



January 11, 2022

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

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

Scrip Code: 532371

Scrip Symbol: TTML

Dear Sirs,

Subject: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 – Option of conversion of the interest on deferred AGR dues into equity shares.

We refer to the earlier communication dated October 29, 2021, in connection with the letter dated October 14, 2021, issued by the Department of Telecommunications (“DoT”) to the Company,

The Department of Telecommunications (DoT) had, vide its communication dated October 14, 2021 (DoT Communication), provided various options to the Company in connection with the Telecom Reforms Package. The options that were made available to the Company pursuant to the aforesaid DoT Communication, are as under:

- (a) One-time opportunity to opt for deferment of AGR related dues as determined by the Hon’ble Supreme Court in the AGR case, by a period of 4 years with immediate effect.
- (b) One-time opportunity to exercise the option of paying interest for the 4 years of deferment on the deferred AGR dues by way of conversion into equity of the NPV of such interest amount.

The Board of Directors of the Company, on October 26, 2021 had approved exercise of (a) above by the Company. The same was duly communicated to the stock exchanges by the Company vide letter dated October 29, 2021.

TATA TELESERVICES (MAHARASHTRA) LIMITED

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It is further informed that the DoT communication had also provided a time period of 90 days to the Company to exercise the option of converting the interest that would accrue on instalment payment during the moratorium period into equity under paragraph (b) above in the following manner:

- (i) The details of interest amount to be furnished by the Company and thereafter certified by the DoT.
- (ii) NPV of the Interest amount to be calculated as on the date of exercise of option. This interest amount will continue to be treated as a loan to the Company till the completion of the equity infusion process.
- (iii) The Valuation of the Equity Shares pursuant to conversion to be done as under:
 - An order u/s 62(4) of the Companies Act, 2013 will be issued by the competent authority;
 - The Equity Shares would be issued to the Government on preferential basis;
 - The price shall be equal to higher of the average of weekly high and low of the volume weighted average price of the equity shares during the last 26 weeks preceding the relevant date or two weeks preceding the relevant date, subject to provisions of section 53 of the Companies Act (price cannot be less than par value). The relevant date for pricing to be August 14, 2021
- (iv) Government, at its sole discretion, may convert any part of such loan to preference shares instead of equity shares and such preference shares may be optionally or compulsorily convertible and/or redeemable and/or participating in nature. The price of any preference shares for the purpose of conversion of the loan shall be equivalent to equity shares.
- (v) The shares may be held through the statutory undertaking of the Unit Trust of India (SUUTI) on behalf of the Government of India or by any trustee-type or other suitable arrangement.

With this background, it is now informed that pursuant to the Empowered Committee of the Board of Directors, at its meeting held on January 11, 2022, the Company is expressing its desire for the conversion of the full amount of such interest related to AGR Dues into equity subject to mutual agreement on the terms and conditions, including, the governance of the Company post conversion of the interest amount into equity shares and various regulatory/legal provisions including Section 62(4) and Section 53 of the Companies Act. The Company will communicate the foregoing to the DoT.

The Net Present Value (NPV) of this interest is expected to be approx. Rs.850 crore as per the Company's best estimates, subject to confirmation by the DoT. The average price of the Company's shares at the relevant date of August 14, 2021 as per the calculation method provided in the DoT Communication works out to be ~Rs. 41.50 per share, subject to final confirmation by the DoT. In case of conversion, it will result in dilution of all the existing



shareholders of the Company, including the Promoters. Following conversion, it is expected that the Government will hold approx. 9.5% of the total outstanding shares of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Tata Teleservices (Maharashtra) Limited


Vrushi Dhamnaskar
Company Secretary