

**BSR & Co. LLP**

Chartered Accountants

14th Floor, Central B Wing and North C Wing  
Nesco IT Park 4, Nesco Center  
Western Express Highway  
Goregaon (East), Mumbai – 400 063, India  
Telephone: +91 (22) 6257 1000  
Fax: +91 (22) 6257 1010

**Private and Confidential**

The Board of Directors  
Tata Motors Limited  
Bombay House,  
24, Homi Street,  
Fort, Mumbai 400 001

1 August 2024

**Certificate of Non - applicability of requirements prescribed in Para (A)(10)(a) and (A)(10)(b) read with (A)10(c) of Part I of the Master Circular nu. SEBI/HO/CFD/POD-2/P/CIR/2023/93, dated June 20, 2023 issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time ("SEBI Master Circular" or "SEBI Circular"), pertaining to obtaining approval of the majority of public shareholders through e-voting in respect of "Scheme of Arrangement among Tata Motors Limited and TML Commercial Vehicles Limited and Tata Motors Passenger Vehicles Limited and their respective shareholders ('Proposed Scheme') for Demerger of Commercial vehicle Business from the Company into Resulting Company and Amalgamation of Amalgamating Company into the Company.**

1. This certificate is issued in accordance with the terms of our engagement letter dated 25 July 2024.
2. We have been requested by the management of Tata Motors Limited ('the Company' or 'the Demerged Company' or 'the Amalgamated Company') to issue a certificate in relation to Non applicability of Paragraph A(10)(a) of Part I to SEBI Circular dated June 20, 2023 along with the reason thereof ('the Undertaking'), in connection with the Proposed Composite Scheme of Arrangement amongst the Company, TML Commercial Vehicles Limited ('the Resulting Company) and Tata Motors Passenger Vehicles Limited ('the Amalgamating Company') and their respective shareholders ("Proposed Scheme"), for onward submission by the Company to the National Company Law Tribunal, Mumbai Bench ('NCLT') and other regulatory authorities including Securities and Exchange Board of India ('SEBI'), National Stock Exchange of India Ltd. ('NSE') and BSE Limited ('BSE') (collectively, 'the Stock Exchanges') and Regional Director, Ministry of Corporate Affairs ('MCA'), in terms of the provisions of Sections 230 to 232 read with Section 66 and other provisions of the Companies Act, 2013, towards non-applicability of conditions mentioned in para (A)(10)(a) and (A)(10)(b) read with (A)10(c) of Part I of SEBI Circular stating reasons thereof. The Undertaking has been prepared by the management and is signed by us for identification purposes only.
3. The Proposed Scheme is approved by the Board of Directors of the Company, the Resulting Company and the Amalgamating Company on 1 August 2024 and is subject to approval of the respective Shareholders, the NCLT and Statutory and Regulatory Authorities, as applicable. The appointed date for the purpose of the Proposed Scheme is 1 July 2025.



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Tata Motors Limited

1 August 2024

Page 2 of 3

#### Management's Responsibility

4. The preparation of the Proposed Scheme and the Undertaking is the responsibility of the management of the Company including preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Proposed Scheme and the Undertaking and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The management is also responsible for ensuring that the Company complies with the requirements of all the relevant laws and regulations and provide all the relevant information to the NCLT and other regulatory authorities including SEBI, the Stock exchange(s) and Regional Director, MCA.

#### Auditor's Responsibility

6. Pursuant to the requirements of the SEBI Circular, our responsibility is to provide limited assurance as to whether the requirements set out in para (A)(10)(a) and (A)(10)(b) read with (A)(10)(c) of Part I of the SEBI Circular, as stated in the Undertaking, are applicable to the Proposed Scheme or not.
7. We conducted our examination of the Undertaking in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have performed the following procedures:
  - a) Obtained and read a certified copy of the Proposed Scheme.
  - b) Read the minutes of meeting of Board of Directors approving the Proposed Scheme.
  - c) Obtained a management certified copy of the Undertaking as per the SEBI Circular.
  - d) Compared the Undertaking with SEBI Circular and the Proposed Scheme certified by the Board to validate the facts mentioned therein.
  - e) Performed necessary inquiries with the management and we have relied on management representations and no independent procedures have been performed in this regard.
9. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. As part of this engagement, we have not performed any procedures by way of audit or review



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B S R & Co. LLP

Tata Motors Limited

1 August 2024

Page 3 of 3

**Auditor's Responsibility (Continued)**

10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Conclusion**

11. Based on the information, explanations and representations provided by the management; and reading of the Proposed Scheme; and procedures performed by us as stated in paragraph 8 above, nothing has come to our attention that causes us to believe that the attached Undertaking in Annexure A prepared by the management does not fairly state the reasons for non-applicability of the requirements stated in para (A)(10)(a) and (A)(10)(b) read with (A)(10)(c) of the SEBI circular.

**Restriction on Use**

12. This Certificate is issued at the request of the Board of Directors of the Company solely for the purpose of onward submission to the NCLT and other regulatory authorities including SEBI, the Stock exchanges and Regional Director, MCA, in relation to the Undertaking. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vijay Mathur

Partner

Membership No: 046476

ICAI UDIN: 24046476BKGPBJ6477

Place: Mumbai

Date: 1 August 2024

Form: "The Undertaking"





**Undertaking in relation to the non-applicability of Paragraph A(10)(b) read with Paragraph A(10)(a) of Part I of the Master Circular dated June 20, 2023 issued by the Securities and Exchange Board of India ("SEBI") bearing reference no. SEBI/O/CFD/POD 2/P/CI/2023/93, as amended from time to time ("SEBI Master Circular"), pertaining to obtaining approval of the majority of public shareholders**

This is in connection with the Composite Scheme of Arrangement amongst Tata Motors Limited ("Company" or "TML"), Tata Motors Passenger Vehicles Limited ("TMPVL"), TML Commercial Vehicles Limited ("TMLCVL") and their respective shareholders under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme") and pursuant to the SEBI Master Circular, wherein SEBI has mandated all listed companies to ensure that the Scheme submitted with the National Company Law Tribunal for sanction, shall only be acted upon in certain cases as mentioned in Paragraph (A)(10)(b) of Part I of SEBI Master Circular if the votes cast by public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against the Scheme.

The Company hereby undertakes that the requirement of Paragraph (A)(10)(b) of Part I of the SEBI Master Circular pertaining to obtaining approval of the majority of public shareholders is not applicable to the Scheme for the following reasons:

**1. Paragraph (A)(10)(b)(i) of Part I of SEBI Master 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 involve allotment of additional shares to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Company.

**2. Paragraph (A)(10)(b)(ii) of Part I of SEBI Master 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/(s) of Promoter / Promoter Group."*

**Reasons for non-applicability:**

The Scheme involves the Company and its wholly owned subsidiaries, viz., TMPVL and TMLCVL. The Scheme does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.



**TATA MOTORS LIMITED**

Somay House, 24 Hornby Road, Mumbai 400 001  
Tel: 91 22 6665 8282 Fax: 91 22 6665 7799  
[www.tatamotors.com](http://www.tatamotors.com) (321) 29620/41143/PL/0045/20





**3. Paragraph (A)(10)(b)(iii) of Part I of SEBI Master 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 / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity company, and if that subsidiary is being merged with the parent listed company under the Scheme."*

**Reasons for non-applicability:**

TML acquired 149,994 shares amounting to 0.002%% of the paid-up share capital of TMPV from TML Business Services Limited ("TMLBSL") on June 19, 2024. However, TMPVL, TMLBSL and TMLCVL are wholly owned subsidiaries of the Company. Therefore, paragraph (A)(10)(b)(iii) is not applicable to the said share transfer.

Additionally, the Scheme does not involve acquisition by the Company (i.e., parent listed entity) directly or indirectly of the equity shares of its subsidiaries from any of the shareholders of the subsidiary 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 Company.

**4. Paragraph (A)(10)(b)(iv) of Part I of SEBI Master 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:**

Upon effectiveness of the Scheme, in consideration of the transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Company to TMLCVL in terms of the Scheme, each shareholder of TML whose name is recorded in the register of members and records of the depository as a shareholder of TML as on the Record Date (as defined in the Scheme) shall be issued and allotted 1 (one) share of TMLCVL (face value of INR 2/- each fully paid up), for 1 (one) share of TML (face value of INR 2/- each fully paid up) of the same class of shares outstanding and as held by such shareholder in TML. The pre-Scheme paid-up share capital of TMLCVL (a wholly owned subsidiary of TML) shall be cancelled as part of the Scheme. Therefore, the shareholding of TMLCVL will mirror the shareholding in TML after the effectiveness of the Scheme. Further, no consideration shall be payable by TML for the amalgamation of TMPVL (wholly owned subsidiary of TML) with TML. The Scheme therefore does not involve reduction in the voting share of pre-scheme public shareholders of the Company in the transferee/ resulting company i.e., TMLCVL.



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Boarding House, 24 Homi Bhabha Street, Mumbai 400 001  
Tel: 91 22 6665 4262 Fax: 91 22 6665 7799  
[www.tatamotors.com](http://www.tatamotors.com) CIP: L28920MNT44SRLOC04570





**5. Paragraph (A)(10)(b)(v) of Part I of SEBI Master 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)(ii) of the Companies Act, 2013."*

**Reasons for non-applicability:**

The consideration for transfer of the Demerged Undertaking (*as defined in the Scheme*) from the Company to TMLCVL under the Scheme is in the form of equity shares of TMLCVL, which are proposed to be listed on the stock exchanges.

In the light of the above reasons, the requirement of obtaining approval of majority of public shareholders stated in Paragraph (A)(10)(b)(v) of Part I of the SEBI Master Circular is not applicable.

**For Tata Motors Limited**

  
**Smriti Goyal**  
Vice President Group Controlling Mumbai  
Place: Mumbai  
Date: 1 August 2024



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[www.tatamotors.com](http://www.tatamotors.com) E2V1286205M4144PLC0845/51

