

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH : C-IV

CA(CAA)-09/MB/2024

In the matter of
Sections 230 to 232 and other applicable
provisions of the Companies Act, 2013

And

In the matter of
Scheme of Arrangement of
Tata Motors Limited
And its Shareholders
(Applicant Company)

Tata Motors Limited
[CIN: L28920MH1945PLC004520]

... Applicant Company

Order pronounced on: 22.03.2024

Coram:

Ms. Anu Jagmohan Singh
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli
Hon'ble Member (Judicial)

Appearance :

For the Applicants

: Mr. Venkatesh Dhond, Ld. Sr. Counsel
a/w Mr. Tapan Deshpande and
Mr. Aekaanth Nair i/b Cyril
Amarchand Mangaldas, Advocates.

ORDER

1. This is an Application filed on 02.01.2024 by Tata Motors Ltd. under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, seeking directions of this Bench for Scheme of Arrangement of Tata Motors Limited (Applicant) and its shareholders (the "Scheme").





2. Heard the Ld. Sr. Counsel for the Applicant Company. The Counsel submits that the Applicant Company is primarily engaged, directly and indirectly through its subsidiaries and joint ventures, in the business of design, development, manufacturing and sale of a wide range of commercial, passenger and electric vehicles and parts thereof within India and abroad.
3. The Counsel for the Applicant Company states that the 'A' Ordinary Shares (as defined in the Scheme), Ordinary Shares (as defined in the Scheme) and Non-Convertible Debentures (as defined in the Scheme) ("NCDs") of the Applicant Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").
4. The Scheme provides, inter alia, for:
 - i. Reduction through cancellation of the 'A' Ordinary Shares (as defined in the Scheme) and the consequent issuance and allotment of the Ordinary Shares (as defined in the Scheme) (hereinafter also referred to as "**New Ordinary Shares**"), as consideration other than cash for such reduction;
 - ii. Amendments to the Memorandum of Association of the Applicant Company, Articles of Association of the Applicant Company and the Authorised Share Capital of the Company; and
 - iii. Various other matters incidental to, consequential to and / or otherwise connected with the above, under Section 230-232 and other provisions of the Companies Act, 2013, the **SAB** Scheme





Circular (as defined in the Scheme) and the SEBI Scheme Circular-Debt (as defined in the Scheme).

5. The Counsel for the Applicant Company submits that the rationale of the Scheme is as follows:

- a) The Applicant Company issued the 'A' Ordinary Shares in 2008 as part of a rights issue with the objective of, inter alia, funding certain overseas investments. The 'A' Ordinary Shares were issued at a discount to the Ordinary Shares.
- b) The rights attached to the 'A' Ordinary Shares are similar to the rights attached to the Ordinary Shares in all respects except as to voting and dividend, as detailed in Clause 1.1(e) of the Scheme.
- c) This was the first issuance of 'A' Ordinary Shares by the Applicant Company and as on the date of issuance of the 'A' Ordinary Shares, there were limited instances of issuances of equity shares with differential rights as to voting and dividend by Indian listed companies of the Applicant Company's market capitalization and size.
- d) Subsequent regulatory changes restricted the issuance of shares with differential voting rights, resulting in a narrow market for similar instruments. The discount in the price at which the 'A' Ordinary Shares trade vis-a-vis the Ordinary Shares has increased since the date of listing of the 'A' Ordinary Shares. This has the effect of significantly understating the Applicant Company's market capitalization, contributes to a complex capital structure and





increases administrative complexity vis-a-vis maintaining 2 (two) separate classes of shares.

e) In light of this background, the Applicant Company seeks to reorganize its share capital in accordance with Section 230 - Section 232 of the Act by cancelling and extinguishing 'A' Ordinary Shares and paying consideration to the holders of the 'A' Ordinary Shares in the form of New Ordinary Shares. The reorganization of share capital envisaged by this Scheme is expected to:

i. simplify and consolidate the Applicant Company's capital structure and preserve liquidity for the Applicant Company's growth; and

ii. be value accretive and beneficial for all shareholders of the Applicant Company and allow the holders of the 'A' Ordinary Shares and Ordinary Shares to continue to participate in the Applicant Company's performance.

f) The Net Worth of the Applicant Company as on September 30, 2023, is INR 21,876.82/- Crore (Rupees Twenty-one Thousand Eight Hundred and Seventy-six Crore and Eighty-two Lakhs only). The reduction of the 'A' Ordinary Shares contemplated by this Scheme will not affect the ability or liquidity of the Applicant Company to meet any of its financial obligations/ commitments. The Scheme will not have any adverse impact on the creditors as further elaborated in Clause 11 of the Scheme.





g) The Scheme will be in the best interest of the concerned stakeholders of the Applicant Company, including the holders of Ordinary Shares and the holders of 'A' Ordinary Shares.

h) The share capital of the Applicant Company as on December 31, 2023 is as under:

Particulars	Amount in INR
Authorised Share Capital	
4,00,00,00,000 (Four Hundred Crore) Ordinary Shares of INR 2 (Indian Rupees Two only) each	8,00,00,00,000
1,00,00,00,000 (One Hundred Crore) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only) each	2,00,00,00,000
30,00,00,000 (Thirty Crore) Convertible Cumulative Preference Shares of INR 100 (Indian Rupees One Hundred only) each	30,00,00,00,000
Total	40,00,00,00,000
Issued Share Capital	
3,32,33,39,674 (Three Hundred Thirty-two Crore Thirty Three Lakh Thirty Nine Thousand Six Hundred and Seventy Four) Ordinary Shares of INR 2 (Indian Rupees Two only) each	6,64,66,79,348
50,87,36,110 (Fifty Crore Eighty-seven Lakh Thirty Six Thousand One Hundred and Ten) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only) each	1,01,74,72,220
Total	7,66,41,51,568
Subscribed Share Capital	
3,32,28,47,115 (Three Hundred Thirty Two Crore Twenty Eight Lakh Forty Seven Thousand One Hundred and Fifteen) Ordinary Shares of INR 2 (Indian Rupees Two only) each	6,64,56,94,230
50,85,02,896 (Fifty Crore Eighty Five Lakh Two Thousand Eight Hundred and Ninety Six) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only)	1,01,70,05,792





Total	7,66,27,00,022
Paid-up Share Capital	
3,32,28,47,115 (Three Hundred Thirty Two Crore Twenty Eight Lakh Forty Seven Thousand One Hundred and Fifteen) Ordinary Shares of INR 2 (Indian Rupees Two only) each	6,64,61,71,735*
50,85,02,896 (Fifty Crore Eighty Five Lakh Two Thousand Eight Hundred and Ninety Six) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only)	1,01,70,05,792
Total	7,66,31,77,527*

The Advocate for the Applicant Company submits that the Paid-Up share capital of the Applicant Company is subject to the following adjustments viz. (a) addition of INR 4,77,945 (Rupees Four Lakh Seventy Seven Thousand Nine Hundred and Forty Five only) on account of share forfeiture, being paid-up value of partly-paid Ordinary Shares forfeited in the financial year 1998-1999 and financial year 1999-2000 for the non-receipt of call monies and remaining un-issued as on December 31, 2023; and (b) less INR 440 (Rupees Four Hundred and Forty only) on account of calls in arrear towards 310 (Three Hundred and Ten) Ordinary Shares of INR 2 (Rupees Two only) each (INR 1 (Rupee One only) outstanding on each) and 260 (Two Hundred and Sixty) Ordinary Shares of INR 2 (Rupees Two only) each (INR 0.50 (Fifty paise only) outstanding on each). The Advocate further clarifies that without such adjustments, the Paid-Up share capital of the Company as on December 31, 2023 aggregates to INR 7,66,27,00,022 (Rupees Seven Hundred and Sixty-six Crore Twenty Seven Lakh and Twenty Two only). Further, the Applicant Company has outstanding Employee Stock Options and Performance share units under





its Employee Stock Option Schemes, the exercise of which may result in an increase in its number of Ordinary Shares and its issued and paid-up capital from time to time. The total number of Ordinary Shares that can be issued under: (a) Tata Motors Limited Employees Stock Option Scheme 2018; and (b) Tata Motors Limited Share-based Long Term Incentive Scheme 2021 shall however not exceed 0.406% (point four zero six percent) and 0.232% (point two three two percent), respectively, of the issued share capital of the Company.

6. The Advocate for the Applicant Company states that in terms of Scheme based on the Valuation Report, the consideration under the Scheme is for every 10 cancelled and extinguished fully paid-up 'A' Ordinary Shares of face value of INR 2/- (Indian Rupees Two only) each, 7 fully paid-up Ordinary Share(s) of face value of INR 2/- (Indian Rupees Two only) each, shall be issued i.e. 10:7.
7. The Counsel for the Applicant Company states that the Board of Directors of the Applicant Company in its meeting held on July 25, 2023, have approved the Scheme. The Appointed Date for the Scheme is the Effective Date (as defined in the Scheme) which means the date on which the certified copy of the order of this Tribunal sanctioning the Scheme is filed with the concerned Registrar of Companies by the Applicant Company. The Board resolution of the Applicant Company approving the Scheme is annexed to the Company Scheme Application.





8. The Counsel for the Applicant Company submits that BSE by its letter dated December 20, 2023 and NSE by its letter dated December 21, 2023 have respectively given their "no adverse observation / no-objection" therein and mentioning the observations provided by the Securities Exchange Board of India and incremental observations by the Stock Exchanges on the Scheme, for consideration of this Tribunal. Both letters are part of the Scheme Application.
9. The Counsel for the Applicant Company submits that upon the Scheme becoming effective, the share capital of the Applicant Company pertaining to the 'A' Ordinary Shares (as defined in the Scheme) as on the Effective Date (as defined in the Scheme) will be reduced on the Effective Date (as defined in the Scheme), i.e. by cancelling and extinguishing all 'A' Ordinary Shares held by the relevant holders of the 'A' Ordinary Shares as on the Record Date (as defined in the Scheme), for the consideration mentioned in clause 6 of the Scheme.
10. This Bench directs the conduct of the meeting of the equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) as on April 23, 2024 as follows:
 - a. That the meeting of the equity shareholders (consisting of Ordinary Shareholders) of Applicant Company be convened and held through video conferencing and/or other audio visual means, without holding a general meeting requiring the physical presence of shareholders at a common venue, for the purpose of considering, and if thought fit,





approving the proposed Scheme. The equity shareholders (consisting of Ordinary Shareholders) of Applicant Company will be able to cast their vote through remote e-voting.

- b. That at least 30 (Thirty) clear days before the said meeting of the equity shareholders (consisting of Ordinary Shareholders) of Applicant Company, a notice in the prescribed form CAA. 2, convening the said meeting through video conferencing as aforesaid, together with a copy of the Scheme, a copy of the statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 shall be sent by e-mail to each of the equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) as on March 21, 2024 whose e-mail addresses are duly registered with the Applicant Company and/or its Registrar Agent, addressed to each of the shareholders, at their last known e-mail addresses as per the records of the Applicant Company and/or its Registrar, Shareholders whose e-mail address are not available, shall be provided an opportunity by way of notice in the advertisement of notice mentioned in point 15 below to register their e-mail address to receive the notice of the said meeting, and to provide access to download the said notice from the website of Applicant Company, for those equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) who may not have received the said notice.





- c. Applicant Company is directed to upload the aforesaid notice on its website. In terms of proviso to sub Section (3) of Section 230, the documents of the Scheme shall be sent to SEBI and Stock Exchange where the Securities of the Company is listed for placing on their website.
- d. That Mr. Om Prakash Bhatt, Independent Director, failing him Mr. Kosaraju Veerayya Chowdary, Independent Director and failing him Mrs. Usha Sangwan, Independent Director shall be the Chairperson, for the above mentioned meeting of the equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) of Applicant Company to be held as aforesaid or any adjournments thereof.
- e. That the scrutinizer for the aforesaid meeting of the equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) shall be Mr. P. N. Parikh (Membership No. FCS 327), failing him Ms. Jigyasa Ved (Membership No. FCS 6488) and failing her Mr. Mitesh Dhabliwala (Membership No. FCS 8331) of M/s Parikh & Associates, Practicing Company Secretaries, with remuneration fixed at INR 75,000/- (excluding out of pocket expenses, taxes, as applicable) for the meeting.
- f. That the Chairperson to file an affidavit not less than 7 days before the date fixed for holding of the meeting of the equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) and





to report to this Tribunal that the directions regarding the issue of notices and advertisement have been duly complied with.

- g. The Chairperson appointed for the meeting of the equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) shall have all powers as per the Articles of Association of Applicant Company and also under the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the extent necessary and applicable, in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise at the respective meetings or at any adjournment thereof.
- h. The quorum for the aforesaid meeting of the equity shareholders (consisting of Ordinary Shareholders) of Applicant Company shall be as prescribed under Section 103 of the Companies Act, 2013 and Members attending the aforesaid meeting through video conferencing / other audio visual means shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
- i. The voting by proxy shall not be applicable as the aforesaid meeting would be held through video conferencing and/ or other audio visual





means. However, voting in case of body corporate be permitted, provided the prescribed form / authorisation is filed with Applicant Company at inv_relations@tatamotors.com with a copy marked to tml.scrutinizer@gmail.com, no later than 48 (forty eight) hours before the start of the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

- j. The number of the shares of each equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) of Applicant Company shall be in accordance with the books/ register of Applicant Company or depository records as on April 23, 2024 and where the entries in the books/ register/ depository records are disputed, the Chairperson of the meeting shall determine the value for the purposes of the meeting of equity shareholders and his decision in that behalf would be final.
- k. The Chairperson shall report to this Tribunal, the result of the aforesaid meeting within 7 (seven) days of the conclusion of the aforesaid meeting, and the said report shall be verified by an Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
11. This Bench directs the conduct of the meeting of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) as on April 23, 2024 as follows:





- a. That the meeting of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) of Applicant Company be convened and held through video conferencing and/or other audio visual means, without holding a general meeting requiring the physical presence of shareholders at a common venue, for the purpose of considering, and if thought fit, approving the proposed Scheme. The equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) will be able to cast their vote through remote e -voting and e-voting in the meeting.
- b. That at least 30 (Thirty) clear days before the said meeting of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company), a notice in the prescribed form CAA. 2, convening the said meeting through video conferencing as aforesaid, together with a copy of the Scheme, a copy of the statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 shall be sent by email to each of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) as on March 21, 2024 by email to those equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) whose e-mail addresses are duly registered with the Applicant Company, addressed to each of the shareholders, at their last known e-mail addresses as per the records of the Applicant Company, Shareholders whose e-mail





address are not available, shall be provided an opportunity by way of notice in the advertisement of notice mentioned in point 15 below to register their e-mail address to receive the notice of the said meeting. And to provide access to download the said notice from the website of Applicant Company, for those equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) whose e-mail or postal addresses are not available with the Applicant Company or for those equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) who may not have received the said notice.

- c. Applicant Company is directed to upload the aforesaid notice on its website. In terms of proviso to sub Section (3) of Section 230, the documents of the Scheme shall be sent to SEBI and Stock Exchange where the Securities of the Company is listed for placing on their website.
- d. That Mr. Om Prakash Bhatt, Independent Director, failing him Mr. Kosaraju Veerayya Chowdary, Independent Director and failing him Mrs. Usha Sangwan, Independent Director shall be Chairperson, for the above mentioned meeting of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) of Applicant Company to be held as aforesaid or any adjournments thereof.





- e. That the scrutinizer for the aforesaid meeting of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) shall be Mr P N Parikh (Membership No. FCS 327) and failing him; Ms Jigyasa Ved (Membership No. FCS 6488) and failing her; Mr. Mitesh Dhabliwala (Membership No. FCS 8331) of M/s Parikh & Associates, Practicing Company Secretaries, with remuneration fixed at INR 75,000/- (excluding out of pocket expenses, taxes, as applicable) for the meeting.
- f. That the Chairperson to file an affidavit not less than 7 days before the date fixed for the holding of the meeting of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) and to report to this Tribunal that the directions regarding the issue of notices and advertisement have been duly complied with.
- g. The Chairperson appointed for the meeting of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) shall have all powers as per the Articles of Association of Applicant Company and also under the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the extent necessary and applicable, in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise at the respective meetings or at any adjournment thereof.





- h. The quorum for the aforesaid meeting of the equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) shall be as prescribed under Section 103 of the Companies Act, 2013 and Members attending the aforesaid meeting through video conferencing / other audio video means shall be counted for the purpose of reckoning quorum under Section 103 of the Companies Act, 2013. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
- i. The voting by proxy shall not be applicable as the aforesaid meeting would be held through video conferencing and/ or other audio visual means. However, voting in case of body corporate be permitted, provided the prescribed form / authorisation is filed with Applicant Company at inv_rel@tatamotors.com with a copy marked to tml.scrutinizer@gmail.com, no later than 48 (forty eight) hours before the start of the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- j. The value and number of the shares of each equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) shall be in accordance with the books/ register of Applicant Company or depository records as on April 23, 2024 and where the entries in the books/ register/ depository records are disputed, the Chairperson



of the meeting shall determine the value for the purposes of the meeting of equity shareholders and his decision in that behalf would be final.

- k. The Chairperson shall report to this Tribunal, the result of the aforesaid meeting within 7 (seven) days of the conclusion of the aforesaid meeting, and the said report shall be verified by an Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
12. The Applicant Company is directed to serve notice along with copy of the present Scheme of Arrangement under the provisions of Section 230 of the Companies Act, 2013 upon the -
- i. Central Government through the office of Regional Director, Western Region, Mumbai;
 - ii. Jurisdictional Registrar of Companies;
 - iii. Jurisdictional Income Tax Authority within whose jurisdiction the respective Applicant Company's assessment are made;
 - iv. the Nodal Authority in the Income Tax Department i.e. Principal Chief Commissioner, Income Tax, Mumbai;
 - v. concerned GST authorities.
 - vi. Securities and Exchange Board of India;
 - vii. NSE;
 - viii. BSE;
 - ix. CCI; and
 - x. Sectoral regulator, if applicable.





The above notice shall be served through Registered Post AD/Speed Post pursuant to section 230(5) of the Companies Act, 2013 and rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The said notice will contain a statement that *"If no response is received by the Tribunal from such authorities within 30 days of the date of receipt of the notice, it will be presumed that they have no objection to the proposed Scheme"*.

13. There are only 3 secured creditors ("Secured Creditors") of Applicant Company as on November 30, 2023 having an aggregate outstanding amount of INR 1,296.2 crore (Rupees One Thousand Two Hundred Ninety Six Crores And Twenty Lakhs only). The Counsel for the Applicant Company submits that 2 of the secured creditors of Applicant Company, i.e. State Bank of India and HDFC Bank, having an aggregate outstanding amount of INR 1159.79 crore (Rupees One Thousand One Hundred Fifty Nine Crores Seventy Nine Lakhs Only) comprising 89.5% of the total outstanding secured debt of the Applicant Company as on November 30, 2023, have given their respective Affidavits of Consent and approval to the Scheme. In view of the same, the meeting of the Secured Creditors of the Applicant Company is hereby dispensed with. However, the Applicant Company is directed to issue individual notice to its secured creditors by registered post / speed post and through e-mail at their last known address as per the records of the Applicant Company, as applicable, as required under Section 230(3) of the Companies Act, 2013,





with a direction that they may submit their representations, if any, to the Tribunal within thirty days from the date of receipt of the said notice.

The list of secured creditors, the networth of the Applicant Company are part of the Scheme Application and the Consent Affidavits of 2 secured creditors of Applicant Company are in separate affidavit.

14. There are 4,621 unsecured creditors (including debenture holders) ("Unsecured Creditors") of Applicant Company as on November 30, 2023 having an aggregate outstanding amount of INR 1,87,03,29,17,069/- (Rupees Eighteen Thousand Seven Hundred Three Crore Twenty Nine Lakhs Seventeen Thousand Sixty Nine Only).
15. The Counsel for the Applicant Company submits that:
 - (a) the Scheme is an arrangement between a company and its members as contemplated under Section 230(1)(b) of the Companies Act, 2013;
 - (b) under the Scheme, there is no compromise and / or arrangement which is in any manner prejudicial to the interests of their unsecured creditors;
 - (c) the Scheme does not contemplate any variation in the rights of the unsecured creditors of Applicant Company and the liability of the said unsecured creditors of Applicant Company is not proposed to be reduced or extinguished under the Scheme;
 - (d) the Net Worth of Applicant Company is positive being INR 21,876.82 Crore as on September 30, 2023 which is sufficient to meet the liabilities of/ towards the unsecured creditors of Applicant Company;





- (e) the Scheme will not adversely impact the debt repayment capacity of the Applicant Company and the unsecured creditors of the Applicant Company will be paid their dues in the ordinary course of business;
- (f) The Scheme at clause II(6) and clause 11 specifically states that the Scheme will not alter or modify the rights of the creditors and hence will not have any impact on the creditors. Further, the creditors of the Applicant Company shall in no way be affected by the proposed reduction in capital, as there is no reduction in the amount payable to any of the creditors, there is no cash outflow from the Applicant Company and no compromise or arrangement is contemplated with the creditors. Thus, the Scheme will not in any way adversely affect the operation of the Applicant Company or the ability of the Applicant Company to honour its commitments or to pay its debts in the ordinary course of business; and
- (g) the 4,621 unsecured creditors include 33 (thirty-three) debenture holders under 7 (seven) International Securities Identification Number issued by the Applicant Company and have a credit rating of AA with stable outlook, which indicates that there is no credit risk thereon.

In view of the above, the convening and holding of the meeting of the unsecured creditors of Applicant Company for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s) is hereby dispensed with. The Applicant Company is directed to issue individual notice of intimation of filing of





the present Application and the order passed therein to only its unsecured creditors having an outstanding value of above INR 50,00,000/- (Rupees Fifty Lakhs Only), stating therein that they may submit their representations, in relation to the Scheme, if any, to this Tribunal within 30 (thirty) days from the receipt of the said notice. The said notice should be sent by speed post / R.P.A.D. by e-mail to the unsecured creditors. The certificate verifying the list of unsecured creditors of Applicant Company and the certificate of networth of the Applicant Company are annexed to the Company Scheme Application.

16. The Applicant Company is directed to publish a joint advertisement, once each in newspapers; one in English and another in vernacular language, both are having wide circulation, at least 30 clear days before the aforesaid separate meetings of the equity shareholders (consisting of Ordinary Shareholders of the Applicant Company) and equity shareholders (consisting of 'A' Ordinary Shareholders of the Applicant Company) of Applicant Company, in the prescribed form CAA. 2, as per Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 convening the said separate meetings on such day, date, time and mode as aforesaid, stating that copy of the Scheme and the statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 can be obtained free of charge by sending an email at inv_relations@tatamotors.com and in the same advertisement, notice of





the dispensation of the separate meetings of the secured creditors and unsecured creditors of the Applicant Company and passing of this order also be published.

17. The Counsel submits and confirms that no application seeking Insolvency Resolution or Liquidation proceedings is filed or pending against the Applicant Companies under the Insolvency and Bankruptcy Code, 2016 or under the Act based on the information and records available in the Applicant Companies.
18. The Counsel further submits that the Applicant Company has issued no corporate guarantees as on December 31, 2023.
19. The Counsel further submits that the Applicant Company has issued performance guarantees as on 31st December, 2023 as under:

Name of Bank(s) providing performance guarantee	Amount of performance guarantee (INR in crores)
State Bank of India (Includes Foreign BG's)	1695
ICICI Bank Limited	249
HDFC Bank	8
AXIS Bank	82
UBI Bank	22
TOTAL	2,056

20. The Counsel further submits that the Applicant Company has the following contingent liabilities as on 31st December, 2023:

	Contingent Liabilities	31-Dec-23 (INR in Crores)
1.	Claims against the Company not acknowledged as debts-	





(i)	Sales Tax	818.28
(ii)	Excise Duty, Service Tax, Custom	299.17
(iii)	Others - Gross	544.98
(iv)	Income tax in dispute	-
2.	Appeals	
(i)	Sales Tax	2.92
(ii)	Excise Duty	67.76
(iii)	Others	4.82
(iv)	Income tax in dispute	6.98
3.	Bonus pertaining to retrospective period to the notification date January 1, 2016	2.67
4.	Capital Commitment	
(i)	Tangible	685.48
(ii)	Intangible	83.47
5.	Purchase Commitments	
	Total	2,516.53

21. The Counsel for the Applicant Company submits that the details of the letters of credit facilities availed by the Applicant Company as on 31st December, 2023 are as under:

BANK NAME	TOTAL LC LIMIT (INR in Cr.)	LC UTILISATION TOTAL (INR in Cr.)
HDFC Bank Limited	200	22.53
TOTAL	200	22.53

22. The Appointed Date is the Scheme Effective Date.
23. The Applicant Companies to file an Affidavit of Service and Compliance Report within 10 working days after serving notice to all the Regulatory Authorities and others as stated above.



IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH: C-IV

CA(CAA)-09/MB/2024



24. With the above directions, CA(CAA)-09/2024 is **allowed** and disposed of.

Sd/-
Anu Jagmohan Singh
Member (Technical)

22.03.2024/pvs/sj

Sd/-
Kishore Vemulapalli
Member (Judicial)



Certified True Copy
Copy Issued "free of cost"
On 27.3.2024

[Signature]
Deputy Registrar 27.3.2024
National Company Law Tribunal Mumbai Bench
(D-3656) 22/3/24