



Dated; 21 March,2016

The Secretary, Listing Department BSE Limited PhirozeJeejeebhoy Towers Dalal Street Mumbai 40001 Maharashtra Scrip Code: 500366	The Manager, Listing Department National Stock Exchange Of India Limited Exchange Plaza, 5 th Floor. Plot No. C/1 G Block BandraKurla Complex, Bandra (East), Mumbai 400051 Maharashtra India Symbol: ROLTA
---	---

Dear Sirs, / Madam

Sub: **Intimation of Revision in Ratings under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015**

This is has reference Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the "Regulations").

In accordance with the said Regulations, please find below the details of revision in ratings for Company and its Subsidiaries


Name of the Company	Credit Rating Agency	Type of Credit Rating	Revised	Existing
Rolta India Limited	Standard & Poor (S&P)	Corporate Credit Rating	B+ / Stable/- -	BB- / Stable / - -
Rolta Americas LLC		Senior Unsecured	B+	BB -
Rolta LLC		Senior Unsecured	B+	BB -

The report from S&P covering the rationale for revision in credit rating is enclosed.

This is for your information and records.

Thanking you

Yours faithfully
For Rolta India Limited


Company Secretary

Encl. as above

ROLTA INDIA LIMITED

Rolta Tower 'A', Rolta Technology Park, MIDC - Marol, Andheri (East), Mumbai - 400 093. INDIA.

CIN : L74999MH1989PLC052384, Tel.: +91(22) 2926 6666/3087 6543, Fax: +91(22) 2836 5992, E-mail : indsales@rolta.com, www.rolta.com



STANDARD & POOR'S RATINGS SERVICES

McGRAW HILL FINANCIAL

Rolta India Ltd. Downgraded To 'B+' From 'BB-' On Rising Leverage, Outlook Is Stable

18-Mar-2016 11:49 EDT

[View Analyst Contact Information](#)

We expect Rolta's rising uncollected receivables and uncertain capital expenditure needs to push up its leverage over the next 12 months.

We are therefore lowering our long-term corporate credit rating on the India-based IT company to 'B+' from 'BB-'.

We are also lowering our long-term issue ratings on the company's guaranteed senior unsecured notes to 'B+' from 'BB-'.

The stable outlook reflects our view that Rolta's healthy revenue growth and EBITDA margin will temper the impact of higher leverage over the next 12 months.

SINGAPORE (Standard & Poor's) March 18, 2016--Standard & Poor's Ratings Services said today that it had lowered its long-term corporate credit rating on Rolta India Ltd. (Rolta) to 'B+' from 'BB-'. The outlook is stable. At the same time, we lowered our long-term issue rating on the senior unsecured notes that Rolta Americas LLC and Rolta LLC issued to 'B+' from 'BB-'. Rolta, an India-based information technology (IT) products and solutions provider, guarantees the notes.

"We downgraded Rolta because we expect the company's leverage to rise and its free operating cash flows to be negative over the next 12 months," said Standard & Poor's credit analyst Ashutosh Sharma.

In our view, uncertainty is increasing over Rolta's rising uncollected government receivables and capital expenditure for India's defense and security related projects. We now expect Rolta to have negative free operating cash flows (FOCF) for fiscal 2016 (year ending March 31, 2016) and a ratio of funds from operations (FFO) to debt below 20% until fiscal 2017.

Although Rolta's management expects delays in payments from the Indian government agencies to be sorted out over the next six to 12 months, we believe the recovery is uncertain and will be gradual. We also believe that Rolta's capital spending will remain uncertain, particularly till the company submits the prototype under the Indian defense battlefield management systems contract.

"The stable outlook reflects our expectation that Rolta's revenue will grow at a healthy rate of 10%-12% and its EBITDA margins will be 32%-35% over the next 12 months," said Mr. Sharma. "These factors should temper the impact of the higher leverage."

We also anticipate that the company will contain its capital expenditure and improve its receivables cycle, such that its FOCF turns positive from fiscal 2017.

We may lower the rating on Rolta if we expect the company's FFO-to-debt ratio to fall significantly below 15% over the next two years. This may happen if: (1) the company's uncollected receivables or unplanned capital expenditure are significantly higher than our base case; or (2) in an unlikely situation, EBITDA margins fall materially below 32%.

We may also downgrade Rolta if the company's credit standing or banking

relationships weaken unexpectedly, resulting in increased refinancing risks over the next 18-24 months.

We may raise the rating if Rolta: (1) wins a significant share of India's defense battlefield management system contract; and (2) maintains its healthy revenue growth, steady receivable cycle with positive FOCF, and a FFO-to-debt ratio sustainably above 20% without significant refinancing risks.

RELATED CRITERIA AND RESEARCH

Related Criteria

[Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers](#), Dec. 16, 2014

[Country Risk Assessment Methodology And Assumptions](#), Nov. 19, 2013

[Industrials: Key Credit Factors For The Technology Software And Services Industry](#), Nov. 19, 2013

[General: Corporate Methodology: Ratios And Adjustments](#), Nov. 19, 2013

[Methodology: Industry Risk](#), Nov. 19, 2013

[Group Rating Methodology](#), Nov. 19, 2013

[General: Corporate Methodology](#), Nov. 19, 2013

[Management And Governance Credit Factors For Corporate Entities And Insurers](#), Nov. 13, 2012

[General: 2008 Corporate Criteria: Rating Each Issue](#), April 15, 2008

Related Research

[Rolta India Ltd.](#), April 30, 2015

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com and at www.spcapitaliq.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

Primary Credit Analyst: Ashutosh Sharma, ACA, Singapore (65) 6239-6307;
ashutosh.sharma@standardandpoors.com

Secondary Contact: Abhishek Dangra, FRM, Singapore (65) 6216-1121;
abhishek.dangra@standardandpoors.com

No content (including ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P. The Content shall not be used for any unlawful or unauthorized purposes. S&P, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P's opinions and analyses do not address the suitability of any security. S&P does not act as a fiduciary or an investment advisor. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective

activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

Any Passwords/user IDs issued by S&P to users are single user-dedicated and may ONLY be used by the individual to whom they have been assigned. No sharing of passwords/user IDs and no simultaneous access via the same password/user ID is permitted. To reprint, translate, or use the data or information other than as provided herein, contact Client Services, 55 Water Street, New York, NY 10041; (1) 212-438-7280 or by e-mail to: research_request@standardandpoors.com.

[Legal Disclaimers](#)

[Careers at S&P Ratings Services](#)

[Terms of Use](#)

[Privacy and Cookie Notice](#)

Copyright © 2016 Standard & Poor's Financial Services LLC, a part of McGraw Hill Financial. All rights reserved.

Reproduction and distribution of this information in any form is prohibited except with the prior written permission of Standard & Poor's. Standard & Poor's does not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and is not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such information. STANDARD & POOR'S GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. STANDARD & POOR'S shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of this information, including ratings. Standard & Poor's ratings are statements of opinions and are not statements of fact or recommendations to purchase hold or sell securities. They do not address the market value of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice. Please read our complete disclaimer [here](#)