

DCS/AMAL/TS/REG.37&59A/3544/2024-25

February 24, 2025

To,

The Company Secretary,
Tata Motors Limited
Bombay House, 24 Homi Mody Street,
Mumbai, Maharashtra, 400001

Sub: Observation letter regarding the Scheme of Arrangement between Tata Motors Limited ("TML"), TML Commercial Vehicles Limited ("TCVL") and Tata Motors Passenger Vehicles Limited ("TMPVL")

We refer to the scheme of arrangement between Tata Motors Limited ("TML") and TML Commercial Vehicles Limited ("TCVL"), Tata Motors Passenger Vehicles Limited ("TMPVL") and its respective shareholders and creditors filed with the Exchange under Regulation 37/59A of SEBI (LODR) Regulations, 2015 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Reg. 94(2) of SEBI LODR Regulations 2015 and SEBI Master circular no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024.

In this regard, SEBI vide its letter dated February 24, 2025, has inter alia given the following comment(s) on the said Scheme of Arrangement:

- A. "The Entity shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- B. "The Entity is advised that, the additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed company and the stock exchanges."
- C. "The Entity shall ensure compliance with the SEBI circulars issued from time to time."
- D. "The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company. "
- E. "The Entity is advised, that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."



- F. "The Entity shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old. "
- G. "The Entity is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- H. "Both the entities are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013 –
- i. Need for the demerger and amalgamation, rationale of the scheme, synergies of business of the entities involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme.
 - ii. Value of Assets and liabilities of TML and TMPVL that are being transferred to TCVL and TML respectively and post-scheme balance sheet of TML.
 - iii. Impact of scheme on revenue generating capacity along with future prospects of TML and TCVL..
 - iv. Capital built-up of TCVL and TMPVL since incorporation as certified by the Chartered Accountants.
 - v. Financial information of the entities involved in the scheme for the last 3 financial years.
 - vi. Clarification letter dated February 12, 2025 from statutory auditor regarding the accounting treatment."
- I. "The Entity is advised that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only."
- J. "The Entity is advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- K. "The Entity is advised that the observations of SEBI / Stock exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT."
- L. "The Entity is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- M. "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments / observations on draft scheme by SEBI / stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."
- N. "The proposed scheme of amalgamation of Tata Motors Limited, TML Commercial Vehicles Limited and Tata Motors Passenger Vehicles Limited and



their shareholders shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

- O. “The entities involved in the proposed scheme shall not provide any misstatement or furnish false information with regard to disclosures to be made in the draft scheme of amalgamation as per provisions of Chapter XII of the Master Circular ref. no. SEBI/HO/DDHS/DDHSPoD-1/P/CIR/2024/48 dated May 21, 2024.”
- P. “The Entities involved in the scheme is advised not to make changes in the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchange(s) except those mandated by the regulators / authorities / tribunals.”
- Q. “The entity involved in the proposed scheme shall include information pertaining to the unlisted entity, if any, in the format specified for abridged prospectus as provided in Part B of Schedule I of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, in the notice or proposal to be sent to the holders of NCDs / NCRPS while seeking approval for the scheme. The accuracy and adequacy of such disclosures shall be certified by the SEBI registered merchant banker after following the due diligence process.”
- R. “The Listed Entity(ies) involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.”
- S. “Company shall ensure that the entities involved in the proposed scheme have complied with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars ”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we are pleased to inform that Exchange has “no adverse observations” to the said scheme of arrangement with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Please note that the submission of documents/information, in accordance with the circular to SEBI/Exchange should not any way be deemed or construed that the same has been cleared or approved by SEBI/Exchange. SEBI/Exchange does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the document submitted.



Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI Mater Circular SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024.

Kindly note that as required under Regulation 37 and 59A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.


Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



Ashok Kumar Singh
Deputy General Manager



Jayanti Pradhan
Assistant Manager