



UNDERTAKING IN RELATION TO NON-APPLICABILITY OF PARAGRAPH I(A)(9)(b) OF ANNEXURE I OF SEBI CIRCULAR NO. CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017 AS AMENDED FROM TIME TO TIME

1. This undertaking is being furnished by Tata Motors Limited (“**Transferor Company**” or “**Company**”) in relation to the non-applicability of the requirements prescribed in Paragraph I(A)(9)(a) and Paragraph I(A)(9)(b) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time (“**SEBI Circular**”). All capitalized terms used but not defined in this undertaking shall have the same meanings assigned to them under the SEBI Circular.

2. In connection with the proposed scheme of arrangement between the Company and Tata Business Analytics Services Limited (“**Transferee Company**” or “**TBASL**”) and their respective shareholders under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (“**Scheme**”), it is hereby stated that the conditions prescribed in Paragraph I(A)(9)(a) and Paragraph I(A)(9)(b) of Annexure I to the SEBI Circular is not applicable to the Scheme for the following reasons:

3. Paragraph I(A)(9)(b)(i) of Annexure I of the SEBI Circular:

“Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed entity.”

Reasons for non applicability: The Scheme does not envisage any allotment of additional shares to Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(ies) of Promoter/ Promoter Group, of the listed entity i.e. the Transferor Company.

4. Paragraph I(A)(9)(b)(ii) of Annexure I of the SEBI Circular:

“Where the scheme of arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(ies) of Promoter / Promoter Group.”

Reasons for non applicability: The Scheme involves the Transferor Company and its subsidiary, TABSL and it does not involve any arrangement between the Transferor Company and any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Transferor Company.

5. Paragraph I(A)(9)(b)(iii) of Annexure I of the SEBI Circular:

“Where the parent listed entity, has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter /

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Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme.”

Reasons for non applicability: This clause is not applicable as the Transferor Company has not acquired, either directly or indirectly, the equity shares of TBASL (the subsidiary) from any of the shareholders of TBASL, who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, i.e., the Transferor Company. Further, this Scheme does not involve merger of the unlisted entity (i.e. TBASL) with the Transferor Company.

6. Paragraph I(A)(9)(b)(iv) of Annexure I of the SEBI Circular:

“Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity.”

Reasons for non applicability: This clause is not applicable since the Scheme does not involve any merger of an unlisted entity.

7. Paragraph I(A)(9)(b)(v) of Annexure I of the SEBI Circular:

“Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares.” For the purpose of this clause, the expression “substantially the whole of the undertaking” in any financial year shall mean twenty per cent or more of value of the company in terms of consolidated net worth or consolidated total income during previous financial year as specified in Section 180(1)(a)(i) of the Companies Act, 2013.”

Reasons for non applicability: The Scheme envisages transfer by way of slump sale of the Passenger Vehicles Undertaking (*as defined in the Scheme*) of the Transferor Company into the Transferee Company.

As per the SEBI Circular, for the purposes of Paragraphs I(A)(9)(b)(v) of Annexure I of the SEBI Circular, the expression “substantially the whole of the undertaking” in any financial year shall mean 20% or more of the value of the company in terms of consolidated net worth or consolidated total income during the previous financial year as specified in section 180(1)(a)(i) of the Companies Act, 2013.

[In the current transaction, as per the audited consolidated financials of the Transferor Company for the financial year ended March 31, 2020, the value of the Passenger Vehicle Undertaking (*as defined in the Scheme*), is less than 20% of the consolidated net worth and consolidated total income of the Transferor Company. Accordingly, the clause is not applicable since the Scheme does not involve transfer of ‘whole’ or ‘substantially the whole’ of the undertaking of the listed entity.]

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In light of the above reasons, we undertake that the following requirements of Paragraph I(A)(9)(a) and Paragraph I(A)(9)(b) of Annexure I of SEBI Circular are not applicable to the Scheme:

- (A) mandatory requirement for voting by public shareholders through e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution; and
- (B) requirement for the Scheme to be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

For Tata Motors Limited

Signed for Identification
For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

PB Balaji
Group Chief Financial Officer
Mumbai
Date: 31 July 2020

Shiraz Vastani
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