

Ref: NSE/LIST/46241

February 25, 2025

The Company Secretary
Tata Motors Limited

Kind Attn.: Mr Maloy Kumar Gupta

Dear Sir,

Sub: Observation Letter for draft composite scheme of arrangement amongst Tata Motors Limited (Demerged Company / Amalgamated Company) and TML Commercial Vehicles Limited (Resulting Company) and Tata Motors Passenger Vehicles Limited (Amalgamating Company) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

We are in receipt for captioned draft composite scheme of arrangement filed by Tata Motors Limited

Based on our letter reference no. NSE/LIST/46241 dated January 27, 2025 submitted to SEBI pursuant to SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with Regulation 94(2) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Master Circular Ref No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 and Regulation 59(A) of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, SEBI vide its letter dated February 24, 2025, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to 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 Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.*
- c) *The Company shall ensure compliance with the SEBI Circular issued from time to time.*
- d) *The Company shall ensure that the entities involved in the Scheme shall duly comply with various provisions of the Master Circular and also ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- e) *The Company shall ensure that information pertaining to all the Unlisted Companies, if any, involved 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 Company 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 Company shall ensure that the details of proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.*

- h) The Company shall ensure that both the companies 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 of the demerger & amalgamation, rationale of the scheme, synergies of the business of the entities involved in the scheme, impact of the scheme on the shareholders & cost benefit analysis of the scheme*
 - ii. Value of assets & liabilities of TML & TMPVL that are being transferred to TCVL & TML respectively & post scheme balance sheet of TML.*
 - iii. Impact of scheme on revenue generating capacity along with future prospects of TML & TCVL.*
 - iv. Capital built up of TCVL & TMPVL since incorporation as certified by Chartered Accountants.*
 - v. Financial Information of entities involved in the scheme for the last 3 financial years.*
 - vi. Clarification letter dated February 12, 2025, from statutory auditor regarding accounting treatment*
- i) The Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- j) The Company shall ensure that the “Scheme” shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.*
- k) The Company shall ensure 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 Company shall ensure 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 Company shall ensure that the scheme of amalgamation shall be in compliance with provisions of Regulation 11 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.*
- o) The Company shall ensure that entities involved in the proposed scheme shall not provide any misstatement or furnish false information with regards to disclosure to be made in draft scheme of amalgamation as per provisions of Chapter XII of Master Circular reference no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024.*
- p) The Company shall ensure that no changes are made to the draft scheme subsequent to filing the draft scheme with SEBI by stock exchange(s), except those mandated by the regulators/authorities/tribunals.*
- q) The Company shall ensure that listed entities involved in the proposed scheme shall include information pertaining to unlisted entity, if any, in the format specified for abridged prospectus as provided in Part B in Schedule I of the SEBI (Issue & Listing of Non-Convertible Securities) Regulations, 2021, in the notice or proposal to be sent to holders of NCDs/NCRPS while seeking approval for the scheme. The*

accuracy & adequacy of such disclosures shall be certified by the SEBI registered merchant banker after following the due diligence process.

- r) The company shall ensure that the entities involved in the scheme have complied with relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee any other relevant regulations & circulars.*

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 National Stock Exchange of India Limited again for its comments/observations/representations.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India Limited (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE 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 documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Listed entities 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.

However, the Exchange reserves its rights to raise objections 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 Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from February 25, 2025, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Saili Kamble
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>