURER MANAGED FUNDS)	6.23	6.79
Actuarial assumptions		
Discount rate	7.99%	9.29%
Expected return on plan assets	7.99%	8.70%
Salary escalation	6.50%	6.50%
Mortality tables	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Performance percentage considered		
Estimate of amount of contribution in the immediate next year	2.85	2.75

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Experience adjustments

Rs. in crores

Gratuity	Year ended 31 March, 2015	Year ended 31 March, 2014	Year ended 31 March, 2013	Year ended 31 March, 2012	Year ended 31 March, 2011
Present value of DBO	8.95	8.47	9.92	7.13	6.84
Fair value of plan assets	6.23	6.79	7.10	6.21	5.27
Funded status [Surplus / (Deficit)]	(2.73)	(1.68)	(2.83)	(0.92)	(1.57)
Experience (gain) / loss adjustments on plan liabilities	0.00	(1.08)	0.66	(0.60)	0.21
Experience gain / (loss) adjustments on plan assets	0.10	(0.62)	0.24	0.05	0.48
Actuarial assumptions for long-term compensated absences					
Discount rate	7.99%	9.29%			
Expected return on plan assets	0.00%	0.00%			
Salary escalation	6.50%	6.50%			

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 35

Related party disclosure (in terms of Accounting Standard - 18)

i) Details of all related parties and their relationships

A Investing Company

Tata Teleservices Limited - Associate

B Key Management Personnel

Mr. N.Srinath - Managing Director

Note: Tata Sons Limited is the holding company as per definition given in section 2(46) of the Companies Act, 2013. However, it is not a holding company or any related party as per the definition stated in Accounting Standard 18.

ii) Details of transactions with Related Parties

Rs. in crores	
For the year ended March 31, 2015	Investing company Tata Teleservices Limited
1) Expenses :	
- Salary	23.98
- Customer Service and Call Centre Cost	6.66
- Advertisement and Business promotion expenses	15.06
- Network operation cost	18.93
- Administrative and Other Expenses	8.02
- Interconnection and Other access costs	243.99
- Inter-circle roaming expenses	10.99
2) Income :	
- Rent	2.76
- Rendering Telecom Services	19.47
- Interconnect Income	50.63
- Inter-circle roaming revenue	13.22
3) Reimbursement of Expenses	8.61
4) Purchase of Fixed Asset	18.97
5) Outstanding as at March 31, 2015 :	
Sundry Debtors	15.51
Sundry Creditors	25.05
Security Deposits Taken	1.73

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 35

Related party disclosure (in terms of Accounting Standard - 18)

ii) Details of transactions with Related Parties

Rs. in crores

For the year ended March 31, 2014	Investing companies		Total
	Tata Sons Limited*	Tata Teleservices Limited	
	1	2	
1) Expenses :			
- Salary	-	15.38	15.38
- Customer Service and Call Centre Cost	-	7.54	7.54
- Advertisement and Business promotion expenses	-	17.67	17.67
- Network operation cost	0.01	14.84	14.85
- Administrative and Other Expenses	-	12.21	12.21
- Interconnection and Other access costs	-	217.75	217.75
- Inter-circle roaming expenses	-	19.66	19.66
2) Income :			
- Rent	-	1.80	1.80
- Rendering Telecom Services	0.17	16.35	16.52
- Interconnect Income	-	23.57	23.57
- Inter-circle roaming revenue	-	16.60	16.60
3) Reimbursement of Expenses	-	4.73	4.73
4) Purchase of Fixed Asset	-	19.67	19.67
5) Outstanding as at March 31, 2014 :			
Sundry Debtors		1.58	1.58
Sundry Creditors		20.97	20.97
Security Deposits Taken		1.73	1.73

* Ceased to be an investing company w.e.f. August 10, 2013

36 The Company is engaged in providing telecommunication services under Unified Access License. These, in the context of AS 17 on "Segment reporting", are considered to constitute a single reportable segment. Further, the Company provide telecommunication services only in the Indian domestic market and accordingly secondary segment reporting disclosure are not required.

37 (a) Operating lease payments recognised in the Statement of Profit and Loss

	Apr'14 - Mar'15 Rs. in crores	Apr'13 - Mar'14 Rs. in crores
Residential flats for accommodation of employee	0.12	0.24
Cell sites and others	408.88	377.66

(b) Future Minimum Lease Payments under Non-Cancellable Operating Lease :

	As at March 31, 2015 Rs. in crores	As at March 31, 2014 Rs. in crores
Due not later than one year	210.45	152.39
Due later than one year and not later than five years	602.22	343.25
Due later than five years	504.88	388.18

The agreements are executed for a period ranging from 6 months to 15 years with a renewable clause and in many cases also provide for termination at will by either party giving a prior notice period ranging between 30 to 90 days.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

38 Earnings per share data

	Apr'14 - Mar'15	Apr'13 - Mar'14
i) Loss after Tax (Rs. in crores)	(615.25)	(560.08)
ii) Weighted average number of shares outstanding	1,954,927,727	1,954,927,727
iii) Nominal Value of Equity Shares (Rs.)	10.00	10.00
iv) Basic and Diluted Earnings per Share (Rs.)	(3.15)	(2.86)

39 No provision for current income tax is required to be made as, on the basis of the company's computations, there is no taxable income. The Company also carries forward accumulated losses resulting into tax loss carry forward situation. The Company launched its unified access services only during year ended March 31, 2004 and is eligible for a tax holiday under section 80IA of the Indian Income-tax Act, 1961, beginning with the financial year in which the telecommunication services were commenced.

Though the Company is confident of generating profits in the future, the accounting standard requires virtual certainty to reverse the tax loss carry forwards beyond the tax holiday period for recognition of asset. Accordingly, deferred tax assets have not been considered for accounting on carry forward losses. Further, no deferred tax liabilities or assets on account of temporary timing differences have been recognised since they will reverse in the tax holiday period.

40 The following table sets forth the movement in the provision for contingencies:

Rs. in crores

Sr. No.	Description	As at April 1, 2014	Additions during the year	Amounts utilised / reversed	As at March 31, 2015
1	Provision for Contingencies	467.37 (385.15)	36.40 (99.40)	- 17.18	503.77 (467.37)

a. Figures pertaining to the previous year have been disclosed in brackets.

b. Provision for contingencies are primarily towards the outstanding claims / litigations against the Company relating to Department of Telecommunication (DoT) and other parties.

41 The accumulated losses of the Company at the close of the year have exceeded its paid-up capital and reserves due to the high operation costs and on account of the industry being inherently capital intensive. However, the Company is consistently generating operating cash inflows over the past few years.

The Company has successfully launched services using GSM technology and 3G services in earlier years with added focus on acquiring revenue earning subscribers. The Company has also introduced measures for operational efficiency to enable optimal use of facilities and resources. The Company has already tied up and is utilizing sanction limits from banks besides availing additional long term funding through External Commercial Borrowings (ECBs) to support the ongoing expansion plans.

Accordingly, based on the aforesaid considerations, the Company is confident of its ability to continue its business as a going concern and the accounts have been prepared on that basis.

42 The figures of the previous year have been regrouped / reclassified wherever necessary to correspond with those of the current year's classification / disclosure.

Signatures to Notes '1' to '42'

For and on behalf of the Board of Directors

Kishor A. Chaukar
(Chairman)

N. Srinath
(Managing Director)

Suresh Mahadevan
(Chief Financial Officer)

Kiran Thacker
(Company Secretary)

Place: Mumbai
Date : May 14, 2015

NOTES



TATA TELESERVICES (MAHARASHTRA) LIMITED

Corporate Identification Number: L64200MH1995PLC086354

Registered Office: Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai – 400 033

Tel: 91 22 6667 1414 **Fax:** 91 22 6660 5335 **Email:** investor.relations@tatatel.co.in

Website: www.tatateleservices.com

ATTENDANCE SLIP

Twentieth Annual General Meeting on Tuesday, September 22, 2015

Reg. Folio No. _____ DP ID * _____ Client ID * _____

Name _____

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company as on the cut-off date. I hereby record my presence at the TWENTIETH ANNUAL GENERAL MEETING of the Company at “Rangaswar”, 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021 at 1430 hours on Tuesday, September 22, 2015.

Member's/Proxy's name in Block Letters _____

Member's/Proxy's Signature _____

*Applicable for shareholder(s) holding shares in electronic (dematerialized) form.

Note: Please fill and sign in this Attendance Slip and handover at the ENTRANCE TO THE AUDITORIUM.



TATA TELESERVICES (MAHARASHTRA) LIMITED

Corporate Identification Number: L64200MH1995PLC086354

Registered Office: Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai – 400 033

Tel: 91 22 6667 1414 Fax: 91 22 6660 5335 Email: investor.relations@tatatel.co.in

Website: www.tatateleservices.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s) :
Registered address :
Email ID :
Folio No. /Client ID :
DP ID :

I/ We, being the member(s) of _____ shares of the above named company, hereby appoint

1. Name :
Address :
Email ID :
Signature :

or failing him/her

2. Name :
Address :
Email ID :
Signature :

or failing him/her

3. Name :
Address :
Email ID :
Signature :

as my/our proxy to attend and vote for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company to be held on Tuesday, September 22, 2015 at 1430 Hours, at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of the Resolutions as are indicated below:

1. Adoption of Audited Financial Statements together with the Reports of the Board of Directors and the Auditors thereon for the year ended March 31, 2015.
2. Appointment of Director in place of Mr. Kishor A. Chaukar, who retires by rotation and being eligible offers himself for re-appointment and who shall hold the office upto July 31, 2017.
3. Re-appointment of Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company and fixing their remuneration.
4. Appointment of Ms. Hiroo Mirchandani as a Director and as an Independent Director of the Company.
5. Appointment of Mr. Govind Sankaranarayanan as a Director of the Company.
6. Increasing the borrowing powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013.
7. Increasing the powers of the Board of Directors to create security on properties/assets of the Company under Section 180(1)(a) of the Companies Act, 2013.
8. Approval and Ratification of payment of remuneration to M/s. Sanjay Gupta & Associates, Cost Auditors.

Signed this _____ day of _____ 2015

Signature of Shareholder _____

Signature of Proxy holder (s) _____

Affix
Revenue
Stamp

Note:

- (i) The Proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting either in person or through post/courier.
- (ii) The Proxy Form shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- (iii) The Proxy Form is valid only if it is properly stamped and such stamp is cancelled.
- (iv) Blank, incomplete or undated Proxy Form shall not be considered valid.
- (v) The proxy-holder shall prove his/her identity at the time of attending the meeting.

To,
TSR Darashaw Ltd.
Unit: Tata Teleservices (Maharashtra) Limited
6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi, Mumbai - 400 011.

Updation of Shareholder Information

I / We request you to record the following information against my / our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN/ Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.: *
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that, the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No./beneficiary account.

Place:
Date:

Signature of Shareholder

