

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Private & Confidential

The Abridged Letter of Offer consists of 88 printed pages

Dated March 30, 2015

For Eligible Shareholders only

Please ensure that you read the Letter of Offer dated March 30, 2015 ("Letter of Offer") and general instructions appearing in the composite application form before applying in the Issue. Unless otherwise specified, all terms used in this Abridged Letter of Offer shall have the meaning ascribed to such terms in the Letter of Offer. The Investors are advised to retain a copy of the Letter of Offer / Abridged Letter of Offer for their future reference. Please note that page numbers references made in this Abridged Letter of Offer are to the page numbers of the Letter of Offer.



### TATA MOTORS LIMITED

Tata Motors Limited was incorporated as Tata Locomotive and Engineering Company Limited on September 1, 1945 as a public limited liability company under the Companies Act, 1913. For details in relation to change in name of our Company, see "General Information" on page 43 of the Letter of Offer.

**Registered Office:** Bombay House, 24, Homi Mody Street, Mumbai 400 001

**Contact Person:** H K Sethna, Company Secretary and Compliance Officer

**Tel:** (91 22) 6665 8282; **Fax:** (91 22) 6665 7799; **Email:** inv\_rel@tatamotors.com; **Website:** www.tatamotors.com

**Corporate Identity Number:** L28920MH1945PLC004520

**PROMOTER OF OUR COMPANY:** TATA SONS LIMITED

#### FOR PRIVATE CIRCULATION TO THE ELIGIBLE SHAREHOLDERS OF TATA MOTORS LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY

**SIMULTANEOUS BUT UNLINKED ISSUE OF UP TO 15,06,44,759 ORDINARY SHARES OF FACE VALUE ₹ 2 EACH (THE "ORDINARY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 450 (INCLUDING A PREMIUM OF ₹ 448 PER ORDINARY SHARE) ON A RIGHTS BASIS TO THE ELIGIBLE ORDINARY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF SIX ORDINARY SHARES FOR 109 FULLY PAID-UP ORDINARY SHARES HELD ON THE BOOK CLOSURE DATE, THAT IS ON APRIL 8, 2015 AND UP TO 2,65,30,290 'A' ORDINARY SHARES OF FACE VALUE ₹ 2 EACH (THE "'A' ORDINARY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 271 (INCLUDING A PREMIUM OF ₹ 269 PER 'A' ORDINARY SHARE) ON A RIGHTS BASIS TO THE ELIGIBLE 'A' ORDINARY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF SIX 'A' ORDINARY SHARES FOR 109 FULLY PAID-UP 'A' ORDINARY SHARES HELD ON THE BOOK CLOSURE DATE, THAT IS ON APRIL 8, 2015 (COLLECTIVELY, THE "ISSUE"). THE ISSUE PRICE OF THE ORDINARY SHARES IS 225 TIMES THE FACE VALUE OF THE ORDINARY SHARES. THE ISSUE PRICE OF THE 'A' ORDINARY SHARES IS 135.5 TIMES THE FACE VALUE OF THE 'A' ORDINARY SHARES. TOTAL PROCEEDS FROM THE ISSUE OF ORDINARY SHARES AND 'A' ORDINARY SHARES WOULD AGGREGATE UP TO ₹ 7,498 CRORE. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" BEGINNING ON PAGE 157 OF THE LETTER OF OFFER.**

#### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. **Investors are advised to refer to "Risk Factors" beginning on page 15 of the Letter of Offer before making an investment in this Issue.**

#### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in the Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes the Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

#### LISTING

The existing Ordinary Shares and 'A' Ordinary Shares of our Company are listed on the BSE Limited (the "BSE") and the National Stock Exchange of India Limited (the "NSE", and together with BSE, the "Stock Exchanges"). Our Company has received approvals from the BSE and the NSE under Clause 24(a) of the Listing Agreement for listing the Securities to be allotted pursuant to the Issue through their letters, dated March 27, 2015. For the purposes of the Issue, the Designated Stock Exchange is the BSE.

#### ISSUE PROGRAMME

| ISSUE OPENS ON | LAST DATE FOR REQUEST FOR<br>SPLIT APPLICATION FORMS | ISSUE CLOSES ON |
|----------------|------------------------------------------------------|-----------------|
| APRIL 17, 2015 | APRIL 24, 2015                                       | MAY 2, 2015     |

**Global Co-ordinators and Senior Lead Managers**



**Citigroup Global Markets India Private Limited\***

1202, 12<sup>th</sup> Floor, First International Financial Center  
G-Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051  
Tel: (91 22) 6175 9999; Fax: (91 22) 6175 9961  
Website: <http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm>  
E-mail: [tata.motors.rights@citigroup.com](mailto:tata.motors.rights@citigroup.com); Contact Person: Mitul Shah  
SEBI Registration No: INM000010718

\* Lead Co-ordinator

**BofA Merrill Lynch**

**DSP Merrill Lynch Limited**

8th Floor, Mafatlal Center, Nariman Point, Mumbai 400 021  
Tel: (91 22) 6632 8000; Fax: (91 22) 2204 8518  
Website: [www.dspml.com](http://www.dspml.com); Email: [dg.TML\\_Rights@baml.com](mailto:dg.TML_Rights@baml.com)  
Contact Person: Ankit Jajodia  
SEBI Registration No.: INM000011625



**Credit Suisse Securities (India) Private Limited**

Ceejay House, 9th Floor, Dr. Annie Besant Road, Worli, Mumbai 400 018  
Tel : (91 22) 6777 3987; Fax : (91 22) 6777 3820  
Website: [www.credit-suisse.com](http://www.credit-suisse.com); Email: [list.ibdprojectspice@credit-suisse.com](mailto:list.ibdprojectspice@credit-suisse.com)  
Contact Person: Rejo Kurian  
SEBI Registration No: INM000011161



**HSBC Securities and Capital Markets (India) Private Limited**

52/60, Mahatma Gandhi Road, Fort, Mumbai 400 001  
Tel: (91 22) 2268 5555; Fax: (91 22) 2263 1984  
Website: <http://www.hsbc.co.in/1/2/corporate/equities-globalinvestment-banking>  
Email: [tatamotors.rights@hsbc.co.in](mailto:tatamotors.rights@hsbc.co.in); Contact Person: Mayank Jain  
SEBI Registration No.: INM000010353

**JPMorgan**

**J. P. Morgan India Private Limited**

J. P. Morgan Tower, Kalina, Off C. S. T. Road, Santacruz (East), Mumbai 400 098  
Tel: (91 22) 6157 3000; Fax: (91 22) 6157 3911  
Website: [www.jpmpil.com](http://www.jpmpil.com); Email: [tatamotors\\_rights@jpmorgan.com](mailto:tatamotors_rights@jpmorgan.com)  
Contact Person: Prateeksha Runwal  
SEBI Registration No.: INM000002970

**Lead Managers to the Issue**



**ICICI Securities Limited**

ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020  
Tel : (91 22) 2288 2460; Fax : (91 22) 2282 6580  
Website: [www.icicisecurities.com](http://www.icicisecurities.com); Email: [tatamotors.rights@icicisecurities.com](mailto:tatamotors.rights@icicisecurities.com)  
Contact Person: Ayush Jain / Manvendra Tiwari  
SEBI Registration No.: INM000011179



**Kotak Mahindra Capital Company Limited**

27 BKC, C-27, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051  
Tel: (91 22) 4336 0000; Fax: (91 22) 6713 2447  
Website: <http://investmentbank.kotak.com>; Email: [tml.rights@kotak.com](mailto:tml.rights@kotak.com)  
Contact Person: Ganesh Rane  
SEBI Registration No.: INM000008704



**SBI Capital Markets Limited**

202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005  
Tel: (91 22) 2217 8300; Fax: (91 22) 2218 8332  
Website: [www.sbicaps.com](http://www.sbicaps.com); E-mail: [tml.rights@sbicaps.com](mailto:tml.rights@sbicaps.com)  
Contact Person: Kavita Tanwani  
SEBI Registration Number: INM000003531

**Co-Lead Manager to the Issue**



**HDFC Bank Limited**

Investment Banking Group, Unit No. 401 & 402, 4<sup>th</sup> floor, Tower B  
Peninsula Business Park, Lower Parel, Mumbai 400 013  
Tel: (91 22) 3395 8015; Fax: (91 22) 3078 8584  
Website: [www.hdfcbank.com](http://www.hdfcbank.com); E-mail: [tml.rights@hdfcbank.com](mailto:tml.rights@hdfcbank.com)  
Contact Person: Keyur Desai/ Rishi Tiwari  
SEBI Registration Number: INM000011252

**Registrar to the Issue**



**Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078  
Tel: (91 22) 6171 5400 / 9167779196 / 97 / 98 / 99; Fax: (91 22) 2596 0329  
Website: [www.linkintime.co.in](http://www.linkintime.co.in); Email: [tatamotors.rights@linkintime.co.in](mailto:tatamotors.rights@linkintime.co.in)  
Contact Person: Sachin Achar  
SEBI Registration No: INR000004058

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Ordinary Shares or 'A' Ordinary Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the CAF, or the plain paper application, as the case may be, was submitted by the ASBA Investors. For further details on the ASBA process, refer to the details given in the CAF and "Terms of the Issue" beginning on page 157 of the Letter of Offer.

**Bankers to the Issue**

**ICICI Bank Limited**

1<sup>st</sup> Floor, 122, Mistry Bhavan, Dimshaw Vachha Road  
Backbay Reclamation, Churchgate, Mumbai 400 020  
Tel: (91 22) 2285 9932; Fax: (91 22) 2261 1138  
Website: [www.icicibank.com](http://www.icicibank.com)  
E-mail: [rishav.bagrecha@icicibank.com](mailto:rishav.bagrecha@icicibank.com) / [ipocmg@icicibank.com](mailto:ipocmg@icicibank.com)  
Contact Person: Rishav Bagrecha  
SEBI Registration No: INBI000000004

**HDFC Bank Limited**

HDFC Bank Limited, FIG-OPS Department, - Lodha, I Think Techno Campus  
O-3 Level, next to Kanjurmarg Railway Station, Kanjurmarg (E), Mumbai 400 042  
Tel: (91 22) 3075 2928; Fax: (91 22) 2579 9801  
Website: [www.hdfcbank.com](http://www.hdfcbank.com); Email: [uday.dixit@hdfcbank.com](mailto:uday.dixit@hdfcbank.com)  
Contact Person: Uday Dixit  
SEBI Registration No.: INBI000000063

**Self Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

### Credit Rating

As the Issue is of Ordinary Shares and 'A' Ordinary Shares, there is no requirement of credit rating for this Issue.

### Debenture trustee

This being an issue of Ordinary Shares and 'A' Ordinary Shares, a debenture trustee is not required.

### Company Secretary and Compliance Officer

#### H K Sethna

Bombay House, 24, Homi Mody Street, Mumbai 400 001

Tel: (91 22) 6665 8282

Fax: (91 22) 6665 7799

E-mail: inv\_rel@tatamotors.com

### Monitoring Agency

Our Company has appointed HDFC Bank, as the monitoring agency to monitor the utilization of the Net Proceeds in terms of Regulation 16 of the SEBI Regulations.

### Issue Schedule

|                                           |   |                |
|-------------------------------------------|---|----------------|
| Issue Opening Date                        | : | April 17, 2015 |
| Last date for receiving requests for SAFs | : | April 24, 2015 |
| Issue Closing Date                        | : | May 2, 2015    |
| Allotment Date (on or about)              | : | May 13, 2015   |
| Date of credit (on or about)              | : | May 15, 2015   |
| Date of listing (on or about)             | : | May 18, 2015   |

### Legal Advisor to our Company as to Indian law

#### Amarchand & Mangaldas & Suresh A. Shroff & Co.

Peninsula Chambers

Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013

Tel: (91 22) 2496 4455; Fax: (91 22) 2496 3666

### Legal Advisor to the GCSLMs, the Lead Managers and Co-Lead Manager as to Indian law

#### AZB & Partners

24<sup>th</sup> Floor, Express Towers, Nariman Point, Mumbai 400 021

Tel: (91 22) 6639 6880; Fax: (91 22) 6639 6888

### International Legal Advisor to our Company

#### Sullivan & Cromwell (Hong Kong)

28<sup>th</sup> Floor, Nine Queen's Road Central, Hong Kong

Tel: (852) 2826 8688; Fax: (852) 2522 2280

### International Legal Advisor to the GCSLMs, the Lead Managers and the Co-Lead Manager

#### Shearman and Sterling

12/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong

Tel: (852) 2978 8000; Fax: (852) 2978 8099

### Statutory Auditor of our Company

#### Deloitte Haskins & Sells LLP

Indiabulls Finance Centre, 32<sup>nd</sup> Floor, Tower 3 Compound,

Elphinstone (W) Mumbai 400 013

Tel: (91 22) 6185 4000; Fax: (91 22) 6185 5380

Firm Registration Number: 117366W/W – 100018

### Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilised have been financially appraised by any banks or financial institution or any other independent agency.

For definitions and abbreviations, see "Definitions and Abbreviations" on page 2 of the Letter of Offer.

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(1) In terms of Regulations 58(2) read with paragraph (2) of Part F of Schedule VIII of the SEBI Regulations, the order in which the sections (as applicable) appear in this Abridged Letter of Offer corresponds to the order in which such sections appear in the Letter of Offer.

**NOTICE TO INVESTORS**

The distribution of the Letter of Offer, the Abridged Letter of Offer or CAF and the issue of the Securities on a rights basis to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, the Abridged Letter of Offer or CAF may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Shareholders and will dispatch the Letter of Offer / Abridged Letter of Offer and CAF only to Eligible Shareholders who have a registered address in India or who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except in respect of the registration of the Ordinary Shares and 'A' Ordinary Shares in the US, as stated below. Accordingly, the Securities may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer and the Abridged Letter of Offer must be treated as sent for information only and should not be acted upon for subscription to Securities and should not be copied or redistributed. Accordingly, persons receiving a copy of the Letter of Offer or the Abridged Letter of Offer should not, in connection with the issue of the Securities or the Rights Entitlements, distribute or send the Letter of Offer or the Abridged Letter of Offer in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations. If the Letter of Offer or the Abridged Letter of Offer is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Securities or the Rights Entitlements referred to in the Letter of Offer and the Abridged Letter of Offer.

Neither the delivery of the Letter of Offer, the Abridged Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer and the Abridged Letter of Offer or the date of such information.

Our Company expects to file a registration statement, containing a base prospectus and a prospectus supplement (collectively, the "U.S. Prospectus"), with the SEC to register Ordinary Shares (including American Depositary Shares representing Ordinary Shares), the rights to subscribe to Ordinary Shares (including rights to subscribe to American Depositary Shares representing Ordinary Shares (the "ADS Rights")), 'A' Ordinary Shares and rights to subscribe for 'A' Ordinary Shares concurrently with the Issue (the "U.S. Securities"). However, our Company will dispatch the Letter of Offer/ Abridged Letter of Offer and CAF only to Eligible Shareholders who have provided an Indian address to our Company. Any CAFs bearing an address in the United States will not be accepted.

**If you are a U.S. person or reside in the United States, you should refer to the U.S. Prospectus prior to making any investment decision with respect to the U.S. Securities.** Copies of the U.S. Prospectus may also be obtained by contacting Georgeson Inc., toll free, at +1-866-821-2550 from 9:00 a.m. to 9:00 p.m., New York City time, Monday to Friday.

**RISK FACTORS**

*An investment in the Securities involves a high degree of risk. The risks described below together with other information contained in the Letter of Offer should be carefully considered by the prospective investors before making an investment decision. The risks described below are not the only risks which are relevant to our Company or investments in securities of Indian issuers. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business operations. Our business, financial condition or results of operations could be materially and adversely affected by any of these risks, the trading price of the Securities could decline, and all or part of your investment may be lost. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.*

*The Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and "Forward Looking Statements" on page 13 of the Letter of Offer.*

**Risks arising out of Offences/Litigations/Losses**

Nil

**Company/Group Specific Risks**

**1. Restrictive covenants in our financing agreements may limit our operations and financial flexibility and materially and adversely impact our financial condition, results of operations and prospects.**

Some of our financing agreements and debt arrangements set limits on or require us to obtain lender consent before, among other things, pledging assets as security. In addition, certain financial covenants may limit our ability to borrow additional funds or to incur additional liens. In the past, we have been able to obtain required lender consent for such activities. However, there can be no assurance that we will be able to obtain such consents in the future. If our liquidity needs, or growth plans, require such consents and such consents are not obtained, we may be forced to forego or alter our plans, which could materially and adversely affect our financial condition and results of operations.

In the event we breach financing agreements, the outstanding amounts due thereunder could become due and payable immediately or result in increased costs. A default under one of these agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such other financing agreements becoming due and payable immediately. This could have a material adverse effect on our financial condition and results of operations.

In recent years, we have been in breach of financial covenants relating to our ratio of total outstanding liabilities to tangible net worth and to our debt service coverage ratio in various financing agreements. We requested and obtained waivers of our obligations from our lenders and guarantors to pay additional costs as a consequence of such breaches. These breaches have not resulted in an event of default in our financing agreements or the payment of penalties.

If we are in breach of these financial covenants in Fiscal 2015, we plan to seek consents or waivers from our lenders or guarantors.

However, we cannot assure you that we will succeed in obtaining consents or waivers in the future from our lenders or guarantors, or that our lenders and guarantors will not

impose additional operating and financial restrictions on us, or otherwise seek to modify the terms of our existing financing agreements in ways that are materially adverse to us. In addition, future non-compliance with the financial covenants of our financing agreements may lead to increased costs for any future financings.

**2. *We are subject to risk associated with the automobile financing business.***

We are subject to risks associated with our automobile financing business in India. In the nine months ended December 31, 2014, the market share of our automobile financing business, which supports sales of our vehicles, declined to 24.8% from 31.5% in the same period in 2013. Any default by our customers or inability to repay installments as due, could materially and adversely affect our business, financial condition, results of operations and cash flows.

The sale of our commercial and passenger vehicles is heavily dependent on fund availability for our customers. Rising delinquencies and early defaults have contributed to a reduction in automobile financing, which in turn has had an adverse effect on fund availability for potential customers. This reduction in available financing may continue in the future and have a material adverse effect on our business, financial conditions and results of operations.

In respect of our Jaguar Land Rover operations, we have consumer finance arrangements in place with local providers in a number of key markets. Any reduction in the supply of available consumer financing for purchase of new vehicles could create additional pressures to increase marketing incentives in order to maintain demand for our vehicles, which could materially reduce our sales and net income. Furthermore, Jaguar Land Rover also offers residual value guarantees on the leases of certain vehicles in some markets. Any significant declines in used car valuations could materially and adversely affect our sales, financial condition and results of operations.

Over time, and particularly in the event of any credit rating downgrade, market volatility, market disruption, regulatory changes or otherwise, we may need to reduce the amount of financing receivables we originate, which could severely disrupt our ability to support the sale of our vehicles.

**3. *Underperformance of our distribution channels and supply chains may have a material adverse effect on our sales, financial conditions and results of operations.***

Our products are sold and serviced through a network of authorized dealers and service centers across our domestic market, and a network of distributors and local dealers in the international markets. We monitor the performance of our dealers and distributors and provide them with support to enable them to perform to our expectations. There can be no assurance, however, that these expectations will be met. Any under-performance by our dealers or distributors could materially and adversely affect our sales, financial condition and results of operations.

We rely on third parties to supply us with the raw materials, parts and components used in the manufacture of our products. Furthermore, for some of these parts and components, we are dependent on a single source of supply. Our ability to procure supplies in a cost effective and timely manner is subject to various factors, some of which are not within our control. While we manage our supply chain as part of our vendor management process, any significant problems with our supply chain in the future could severely

disrupt our business and materially reduce our sales and net income. In respect of our FIAL operations, as part of the restructuring agreement, we have entered into retail and wholesale financing for Fiat products, which require us to purchase fixed quantity of parts through take or pay contracts. Any disruption of such services or invocation of take or pay arrangements could have a material adverse effect on our business, financial condition and results of operations.

Natural disasters and man-made accidents, adverse economic conditions, decline in automobile demand, and lack of access to sufficient financing arrangements, among others, could have a negative financial impact on our suppliers and distributors in turn impairing timely availability of components to us or increasing the costs of such components. Similarly, impairments to the financial position of our distributors may adversely impact our performance in some markets. In addition, if one or more of the other global automotive manufacturers were to become insolvent, this would severely disrupt our supply chains and may further materially reduce our sales and net income.

In respect of our Jaguar Land Rover operations, as part of a separation agreement from Ford, we have entered into long term supply agreements with Ford and certain other third parties for critical components which require us to purchase fixed quantity of parts through take or pay contracts. Any disruption of such services or invocation of take or pay contracts could have a material adverse effect on our business, financial condition and results of operations.

**4. *Deterioration in the performance of any of our subsidiaries, joint ventures and affiliates may adversely affect our results of operations.***

We have made and may continue to make capital commitments to our subsidiaries, joint ventures and affiliates, and if the business or operations of any of these subsidiaries, joint ventures and affiliates deteriorates, the value of our investments may decline substantially.

We are also subject to risks associated with joint ventures and affiliates wherein we have only partial or joint control. Our partners may be unable, or unwilling, to fulfill their obligations or may experience financial difficulties which may adversely impact our value of our investments.

**5. *The significant reliance of Jaguar Land Rover on key mature markets increases the risk of negative impact of reduced customer demand in those countries.***

Jaguar Land Rover, which contributes a large portion of our revenues, generates a significant portion of its sales in the United Kingdom, North American and continental European markets where it derives three-quarters of its revenues. Sales declines in the premium car or all-terrain vehicle segments in which Jaguar Land Rover operates have been particularly severe. Although demand in those markets remains relatively strong, a decline in demand for Jaguar Land Rover vehicles in these major markets may in the future significantly impair our business, financial position and results of operations. In addition, Jaguar Land Rover's strategy, which includes new product launches and expansion into growing markets, such as China, India, Russia and Brazil, may not be sufficient to mitigate a decrease in demand for Jaguar Land Rover products in mature markets in the future, which could have a significant adverse impact on our financial performance.

**6. *We are subject to risks associated with growing our business through mergers and acquisitions.***

We believe that our acquisitions provide us opportunities to grow significantly in the global automobile markets by offering premium brands and products. Our acquisitions have provided us with access to technology and additional capabilities while also offering potential synergies. However, the scale, scope and nature of the integration required in connection with our acquisitions present significant challenges, and we may be unable to integrate the relevant subsidiaries, divisions and facilities effectively within our expected schedule. An acquisition may not meet our expectations and the realization of the anticipated benefits may be blocked, delayed or reduced as a result of numerous factors, some of which are outside our control.

For example, we acquired the Jaguar Land Rover business from Ford Motor Company in June 2008, and Jaguar Land Rover has become a significant part of our business and accounted for approximately 80% of our total revenues for the fiscal year ended March 31, 2014. As a result of the acquisition, we are responsible for, among other things, the obligations and liabilities associated with the legacy business of Jaguar Land Rover. We cannot assure you that any legacy issues at Jaguar Land Rover or any other acquisition we have undertaken in the past or will undertake in the future would not have a material adverse effect on our business, financial condition and results of operations, as well as our reputation and prospects.

We will continue to evaluate growth opportunities through suitable mergers and acquisitions in the future. Growth through mergers and acquisitions involves business risks, including unforeseen contingent risks or latent business liabilities that may only become apparent after the merger or acquisition is completed. The key success factors will be seamless integration and effective management of the merged/acquired entity, retention of key personnel, as well as generating cash flow from synergies in engineering and sourcing, joint sales and marketing efforts, and management of a larger business. If any of these factors fails to materialize or if we are unable to manage any of the associated risks successfully, our business, financial condition and results of operations could be materially and adversely affected.

**7. *We rely on licensing arrangements with Tata Sons Limited to use the “Tata” brand. Any improper use of the associated trademarks by our licensor or any other third parties could materially and adversely affect our business, financial condition and results of operations.***

Our rights to our trade names and trademarks are a crucial factor in marketing our products. Establishment of the “Tata” word mark and logo mark in and outside India is material to our operations. We have licensed the use of the “Tata” brand from the Promoter, Tata Sons Limited. If the Promoter, or any of its subsidiaries or affiliated entities, or any third party uses the trade name “Tata” in ways that adversely affect such trade name or trademark, our reputation could suffer damage, which in turn could have a material adverse effect on our business, financial condition and results of operations.

**8. *Inability to protect or preserve our intellectual property could materially and adversely affect our business, financial condition and results of operations.***

We own or otherwise have rights in respect of a number of patents relating to the products we manufacture, which have been obtained over a period of years. In connection with the design and engineering of new vehicles and the enhancement of existing models, we seek to regularly develop new technical designs for use in our vehicles.

We also use technical designs which are the intellectual property of third parties with such third parties’ consent. These patents and trademarks have been of value in the growth of our business and may continue to be of value in the future. Although we do not regard any of our businesses as being dependent upon any single patent or related group of patents, an inability to protect this intellectual property generally, or the illegal breach of some or a large group of our intellectual property rights, would have a materially adverse effect on our business, financial condition and results of operations. We may also be affected by restrictions on the use of intellectual property rights held by third parties and we may be held legally liable for the infringement of the intellectual property rights of others in our products.

**9. *Our business and operations could be severely affected by labor unrest.***

All of our permanent employees in India, other than officers and managers and most of our permanent employees in South Korea and the United Kingdom, including certain officers and managers, in relation to our automotive business, are members of labor unions and are covered by our wage agreements, where applicable with those labor unions.

In general, we consider our labor relations with all of our employees to be good. However, in the future we may be subject to labor unrest, which may delay or disrupt our operations in the affected regions, including the acquisition of raw materials and parts, the manufacture, sales and distribution of products and the provision of services. If work stoppages or lock-outs at our facilities or at the facilities of our major vendors occur or continue for a long period of time, our business, financial condition and results of operations could be materially and adversely affected.

**10. *Our business could be negatively affected by the actions of activist shareholders.***

Certain of our shareholders may from time to time advance shareholder proposals or otherwise attempt to effect changes or acquire control over our business. Campaigns by shareholders to effect changes at publicly-traded companies are sometimes led by investors seeking to increase short-term shareholder value by advocating corporate actions such as financial restructuring, increased borrowing, special dividends, stock repurchases or even sales of assets or the entire company, or by voting against proposals put forward by the board of directors and management of the company. If faced with actions by activist shareholders, we may not be able to respond effectively to such actions, which could be disruptive to our business.

The current environment of increased shareholder activism could lead to new regulations or additional disclosure obligations, which could impact the manner in which we operate our business in ways we cannot currently anticipate. As an example, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, which contains significant corporate governance and executive compensation related provisions, the SEC has adopted additional rules and regulations in areas such as “say on pay”. Similarly, under applicable Indian laws, remuneration packages may in certain circumstances require shareholder approval. Our management and other personnel may be required to devote a substantial amount of time to such compliance initiatives. These rules and regulations may increase our legal and financial compliance costs and could materially and adversely affect our business, financial condition and results of operations.

**11. *We may have to comply with more stringent foreign investment norms in the event of an increase in shareholding of non-residents or if our Company is considered as engaged in a sector in which foreign investment is restricted.***

Indian companies, which are owned or controlled by non-resident persons, are subject to investment restrictions specified in the Consolidated FDI Policy. Under the Consolidated FDI Policy, an Indian company is considered to be 'owned' by a non-resident persons if more than 50% of its equity interest is beneficially owned by non-resident persons. The non-resident equity shareholding in our Company may, in the near future, exceed 50%, thereby resulting in our Company being considered, as being 'owned' by non-resident entities under the Consolidated FDI Policy. In such an event, any investment by our Company in existing subsidiaries, associates or joint ventures and new subsidiaries, associates or joint ventures will be considered as indirect foreign investment and shall be subject to various requirements specified under the Consolidated FDI Policy, including sectoral limits, approval requirements and pricing guidelines, as may be applicable.

Further, as part of our automotive business, our Company supplies and has in the past supplied vehicles to Indian military and para military forces and in the course of such activities has obtained an industrial license from the Department of Industrial Policy. Whilst we believe we are an automobile company by virtue of the business we undertake, in the event that foreign investment regulations applicable to the defence sector (including under the Consolidated FDI Policy) are made applicable to us, foreign investment restrictions and other conditions applicable to us will be more stringent than those applicable to us presently.

**12. *Our business and prospects could suffer if we lose one or more key personnel or if we are unable to attract and retain our employees.***

Our business and future growth depend largely on the skills of our workforce, including executives and officers, and automotive designers and engineers. The loss of the services of one or more of our personnel could impair our ability to implement our business strategy. In view of intense competition, any inability to continue to attract, retain and motivate our workforce could materially and adversely affect our business, financial condition, results of operations and prospects.

**13. *Future pension obligations may prove more costly than currently anticipated and the market value of assets in our pension plans could decline.***

We provide post retirement and pension benefits to our employees, including defined benefit plans. Our pension liabilities are generally funded. However, lower returns on pension fund assets, changes in market conditions, interest rates or inflation rates, and adverse changes in other critical actuarial assumptions, may impact our pension liabilities or assets and consequently increase funding requirements, which could materially decrease our net income and cash flows.

**14. *Any inability to manage our growing international business may materially and adversely affect our financial condition and results of operations.***

Our growth strategy relies on the expansion of our operations by introducing certain automotive products in markets outside India, including in Europe, China, Russia, Brazil, the United States, Africa and other parts of Asia. The

costs associated with entering and establishing ourselves in new markets, and expanding such operations, may be higher than expected, and we may face significant competition in those regions. In addition, our international business is subject to many actual and potential risks and challenges, including language barriers, cultural differences and other difficulties in staffing and managing overseas operations, inherent difficulties and delays in contract enforcement and the collection of receivables under the legal systems of some foreign countries, the risk of non-tariff barriers, other restrictions on foreign trade or investment sanctions, and the burdens of complying with a wide variety of foreign laws, rules and regulations. As a part of our global activities we may engage with third party dealers and distributors whom we do not control but who may nevertheless take actions that could have a material adverse impact on our reputation and business. In addition, we cannot assure you that we will not be held responsible for any activities undertaken by such dealers and distributors. If we are unable to manage risks related to our expansion and growth in other parts of the world, our business, financial condition and results of operations could be materially and adversely affected.

**15. *We have a limited number of manufacturing, design, engineering and other facilities and any disruption in the operations of those facilities could materially and adversely affect our business, financial condition and results of operations.***

We have manufacturing facilities and design and engineering centres located in India, the United Kingdom, China, South Korea, Thailand, South Africa and Brazil, and have established a presence in Indonesia. We could experience disruptions to our manufacturing, design and engineering capabilities for a variety of reasons, including, among others, extreme weather, fire, theft, system failures, natural catastrophes, mechanical or equipment failures and similar events. Any such disruptions could affect our ability to design, manufacture and sell our products and, if any of these events were to occur, there can be no assurance that we would be able to shift our design, engineering or manufacturing operations to alternate sites in a timely manner or at all. Any such disruption could materially and adversely affect our business, financial condition and results of operations.

**16. *We are exposed to operational risks, including risks in connection with our use of information technology.***

Operational risk is the risk of loss resulting from inadequate or failed internal systems and processes, whether resulting from internal or external events. Such risks could stem from inadequacy or failures of controls within internal procedures, violations of internal policies by employees, disruptions or malfunctioning of information technology systems such as computer networks and telecommunication systems, other mechanical or equipment failures, human error, natural disasters or malicious acts by third parties. Any unauthorized access to or misuse of data on our information technology systems, human errors or technological or process failures of any kind could severely disrupt our operations, including our manufacturing, design and engineering processes, and could have a material adverse effect on our financial condition and results of operations.

**17. *Any failures or weaknesses in our internal controls could materially and adversely affect our financial condition and results of operations.***

Upon an evaluation of the effectiveness of the design and

operation in the Annual Report, upon an evaluation of the effectiveness of the design and operation of our internal controls, we concluded that there was a material weakness such that our internal controls over financial reporting were not effective as at March 31, 2014. Although we have instituted remedial measures to address the material weakness identified and continually review and evaluate our internal control systems to allow management to report on the sufficiency of our internal controls, we cannot assure you that we will not discover additional weaknesses in our internal controls over financial reporting. Any such additional weaknesses or failure to adequately remediate any existing weakness could materially and adversely affect our financial condition or results of operations and our ability to accurately report our financial condition and results of operations in a timely and reliable manner.

**18. *Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject, and this may have a material adverse effect on our business, financial condition and results of operations.***

While we believe that the insurance coverage that we maintain is reasonably adequate to cover all normal risks associated with the operation of our business, there can be no assurance that our insurance coverage will be sufficient, that any claim under our insurance policies will be honored fully or timely, or that our insurance premiums will not increase substantially. Accordingly, to the extent that we suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, or are required to pay higher insurance premiums, our business, financial condition and results of operations may be materially and adversely affected.

**19. *We require certain approvals or licenses in the ordinary course of business and the failure to obtain or retain them in a timely manner, or at all, may adversely affect our operations.***

We require certain statutory and regulatory permits, licenses and approvals to carry out our business operations and applications for their renewal need to be made within certain timeframes. For some of the approvals which may have expired, we may have either made or are in the process of making an application for obtaining the approval or its renewal. While we have applied renewal for a few of these approvals, registrations and permits, we cannot assure you that we will receive these approvals and registrations in a timely manner or at all. We cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Further, if we are unable to renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, our business, financial conditions and operations may be adversely affected.

**20. *The fund requirements in respect of the use of proceeds are based on management estimates and our Company has not commissioned an independent appraisal for the use of the proceeds of this Issue. Furthermore, while our Company will appoint a monitoring agency to monitor the use of the proceeds of this Issue, it has not entered into any definitive agreements to use the proceeds of this Issue.***

Our Company intends to use the proceeds of this Issue for (a) funding capital expenditure towards plant and machinery; (b) funding expenditure relating to research

and product development; (c) repayment, in full or part, of certain long term and short term borrowings availed by our Company; and (d) general corporate purposes. The fund requirements for capital expenditure and research and product development expenses are based on management estimates and our Company has not placed orders or obtained quotations for a substantial portion of the fund requirements, capital expenditure towards plant and machinery and expenditure relating to research and development as mentioned in the “Objects of the Issue” on page 60 of the Letter of Offer. The actual fund requirements may be materially different from these management estimates. As of this date of the Letter of Offer, our Company has not entered into definitive agreements for utilisation of proceeds of the Issue for funding capital expenditure towards plant and machinery and expenditure relating to research and product development and the requirement of funds for meeting the objects of this Issue have not been appraised by any bank or financial institution. Further, our Company has not identified the general corporate purposes for which it intends to utilise a portion of the proceeds of the Issue. For further details, refer to “Objects of the Issue” on page 60 of the Letter of Offer.

**21. *Our future success depends on our ability to satisfy changing customer demands by offering innovative products in a timely manner and maintaining such products’ competitiveness and quality.***

Our competitors may gain significant advantages if they are able to offer products satisfying customer needs earlier than we are able to which may materially and adversely impact our sales and profitability. Unanticipated delays or cost overruns in implementing new product launches, expansion plans or capacity enhancements could also materially and adversely impact our financial condition and results of operations.

Customer preferences especially in many of the developed markets appear to be moving in favor of more fuel efficient and environmental friendly vehicles. Furthermore, in many countries there has been significant pressure on the automotive industry to reduce carbon dioxide emissions. In many markets these preferences are driven by increasingly stringent government regulations, rising fuel prices and customers’ environmental considerations. Our business and operations may be significantly impacted if we experience delays in developing products that reflect changing customer preferences, especially in the premium automotive category. In addition, deterioration in the quality of our vehicles could force us to incur substantial costs and damage our reputation. There can be no assurance that the market acceptance of our future products will meet our sales expectations, in which case we may be unable to realize the intended economic benefits of our investments and our revenues and profitability may increase materially.

Private and commercial users of transportation increasingly use modes of transportation other than the automobile, especially in connection with increasing urbanization. The reasons for this include the rising costs related to automotive transport of people and goods, increasing traffic density in major cities and environmental awareness. Furthermore, the increased use of car sharing concepts and other innovative mobility initiatives facilitates access to other methods of transport, thereby reducing dependency on the private automobile altogether. A change in consumer preferences away from private automobiles would have a

material adverse effect on our general business activity and on our sales, financial position and results of operations as well as prospects.

To stimulate demand, competitors in the automotive industry have offered customers and dealers price reductions on vehicles and services, which has led to increased price pressures and sharpened competition within the industry. As a provider of numerous high-volume models, our profitability and cash flows are significantly affected by the risk of rising competitive and price pressures.

Special sales incentives and increased price pressures in the new car business also influence price levels in the used car market, with a negative effect on vehicle resale values. This may have a negative impact on the profitability of the used car business in our dealer organization.

**22. *We are subject to risks associated with product liability, warranty and recall.***

We are subject to risks and costs associated with product liability, warranties and recalls, relating to defective products, parts, or related after-sales services, including by generating negative publicity, which may have a material adverse effect on our business, financial condition and results of operations. These events could also require us to expend considerable resources in correcting these problems and could significantly reduce demand for our products. We may also be subject to class actions or other large scale product liability or other lawsuits in various jurisdictions where we have a significant presence.

**23. *Increases in input prices may have a material adverse effect on our results of operations.***

In the nine months ended December 31, 2013 and December 31, 2014, the consumption of raw materials, components and aggregates and purchase of products for sale constituted approximately 61.7% and 61.2% respectively, of our total revenues. Prices of commodity items used in manufacturing automobiles, including steel, aluminium, copper, zinc, rubber, platinum, palladium and rhodium have become increasingly volatile in recent years. Further price movements would closely depend on the evolving economic scenarios across the globe. While we continue to pursue cost reduction initiatives, an increase in price of input materials could severely impact our profitability to the extent such increase cannot be absorbed by the market through price increases and/or could have a negative impact on the demand.

In addition, an increased price and supply risk could arise from the supply of rare and frequently sought after raw materials for which demand is high, especially those used in vehicle electronics such as rare earths, which are predominantly found in China. Rare earth metal prices and supply remain uncertain. In the past, China has limited the export of rare earths from time to time. If we are unable to find substitutes for such raw materials or pass price increases on to customers by raising prices, or to safeguard the supply of scarce raw materials, our vehicle production, business and results from operations could be affected. Due to intense price competition and our high level of fixed costs, we may not be able to adequately address changes in commodity prices even if they are foreseeable. Increases in fuel costs also pose a significant challenge to automobile manufacturers worldwide, including us, especially in the commercial and premium vehicle segments where increased fuel prices have an impact on demand.

**24. *Our business is seasonal in nature and a substantial decrease in our sales during certain quarters could have a material adverse impact on our financial performance.***

The sales, volumes and prices for our vehicles are influenced by the cyclicity and seasonality of demand for these products. The automotive industry has been cyclical in the past and we expect this cyclicity to continue.

In the Indian market, demand for our vehicles generally peaks between January and March, although there is a decrease in demand in February just before release of the Indian fiscal budget. Demand is usually lean from April to July and picks up again in the festival season from September onwards, with a decline in December due to year-end.

Our Jaguar Land Rover business is impacted by the semi-annual registration of vehicles in the United Kingdom where the vehicle registration number changes every six months following the registration period as customers seek to purchase vehicles with fresh registrations, which in turn impacts the resale value of vehicles. This leads to an increase in sales during the period when the aforementioned change occurs. Other markets such as the United States are influenced by introduction of new model year products which typically occurs in the autumn of each year. The automotive market in China tends to reflect higher demand for vehicles around the Chinese New Year. Demand in the western European automotive markets tends to be reduced during the summer and winter holidays. Furthermore, our cash flows are impacted by temporary shutdowns of three of our manufacturing plants in the United Kingdom during the summer and winter holiday seasons. The resulting sales and cash flow profile is reflected in our results of operations on a quarterly basis.

**25. *Impairment of intangible assets may have a material adverse on our results of operations.***

Designing, manufacturing and selling vehicles is capital intensive and requires substantial investments in intangible assets like research and development, product design and engineering technology. Annually, we review the value of our intangible assets to assess on an annual basis whether the carrying amount matches the recoverable amount for the asset concerned based on underlying cash-generating units. We may have to take an impairment loss as of current balance sheet date or a future balance sheet date, if the carrying amount exceeds the recoverable amount, which could have a material adverse effect on our financial condition and the results of operations.

**Other External risk factors**

**26. *Deterioration in global economic conditions could have a material adverse impact on our sales and results of operations.***

The automotive industry and the demand for automobiles, are influenced by general economic conditions, including among other things, rates of economic growth, availability of credit, disposable income of consumers, interest rates, environmental and tax policies, safety regulations, freight rates and fuel and commodity prices. Negative trends in any of these factors impacting the regions where we operate could materially and adversely affect our business, financial condition and results of operations.

The Indian automotive industry is affected materially by the general economic conditions in India and around the world. Muted industrial growth in India in recent years

along with continuing high levels of inflation and interest rates continue to pose risks to overall growth in this market. The automotive industry in general is cyclical and economic slowdowns in the recent past have affected the manufacturing sector, including the automotive and related industries in India. A continuation of negative economic trends or further deterioration in key economic metrics such as the growth rate, interest rates and inflation as well as reduced availability of financing for vehicles at competitive rates could materially and adversely affect our automotive sales in India and results of operations.

In addition, the Indian automotive market and the Indian economy are influenced by economic and market conditions in other countries. Although economic conditions are different in each country, investors' reactions to economic developments in one country can have adverse effects on the securities of companies and the economy as a whole, in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. In the event the recovery of global economy is slower than expected, or if there is any significant financial disruption, this could have a material adverse effect on our cost of funding, portfolio of financing loans, business, prospects, financial condition, results of operations and the trading price of our Securities.

Our Jaguar Land Rover business has significant operations in the United Kingdom, North America, continental Europe and China, as well as sales operations in many major countries across the globe. The global economic downturn significantly impacted the global automotive markets, particularly in the United States and Europe, including the United Kingdom, where our Jaguar Land Rover operations have significant sales exposure. During Fiscal 2014, the automotive market in the United Kingdom and Europe continued to experience challenges. Confidence in financial markets and general consumer confidence have been further eroded by recent political tensions in North Africa, the Middle East and Ukraine, the imposition of economic sanctions against Russia, a possible exit by Greece from the Eurozone and concerns of an economic slowdown in China. Our strategy with respect to our Jaguar Land Rover operations, which includes new product launches and expansion in converging markets such as China, India, Russia and Brazil where we have experienced growth in recent years, may not be sufficient to mitigate the decrease in demand for our products in established markets which may have a significant negative impact on our financial performance. If automotive demand softens because of lower or negative economic growth in key markets, including China and Russia, or other factors, our financial condition and results of operations could be materially and adversely affected.

**27. *India's obligations under the World Trade Organization Agreement could materially affect our business.***

India's obligations under its World Trade Organization agreement could reduce the present level of tariffs on imports of components and vehicles. Reductions of import tariffs could result in increased competition, which in turn could materially and adversely affect our business, financial condition and results of operations.

**28. *Compliance with new and current laws, rules, regulations and government policies regarding increased fuel economy, reduced greenhouse gas and other emissions, vehicle safety, taxes and pricing policies in the automotive industry may significantly increase our costs and materially decrease our net income.***

As an automobile company, we are subject to extensive governmental regulations regarding vehicle emission levels, noise and safety, and the levels of pollutants generated by our production facilities. These regulations are likely to become more stringent and higher compliance costs may significantly impact our future results of operations. In particular, the United States and Europe have stringent regulations relating to vehicle emissions. The proposed tightening of vehicle emissions regulations by the European Union will require significant costs for compliance. In addition, a number of further legislative and regulatory measures to address greenhouse emissions, including national laws and the Kyoto Protocol, are in various phases of discussions and implementation.

In order to comply with current and future safety and environmental norms, we may have to incur additional costs to: (i) operate and maintain our production facilities; (ii) install new emissions controls or reduction technologies; (iii) purchase or otherwise obtain allowances to emit greenhouse gases; (iv) administer and manage our greenhouse gas emissions program, and (v) invest in research and development to upgrade products and manufacturing facilities. If we are unable to develop commercially viable technologies or otherwise unable to attain compliance within the time frames set by the new standards, we could face significant civil penalties or be forced to restrict product offerings drastically. Moreover, safety and environmental standards may at times impose conflicting imperatives, which pose engineering challenges and would, among other things, increase our costs. While we are pursuing the development and implementation of various technologies in order to meet the required standards in the various countries in which we sell our vehicles, the costs for compliance with these required standards could be significant to our operations and may materially and adversely affect our business, financial condition and results of operations.

Imposition of any additional taxes and levies designed to limit the use of automobiles could significantly reduce the demand for our products as well as our sales and net income. Changes in corporate and other taxation policies as well as changes in export and other incentives offered by the various governments could also materially and adversely affect our financial condition and results of operations. For example, we benefit from excise duty exemptions for manufacturing facilities in the State of Uttarakhand and other incentives such as subsidies or loans from states where we have manufacturing operations. The Government of India had proposed a comprehensive GST regime that will combine taxes and levies by the central and state governments into one unified rate structure. While both the Government of India and other state governments of India have publicly announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax

structure may be affected by any disagreement between certain state governments, which could create uncertainty. The timeline of the proposed transition is uncertain as of the date of the Letter of Offer.

The Direct Tax Code Bill 2010, which was proposed to replace the existing Income Tax Act, 1961 and other direct tax laws is unlikely to be introduced as per the Finance Minister's speech while presenting the Finance Bill 2015. Regulations in the areas of investments, taxes and levies may also have an impact on the Securities.

The PRC antitrust regulator, the Bureau of Price Supervision and Anti-Monopoly of the National Development and Reform Commission, or the NDRC, has launched an investigation into the pricing practices of more than 1,000 Chinese and international companies in the automotive industry, including Jaguar Land Rover and many of its competitors, in 2014. The NDRC has reportedly imposed fines on certain of our international competitors as a result of anti-competitive practices pertaining to vehicle and spare part prices. In response to this investigation, we set up a process to review our pricing in China and announced, in July 2014, reductions in the manufacturer's suggested retail price, or the MSRP, for our 5.0 litre V8 and V8 S, Range Rover, Range Rover Sport and Jaguar F TYPE convertible models, effective from August 1, 2014. We also announced reductions in the price of certain of our spare parts, effective from September 1, 2014. These and other price reductions on our products sold in China may significantly reduce the revenues and profits generated by our operations in China and have a material adverse effect on our financial condition and results of operations. Our attempts to offset the potential decline in revenue and profits by increasing operational efficiencies and leveraging economies of scale (for example, through local production in China) may fail or not be as successful as expected. Furthermore, any regulatory action taken, or penalties imposed by, the NDRC or other authorities in China, may have significant severe reputational consequences on our business as well as our profitability and prospects.

**29. *Compliance with new and changing corporate governance and public disclosure requirements adds uncertainty to our compliance policies and increases our costs of compliance.***

We are subject to a complex and changing regime of laws, rules, regulations and standards relating to accounting, corporate governance and public disclosure, including the Sarbanes-Oxley Act of 2002 and SEC regulations, SEBI regulations, New York Stock Exchange, or NYSE, listing rules and Indian stock market listing regulations. New or changed laws, rules, regulations and standards may lack specificity and are subject to varying interpretations. Their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of ongoing revisions to such governance standards. We are committed to maintaining high standards of corporate governance and public disclosure. However, our efforts to comply with evolving laws, rules, regulations and standards in this regard have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management resources and time.

**30. *Changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.***

Our business and operations are governed by various laws and regulations. Our business and financial performance could be adversely affected by any change in laws or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business.

There can be no assurance that the relevant governmental authorities will not implement new regulations or policies which will require us to obtain additional approvals and licenses from the government or other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial conditions and results of operations.

Further, Government of India has announced the union budget for the Fiscal 2016 and the Finance Bill, 2015 has been tabled before the Parliament. However, the Finance Act has not yet been passed by the Parliament. As such, there is no certainty on the impacts that the Finance Bill, 2015 may have on our business and operations or on the industry that we are in.

**31. *The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in offer document, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and KMPs from engaging in forward dealing. We are also required to spend, in each financial year, at least 2% of our average net profits during three immediately preceding financial years towards corporate social responsibility activities. Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by

the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations issued by SEBI). Recently, SEBI issued revised corporate governance guidelines which became effective from October 1, 2014. Pursuant to the revised guidelines, we are required to, amongst other things ensure that there is at least one woman director on our Board of Directors at all times, establish a vigilance mechanism for directors and employees and reconstitute certain committees in accordance with the revised guidelines. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 and the revised SEBI corporate governance norms. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business, financial conditions and results of operations.

Further, our Board members, Executive Directors and our Chief Financial Officer could face an increased risk of personal liability in connection with the performance of their duties. As a result, we may face difficulties attracting and retaining qualified Board members and senior management.

**32. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.***

The Competition Act regulates practices having an AAEC in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, sharing the market by way of geographical area or number of subscribers in the relevant market or which directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the CCI. Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011 (as amended) which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. The

CCI, has initiated an enquiry against us and other car manufacturers (collectively referred to hereinafter as the ‘OEMs’) pursuant to an allegation that genuine spare parts of automobiles manufactured by the OEMs were not made freely available in the open market in India and accordingly, anti-competitive practices were carried out by the OEMs. For further details, refer to “Outstanding Litigation and Defaults” on page 143 of the Letter of Offer.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial conditions and results of operations.

**33. *Compliance with the SEC’s new rule for disclosures on “conflict minerals” may be time consuming and costly as well as result in reputational damage.***

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the SEC has adopted a new rule that applies to companies that use certain minerals and metals, known as conflict minerals, in their products, including certain products manufactured for them by third parties. The new rule requires companies that use conflict minerals in the production of their products to conduct due diligence as to whether or not such minerals originate from the Democratic Republic of Congo and adjoining countries and requires companies to file certain information with the SEC about the use of these minerals. The deadline for the first conflict minerals report was June 2, 2014, and we filed our first conflict minerals report on May 30, 2014. We expect to incur additional costs to comply with the new due diligence and disclosure requirements. In addition, depending on our findings or our inability to make reliable findings about the source of any possible conflict minerals that may be used in any products manufactured for us by third parties, our reputation could be harmed.

**34. *Political changes in India could delay and/or affect the further liberalization of the Indian economy and materially and adversely affect economic conditions in India generally and our business in particular.***

Our business could be significantly influenced by economic policies adopted by the Government of India. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms.

The Government of India has at various times announced its general intention to continue India’s current economic and financial liberalization and deregulation policies. However, protests against such policies, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. While we expect any new government to continue the liberalization of India’s economic and financial sectors and deregulation policies, there can be no assurance that such policies will be continued.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of the Securities may be affected by interest rates, changes in policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

A change in the Government of India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally, and specifically those of our Company, as a substantial portion of our assets are located in India, and could have a material adverse effect on our financial condition and results of operations.

**35. *Terrorist attacks, civil disturbances, regional conflicts and other acts of violence, particularly in India, may disrupt or otherwise adversely affect the markets in which we operate, our business and our profitability.***

India has from time to time experienced social and civil unrest and hostilities, including terrorist attacks and riots and armed conflict with neighboring countries. Events of this nature in the future could influence the Indian economy and could have a material adverse effect on our business as well as the market for securities of Indian companies, including the Securities.

In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Securities. Further, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business, results of operations and financial condition, and the market price of the Securities.

**36. *We may be materially and adversely impacted by political instability, wars, terrorism, multinational conflicts, natural disasters, fuel shortages/prices, epidemics and labor strikes.***

Our products are exported to a number of geographical markets and we plan to further expand our international operations in the future. Consequently, we are subject to various risks associated with conducting our business outside our domestic markets and our operations may be subject to political instability in those markets, wars, terrorism, regional or multinational conflicts, natural disasters, fuel shortages, epidemics and labor strikes. In addition, conducting business internationally, especially in emerging markets, exposes us to additional risks, including adverse changes in economic and government policies, unpredictable shifts in regulation, inconsistent application of existing laws, rules and regulations, unclear regulatory and taxation systems and divergent commercial and employment practices and procedures. Any significant or prolonged disruption or delay in our operations related to these risks could materially and adversely affect our business, financial condition and results of operations.

**37. *Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.***

The Articles of Association of our Company, which include regulations applicable to our Board, and Indian law, govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company incorporated in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions,

including the United States. You may also have more difficulty in asserting your rights as a shareholder of our Company than you would as a shareholder of a corporation organized in another jurisdiction.

**38. *Investors may have difficulty enforcing judgments against us or our management.***

We are a limited liability company incorporated under the laws of India. The majority of our directors and executive officers are residents of India and a substantial portion of our assets and the assets of these directors and executive officers are located in India. As a result, investors may find it difficult to (i) effect service of process upon us or these directors and executive officers in jurisdictions outside of India, (ii) enforce court judgments obtained outside of India, including those based upon the civil liability provisions of the U.S. federal securities laws, against us or these directors and executive officers, (iii) enforce, in an Indian court, court judgments obtained outside of India, including those based upon the civil liability provisions of the U.S. federal securities laws, against us or these directors and executive officers, and (iv) obtain expeditious adjudication of an original action in an Indian court to enforce liabilities, including those based upon the civil liability provisions of the U.S. federal securities laws, against us or these directors and executive officers.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided under Section 13 of the Code of Civil Procedure, or the Civil Procedure Code.

Section 13 and Section 44A of the Civil Procedure Code provide that a foreign judgment shall be conclusive as to any matter thereby directly adjudicated upon except (i) where it has not been pronounced by a court of competent jurisdiction, (ii) where it has not been given on the merits of the case, (iii) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where Indian law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where it has been obtained by fraud or (vi) where it sustains a claim founded on a breach of any law in force in India.

Section 44A of the Civil Procedure Code provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty.

The United States has not been declared by the Government of India to be a reciprocating territory for the purpose of Section 44A of the Civil Procedure Code. Accordingly, a judgment of a court in the United States may be enforced only by a suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of

damages awarded as excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from RBI, the central bank of India, to execute such a judgment or to repatriate outside India any amount recovered.

**39. Intensifying competition could materially and adversely affect our sales, financial conditions and results of operations.**

The global automotive industry is highly competitive and competition is likely to further intensify in light of continuing globalization and consolidation in the worldwide automotive industry. Competition is especially likely to increase in the premium automotive categories as each market participant intensifies its efforts to retain its position in established markets while also expanding in emerging markets, such as China, India, Russia, Brazil and parts of Asia. The factors affecting competition include product quality and features, innovation and time to introduce new products, ability to control costs, pricing, reliability, safety, fuel economy, environmental impact and perception thereof, customer service and financing terms. There can be no assurance that we will be able to compete successfully in the global automotive industry in the future.

We also face strong competition in the Indian market from domestic as well as foreign automobile manufacturers. Improving infrastructure and robust growth prospects compared to other mature markets have attracted a number of international companies to India either through joint ventures with local partners or through independently owned operations in India. International competitors bring with them decades of international experience, global scale, advanced technology and significant financial resources. Consequently, domestic competition is likely to further intensify in the future. There can be no assurance that we will be able to implement our future strategies in a way that will mitigate the effects of increased competition in the Indian automotive industry.

Designing, manufacturing and selling vehicles is capital intensive and requires substantial investments in manufacturing, machinery, research and development, product design, engineering, technology and marketing in order to meet both consumer preferences and regulatory requirements. If our competitors consolidate or enter into other strategic agreements such as alliances, they may be able to take better advantage of economies of scale. We believe that competitors may be able to benefit from the cost savings offered by consolidation or alliances, which could adversely affect our competitiveness with respect to those competitors. Competitors could use consolidation or alliances as a means of enhancing their competitiveness (including through the acquisition of technology), which could also materially reduce our sales as well as materially and adversely affect our business, financial condition and results in operations.

**40. Any downgrading of India's debt rating by a domestic or international rating agency could negatively impact our business.**

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial results and business prospects, ability to obtain financing for capital expenditures and the price of the Securities.

**41. Companies in India (based on notified thresholds), including our Company, will be required to prepare financial statements under Ind-AS (which is India's convergence to IFRS). The transition to Ind-AS in India is very recent and there is no clarity on the impact of such transition on our Company.**

Our Company currently prepares its annual and interim financial statements under Indian GAAP. Companies in India, including our Company, will be required to prepare annual and interim financial statements under Indian Accounting Standard 101 "First-time Adoption of Indian Accounting Standards (the "Ind-AS"). On January 2, 2015, the Ministry of Corporate Affairs, Government of India (the "MCA") announced the revised roadmap for the implementation of Ind-AS (on a voluntary as well as mandatory basis) for companies other than banking companies, insurance companies and non-banking finance companies through a press release (the "Press Release"). Further, on February 16, 2015, the MCA has released the Companies (Indian Accounting Standards) Rules, 2015 (to be published in the Gazette of India) which will come into effect from April 1, 2015.

Ind-AS will be required to be implemented on a mandatory basis by companies based on their respective net worth as set out below:

| Sr. No. | Category of companies                                                                                                                                             | First period of reporting                        |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| 1       | Companies whose securities are either listed or proposed to list, on any stock exchange in India or outside India and having a net worth of ₹ 500 crore or more   | Fiscal Year commencing on or after April 1, 2016 |
| 2       | Companies other than those covered in (1) above and having a net worth of ₹ 500 crore or more                                                                     | Fiscal Year commencing on or after April 1, 2016 |
| 3       | Companies whose securities are either listed or proposed to list, on any stock exchange in India or outside India and having a net worth of less than ₹ 500 crore | Fiscal Year commencing on or after April 1, 2017 |
| 4       | Unlisted companies having a net worth of ₹ 250 crore or more but less than ₹ 500 crore                                                                            | Fiscal Year commencing on or after April 1, 2017 |

In addition, any holding, subsidiary, joint venture or associate companies of the companies specified above shall also comply with such requirements from the respective periods specified above.

There is not yet a significant body of established practice on which to draw informing judgments regarding its implementation and application. Additionally, Ind-AS differs in certain respects from IFRS and therefore financial statements prepared under Ind-AS may be substantially different from financial statements prepared under IFRS. There can be no assurance that our Company's financial condition, results of operation, cash flow or changes in shareholders' equity will not be presented differently under Ind-AS than under Indian GAAP or IFRS. When

our Company adopts Ind-AS reporting, it may encounter difficulties in the ongoing process of implementing and enhancing its management information systems. There can be no assurance that the adoption of Ind-AS by our Company will not adversely affect its financial conditions or results of operation.

**42. *The Securities may experience price and volume fluctuations or an active trading market for the Securities may not develop.***

The price of the Securities may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, adverse media reports on us, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. Further, the price at which the Securities are initially traded may not correspond to the prices at which the Securities will trade in the market subsequently.

**43. *The market value of your investment may fluctuate due to the volatility of the Indian securities market.***

The Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of their listed securities. The Indian stock exchanges, including BSE, have experienced problems that, if they continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Securities. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

**44. *There are restrictions on daily movements in the price of the Securities, which may adversely affect a security-holder's ability to sell, or the price at which a security-holder can sell, Securities at a particular point in time.***

The Securities will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Securities. This circuit breaker operates independent of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Securities. The stock exchanges are not required to inform our Company of the percentage limit of the circuit breaker from time to time, and may change it without our Company's knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Securities. As a result of this circuit breaker, we cannot make any assurance regarding the ability of the shareholders of our Company to sell the Securities or the price at which such shareholders may be able to sell their Securities.

**45. *Economic developments and volatility in securities markets in other countries may cause the price of the Securities to decline.***

The Indian economy and its securities markets are

influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Negative economic developments, such as rising fiscal or trade deficits, or a default on sovereign debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general and may cause the price of the securities to decline.

**46. *Exchange rate and interest rate fluctuations could materially and adversely affect our financial condition and results of operations.***

Our operations are subject to risks arising from fluctuations in exchange rates in countries in which we operate. We import capital equipment, raw materials and components from, manufacture vehicles in, and sell vehicles into, various countries, and therefore our revenues and costs have significant exposure to the relative movements of the GBP, the US\$, the Euro, the Chinese Renminbi, the Japanese yen and the Indian rupee. In particular, the Indian rupee has declined significantly relative to the U.S. dollar in recent years. As of August 28, 2013, the value of the Indian Rupee against the US dollar was ₹ 68.80 = US\$1.00, following a depreciation of approximately 28.2%, as compared to ₹ 53.65 = US \$1.00 on May 1, 2013, based on the exchange rate for Indian Rupees in the City of New York for cable transfers payable in foreign currencies as certified by the Federal Reserve Bank of New York for customs purposes. The exchange rate between Indian rupees and U.S\$ was ₹ 62.7825 = US\$1.00 based on the opening spot rate as published by Bloomberg at 7:20 a.m., New York City time, on March 27, 2015.

Moreover, we have outstanding foreign currency denominated debt and are sensitive to fluctuations in foreign currency exchange rates. We have experienced and expect to continue to experience foreign exchange losses and gains on obligations denominated in foreign currencies in respect of our borrowings and foreign currency assets and liabilities due to currency fluctuations.

We also have interest-bearing assets (including cash balances) and interest bearing liabilities, which bear interest at variable rates and are therefore exposed to changes in interest rates in the various markets in which we borrow.

Although we manage our interest and foreign exchange exposure through use of financial hedging instruments such as forward contracts, swap agreements and option contracts, higher interest rates and a weakening of the Indian Rupee against major foreign currencies significantly increase our cost of borrowing, which could have a material adverse effect on our financial condition, results of operations and liquidity.

**47. *Any future issuance of the Securities may dilute your future shareholding and sales of the Securities by the Promoter or other major shareholders of our Company may adversely affect the trading price of the Securities.***

Any future equity issuances by our Company may lead to dilution of your future shareholding in our Company. Any future equity issuances by our Company or sales of the Securities by the Promoter or other major shareholders

of our Company may adversely affect the trading price of the Securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Securities.

Except as otherwise stated in the Letter of Offer, there is no restriction on our Company's ability to issue the Securities or the relevant shareholders' ability to dispose of their Securities, and there can be no assurance that our Company will not issue Securities or that any such shareholder (including Promoter and Promoter Group) will not dispose of, encumber, or pledge its Securities.

**48. *You may be subject to Indian taxes arising out of capital gains on the sale of the Securities.***

Capital gains arising from the sale of the Securities are generally taxable in India. Any gain realised on the sale of the Securities on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax has been paid on the transaction. The securities transaction tax will be levied on and collected by an Indian stock exchange on which the Securities are sold. Any gain realised on the sale of the Securities held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no securities transaction tax has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of the Securities held for a period of 12 months or less will be subject to capital gains tax in India.

**49. *We cannot guarantee that the Securities issued in the Issue will be listed on the Stock Exchanges in a timely manner.***

In accordance with Indian law and practice, after the Board of Directors passes the resolution to allot the Securities but prior to crediting such Securities into the Depository Participant accounts of the investors, we are required to apply to the Stock Exchanges for final listing approval. After receiving the final listing approval from the Stock Exchanges, we will credit the Securities into the Depository Participant accounts of the respective investors and apply for the final trading approval from the Stock Exchanges. There could be a delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of the Securities on the Stock Exchanges. Any delay in obtaining these approvals would restrict your ability to dispose of your Securities.

**Risk relating to this Abridged Letter of Offer**

***This Abridged Letter of Offer may not contain all the information that is contained in the Letter of Offer.***

This Abridged Letter of Offer is being distributed in terms of the Regulation 58(4) of the SEBI Regulations and contains disclosures in terms of the Regulation 58(2) of the SEBI Regulations. Accordingly, this Abridged Letter of Offer may not contain all the information contained in the Letter of Offer. Further in terms of the Regulation 58(2) read with Part F of Schedule VIII of the SEBI Regulations ("Part F"), this Abridged Letter of Offer contains disclosures as specified in Part D of Schedule VIII of the SEBI Regulations ("Part D") and, in accordance with paragraph (2) of Part F, the order in which the sections appear in this Abridged Letter of Offer corresponds to the order in which such sections appear in the Letter of Offer and not in the order required by Part D.

**PROMINENT NOTES**

1. Simultaneous but unlinked issue of up to 15,06,44,759 Ordinary Shares for cash at a price of ₹ 450 (including a premium of ₹ 448 per Ordinary Share) on a rights basis to Eligible Ordinary Shareholders in the ratio of six Ordinary Shares for every 109 fully paid-up Ordinary Share held on the Book Closure Date and up to 2,65,30,290 'A' Ordinary Shares for cash at a price of ₹ 271 (including a premium of ₹ 269 per 'A' Ordinary Share) to the Eligible 'A' Ordinary Shareholders in the ratio of six 'A' Ordinary Shares for every 109 fully paid-up 'A' Ordinary Share held on the Book Closure Date. Total proceeds from the Issue of Securities would aggregate up to ₹ 7,498 crore.
2. As on March 31, 2014, the net worth of our Company on a standalone basis was ₹ 19,176.65 crore and on a consolidated basis was ₹ 65,603.45 crore and net worth as on December 31, 2014 was ₹ 15,789.30 crore on a standalone basis and ₹ 68,822.65 crore on a consolidated basis.
3. For details of our transactions with related parties during the year ended March 31, 2014, the nature of transactions and the cumulative value of transactions, see "Related Party Disclosures for the year ended March 31, 2014" and "Related Party Disclosures" on pages A-63 and A-96 respectively of the Letter of Offer.
4. There has been no financing arrangement whereby the Promoter Group, the directors of the Promoter, the Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of the Letter of Offer with the Designated Stock Exchange.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

### THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “Terms of the Issue” on page 157 of the Letter of Offer.

|                                                                                                                        | Ordinary Shares                                                                               | ‘A’ Ordinary Shares                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Securities being offered by our Company</b>                                                                         | Up to 15,06,44,759 Ordinary Shares                                                            | Up to 2,65,30,290 ‘A’ Ordinary Shares                                                                                                                                                                                                                                              |
| <b>Rights Entitlement</b>                                                                                              | Six Ordinary Shares for every 109 fully paid-up Ordinary Shares held on the Book Closure Date | Six ‘A’ Ordinary Shares for every 109 fully paid-up ‘A’ Ordinary Shares held on the Book Closure Date                                                                                                                                                                              |
| <b>Book Closure Date</b>                                                                                               | April 8, 2015                                                                                 | April 8, 2015                                                                                                                                                                                                                                                                      |
| <b>Face Value</b>                                                                                                      | ₹ 2 each                                                                                      | ₹ 2 each                                                                                                                                                                                                                                                                           |
| <b>Issue Price</b>                                                                                                     | ₹ 450 per Ordinary Share                                                                      | ₹ 271 per ‘A’ Ordinary Share                                                                                                                                                                                                                                                       |
| <b>Voting Rights</b>                                                                                                   |                                                                                               |                                                                                                                                                                                                                                                                                    |
| <i>In case of show of hands</i>                                                                                        | 1 vote per member                                                                             | 1 vote per member                                                                                                                                                                                                                                                                  |
| <i>In case of Poll</i>                                                                                                 | One vote per Ordinary Share                                                                   | One vote per 10 ‘A’ Ordinary Shares                                                                                                                                                                                                                                                |
| <b>Dividend</b>                                                                                                        | Normal dividend as may be recommended by Board and declared by shareholders of our Company    | In addition to normal dividend as may be recommended and declared for Ordinary Shares, the ‘A’ Ordinary Shares shall be entitled to an additional 5% dividend. Further if no dividend is recommended for Ordinary Shares, ‘A’ Ordinary Shares would also not receive any dividend. |
| <b>Issue Size</b>                                                                                                      | Up to ₹ 6,779.01 crore                                                                        | Up to ₹ 718.97 crore                                                                                                                                                                                                                                                               |
| <b>Securities outstanding prior to the Issue</b>                                                                       | 2,73,67,13,122 Ordinary Shares                                                                | 48,19,66,945 ‘A’ Ordinary Shares                                                                                                                                                                                                                                                   |
| <b>Securities outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b> | Up to 2,88,73,57,881 Ordinary Shares <sup>(1)(2)</sup>                                        | Up to 50,84,97,235 ‘A’ Ordinary Shares                                                                                                                                                                                                                                             |
| <b>Security Codes</b>                                                                                                  | ISIN: INE155A01022<br>BSE: 500570<br>NSE: TATAMOTORS                                          | ISIN: IN9155A01020<br>BSE: 570001<br>NSE: TATAMTRDVR                                                                                                                                                                                                                               |
| <b>Terms of the Issue</b>                                                                                              | For more information, see “Terms of the Issue” on page 157 of the Letter of Offer.            |                                                                                                                                                                                                                                                                                    |
| <b>Use of Issue Proceeds</b>                                                                                           | For further information, see “Objects of the Issue” on page 60 of the Letter of Offer.        |                                                                                                                                                                                                                                                                                    |

- (1) The call money in respect of 13,746 ordinary shares of our Company of face value ₹ 10 each is currently outstanding. For further details, see “Capital Structure” on page 51 of the Letter of Offer.
- (2) The entitlements to 4,84,470 Ordinary Shares and 2,39,570 ‘A’ Ordinary Shares are subject matters of various suits filed in the courts / forums by third party for which final order is awaited and hence kept in abeyance.
- (3) The Securities have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to US persons except in transactions not requiring registration thereunder. Any CAFs bearing an address in the United States will not be accepted.

Our Company has filed a registration statement and a prospectus supplement with the SEC to register the ADSs to be issued on a rights basis to the existing holders of the ADSs (“ADS Holders”) as on the ADS Record Date by the ADS Depositary on the basis of its Rights Entitlement for Ordinary Shares in the Issue.

#### Terms of Payment

| Due Date                                           | Ordinary Shares                                          | ‘A’ Ordinary Shares                                      |
|----------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| On the Issue application (i.e. along with the CAF) | ₹ 450, which constitutes 100% of the Issue Price payable | ₹ 271, which constitutes 100% of the Issue Price payable |

# ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

## SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from IGAAP Financials. Our summary financial information presented below, is in ₹ / ₹ crore and should be read in conjunction with the financial statements and the notes (including the significant accounting principles) thereto included in “Financial Statements” beginning on page 92 of the Letter of Offer.

### Standalone Condensed Balance Sheet

(₹ in crore)

|            |                                          | As at December 31, |                  | As at March 31,  |                  |
|------------|------------------------------------------|--------------------|------------------|------------------|------------------|
|            |                                          | 2014               | 2013             | 2014             | 2013             |
| <b>I.</b>  | <b><u>EQUITY AND LIABILITIES</u></b>     |                    |                  |                  |                  |
|            | <b>1. SHAREHOLDERS' FUNDS</b>            |                    |                  |                  |                  |
|            | (a) Share capital                        | 643.78             | 643.78           | 643.78           | 638.07           |
|            | (b) Reserves and surplus                 | 15,145.52          | 19,970.72        | 18,532.87        | 18,496.77        |
|            |                                          | 15,789.30          | 20,614.50        | 19,176.65        | 19,134.84        |
|            | <b>2. NON-CURRENT LIABILITIES</b>        |                    |                  |                  |                  |
|            | (a) Long-term borrowings                 | 13,317.26          | 9,523.01         | 9,746.45         | 8,051.78         |
|            | (b) Deferred tax liabilities (net)       | -                  | 1,203.52         | 43.11            | 1,963.91         |
|            | (c) Other long-term liabilities          | 1,125.90           | 1,181.06         | 1,155.48         | 1,238.44         |
|            | (d) Long-term provisions                 | 1,884.62           | 746.45           | 815.20           | 691.19           |
|            |                                          | 16,327.78          | 12,654.04        | 11,760.24        | 11,945.32        |
|            | <b>3. CURRENT LIABILITIES</b>            |                    |                  |                  |                  |
|            | (a) Short-term borrowings                | 6,910.85           | 7,902.08         | 4,769.08         | 6,216.91         |
|            | (b) Trade payables                       | 8,478.82           | 7,492.99         | 9,672.36         | 8,455.02         |
|            | (c) Other current liabilities            | 3,108.07           | 4,483.87         | 2,463.18         | 4,923.10         |
|            | (d) Short-term provisions                | 1,253.62           | 976.31           | 1,892.91         | 1,509.58         |
|            |                                          | 19,751.36          | 20,855.25        | 18,797.53        | 21,104.61        |
|            | <b>TOTAL</b>                             | <b>51,868.44</b>   | <b>54,123.79</b> | <b>49,734.42</b> | <b>52,184.77</b> |
| <b>II.</b> | <b><u>ASSETS</u></b>                     |                    |                  |                  |                  |
|            | <b>1. NON-CURRENT ASSETS</b>             |                    |                  |                  |                  |
|            | (a) Fixed assets                         |                    |                  |                  |                  |
|            | (i) Tangible assets                      | 12,289.29          | 12,216.59        | 12,133.50        | 12,287.71        |
|            | (ii) Intangible assets                   | 3,732.88           | 3,218.11         | 3,107.07         | 3,168.03         |
|            | (iii) Capital work-in-progress           | 1,304.30           | 1,628.82         | 1,716.85         | 1,507.84         |
|            | (iv) Intangible assets under development | 4,570.28           | 4,189.75         | 4,638.22         | 3,244.96         |
|            |                                          | 21,896.75          | 21,253.27        | 21,595.64        | 20,208.54        |
|            | (b) Non-current investments              | 16,962.70          | 18,239.27        | 18,357.57        | 18,171.71        |
|            | (c) Long-term loans and advances         | 2,407.76           | 3,391.84         | 2,918.30         | 3,575.24         |
|            | (d) Other non-current assets             | 160.89             | 122.28           | 123.85           | 94.32            |
|            |                                          | <b>41,428.10</b>   | <b>43,006.66</b> | <b>42,995.36</b> | <b>42,049.81</b> |
|            | <b>2. CURRENT ASSETS</b>                 |                    |                  |                  |                  |
|            | (a) Current investments                  | 622.87             | 2,658.13         | 100.85           | 1,762.68         |
|            | (b) Inventories                          | 4,830.96           | 4,302.43         | 3,862.53         | 4,455.03         |
|            | (c) Trade receivables                    | 1,523.99           | 1,639.95         | 1,216.70         | 1,818.04         |
|            | (d) Cash and bank balances               | 1,773.89           | 798.88           | 226.15           | 462.86           |
|            | (e) Short-term loans and advances        | 1,570.13           | 1,598.61         | 1,223.77         | 1,532.09         |
|            | (f) Other current assets                 | 118.50             | 119.13           | 109.06           | 104.26           |
|            |                                          | 10,440.34          | 11,117.13        | 6,739.06         | 10,134.96        |
|            | <b>TOTAL</b>                             | <b>51,868.44</b>   | <b>54,123.79</b> | <b>49,734.42</b> | <b>52,184.77</b> |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

**Standalone Condensed Statement of Profit and Loss**

(₹ in crore)

|              |                                                                                              | Nine months Ended<br>December 31, |            | Year Ended<br>March 31, |            |
|--------------|----------------------------------------------------------------------------------------------|-----------------------------------|------------|-------------------------|------------|
|              |                                                                                              | 2014                              | 2013       | 2014                    | 2013       |
| <b>I.</b>    | <b>REVENUE FROM OPERATIONS</b>                                                               | 27,611.75                         | 28,403.26  | 37,758.00               | 49,319.73  |
|              | Less: Excise duty                                                                            | (2,101.29)                        | (2,660.64) | (3,469.89)              | (4,554.01) |
|              |                                                                                              | 25,510.46                         | 25,742.62  | 34,288.11               | 44,765.72  |
| <b>II.</b>   | <b>OTHER INCOME</b>                                                                          | 1,798.34                          | 3,684.79   | 3,833.03                | 2,088.20   |
| <b>III.</b>  | <b>TOTAL REVENUE (I + II)</b>                                                                | 27,308.80                         | 29,427.41  | 38,121.14               | 46,853.92  |
| <b>IV.</b>   | <b>EXPENSES :</b>                                                                            |                                   |            |                         |            |
|              | (a) Cost of materials consumed                                                               | 15,925.82                         | 15,474.67  | 20,492.87               | 27,244.28  |
|              | (b) Purchases of products for sale                                                           | 4,112.50                          | 3,647.52   | 5,049.82                | 5,864.45   |
|              | (c) Changes in inventories of finished goods, work-in-progress and products for sale         | (701.65)                          | 34.61      | 371.72                  | (143.60)   |
|              | (d) Employee cost / benefits expense                                                         | 2,255.26                          | 2,164.68   | 2,877.69                | 2,837.00   |
|              | (e) Finance costs                                                                            | 1,103.03                          | 1,014.96   | 1,337.52                | 1,387.76   |
|              | (f) Depreciation and amortisation expense                                                    | 1,779.89                          | 1,531.01   | 2,070.30                | 1,817.62   |
|              | (g) Product development expense / Engineering expense                                        | 297.18                            | 318.81     | 428.74                  | 425.76     |
|              | (h) Other expenses                                                                           | 5,899.49                          | 5,150.21   | 6,987.53                | 7,783.32   |
|              | (i) Expenditure transferred to capital and other accounts                                    | (843.89)                          | (775.31)   | (1,009.11)              | (953.80)   |
|              | <b>TOTAL EXPENSES</b>                                                                        | 29,827.63                         | 28,561.16  | 38,607.08               | 46,262.79  |
| <b>V.</b>    | <b>PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS, EXTRA ORDINARY ITEMS AND TAX (III - IV)</b>     | (2,518.83)                        | 866.25     | (485.94)                | 591.13     |
| <b>VI.</b>   | <b>EXCEPTIONAL ITEMS</b>                                                                     |                                   |            |                         |            |
|              | (a) Exchange loss (net) including on revaluation                                             | 299.34                            | 246.09     | 273.06                  | 263.12     |
|              | (b) Provision for loan given and costs associated with closure of operations of a subsidiary | -                                 | 202.00     | 202.00                  | 245.00     |
|              | (c) Diminution in the value of investments in a subsidiary                                   | -                                 | 27.03      | 17.52                   | (9.67)     |
|              | (d) Employee separation cost                                                                 | 0.13                              | -          | 47.28                   | -          |
|              | (e) Profit on sale of a division                                                             | -                                 | -          | -                       | (82.25)    |
| <b>VII.</b>  | <b>PROFIT / (LOSS) BEFORE EXTRA ORDINARY ITEMS AND TAX (V - VI)</b>                          | (2,818.30)                        | 391.13     | (1,025.80)              | 174.93     |
| <b>VIII.</b> | Extraordinary items                                                                          | -                                 | -          | -                       | -          |
| <b>IX.</b>   | <b>PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS (VII - VIII)</b>                    | (2,818.30)                        | 391.13     | (1,025.80)              | 174.93     |
| <b>X.</b>    | Tax expense / (credit) (net)                                                                 | 756.40                            | (760.00)   | (1,360.32)              | (126.88)   |
| <b>XI.</b>   | <b>PROFIT / (LOSS) AFTER TAX FROM CONTINUING OPERATIONS (IX - X)</b>                         | (3,574.70)                        | 1,151.13   | 334.52                  | 301.81     |
| <b>XII.</b>  | <b>EARNINGS PER SHARE</b>                                                                    |                                   |            |                         |            |
|              | A. Ordinary shares (face value of ₹ 2 each)                                                  |                                   |            |                         |            |
|              | a. Basic                                                                                     | (11.11)                           | 3.57       | 1.03                    | 0.93       |
|              | b. Diluted                                                                                   | (11.11)                           | 3.57       | 1.03                    | 0.93       |
|              |                                                                                              |                                   |            |                         |            |
|              | B. 'A' Ordinary shares (face value of ₹ 2 each)                                              |                                   |            |                         |            |
|              | a. Basic                                                                                     | (11.11)                           | 3.67       | 1.13                    | 1.03       |
|              | b. Diluted                                                                                   | (11.11)                           | 3.67       | 1.13                    | 1.03       |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

**Standalone Condensed Cash Flow Statement**

(₹ in crore)

|           |                                                                                         | Nine months Ended<br>December 31, |            | Year Ended<br>March 31, |            |
|-----------|-----------------------------------------------------------------------------------------|-----------------------------------|------------|-------------------------|------------|
|           |                                                                                         | 2014                              | 2013       | 2014                    | 2013       |
| <b>A.</b> | <b>Cash flows from operating activities</b>                                             |                                   |            |                         |            |
|           | Profit / (Loss) after tax                                                               | (3,574.70)                        | 1,151.13   | 334.52                  | 301.81     |
|           | Adjustments for:                                                                        |                                   |            |                         |            |
|           | Depreciation / amortisation                                                             | 1,779.89                          | 1,531.01   | 2,070.30                | 1,817.62   |
|           | Lease equalisation adjusted in income                                                   | (2.24)                            | (3.39)     | (4.52)                  | (4.52)     |
|           | (Profit) / Loss on sale of assets (net) (including assets scrapped / written off)       | 310.49                            | 6.34       | 20.29                   | 2.96       |
|           | Profit on sale of investments (net)                                                     | (47.91)                           | (1,980.63) | (2,052.33)              | (43.91)    |
|           | Sale of occupancy rights                                                                | (36.60)                           | -          | -                       | -          |
|           | Profit on sale of a division                                                            | -                                 | -          | -                       | (82.25)    |
|           | Provision for loan given and cost associated with closure of operations of a subsidiary | -                                 | 202.00     | 202.00                  | 245.00     |
|           | Provision for loans and inter-corporate deposits (net)                                  | -                                 | 27.03      | -                       | 5.29       |
|           | Provision / (reversal) for diminution in value of investments                           | -                                 | -          | 17.52                   | (9.67)     |
|           | Tax (credit) / expense (net)                                                            | 756.40                            | (760.00)   | (1,360.32)              | (126.88)   |
|           | Interest / dividend (net)                                                               | (647.40)                          | (689.20)   | (443.18)                | (656.52)   |
|           | Exchange differences (net)                                                              | 269.17                            | 251.87     | 276.90                  | 199.39     |
|           |                                                                                         | 2,381.80                          | (1,414.97) | (1,273.34)              | 1,346.51   |
|           | Operating profit / (loss) before working capital changes                                | (1,192.90)                        | (263.84)   | (938.82)                | 1,648.32   |
|           | Adjustments for:                                                                        |                                   |            |                         |            |
|           | Inventories                                                                             | (968.43)                          | 152.60     | 592.50                  | 129.42     |
|           | Trade receivables                                                                       | (307.29)                          | 178.09     | 601.34                  | 890.28     |
|           | Finance receivables                                                                     | 1.14                              | 13.70      | 15.00                   | 64.76      |
|           | Other current and non-current assets                                                    | (411.49)                          | 22.46      | 141.37                  | (138.30)   |
|           | Trade payables and acceptances                                                          | (1,231.10)                        | (1,093.29) | 1,212.83                | (249.93)   |
|           | Other current and non-current liabilities                                               | (204.40)                          | (143.32)   | 249.25                  | (381.50)   |
|           | Provisions                                                                              | 1,198.38                          | 220.48     | 646.05                  | 188.06     |
|           |                                                                                         | (1,923.19)                        | (649.28)   | 3,458.34                | 502.79     |
|           | Cash (used in) / generated from operations                                              | (3,116.09)                        | (913.12)   | 2,519.52                | 2,151.11   |
|           | Income taxes credit / (paid) (net)                                                      | (25.43)                           | (41.42)    | (56.06)                 | 107.33     |
|           | Net cash (used in) / generated from operating activities                                | (3,141.52)                        | (954.54)   | 2,463.46                | 2,258.44   |
| <b>B.</b> | <b>Cash flows from investing activities</b>                                             |                                   |            |                         |            |
|           | Payments for fixed assets                                                               | (2,132.64)                        | (1,956.43) | (3,105.42)              | (2,605.39) |
|           | Proceeds from sale of fixed assets                                                      | 9.76                              | 1.70       | 11.37                   | 16.95      |
|           | Proceeds from sale of a division                                                        | -                                 | -          | -                       | 110.00     |
|           | Investments in Mutual Fund (purchased) / sold (net)                                     | (568.24)                          | (1,832.89) | 445.63                  | (315.51)   |
|           | Investments in subsidiary companies                                                     | (81.85)                           | (243.28)   | (443.18)                | (186.12)   |
|           | Advance towards investments in subsidiary companies                                     | (36.49)                           | (206.73)   | (135.15)                | (16.82)    |
|           | Investments in associate companies                                                      | (159.00)                          | -          | -                       | (0.01)     |
|           | Investments in joint venture                                                            | -                                 | (325.00)   | (325.00)                | -          |
|           | Investments - others                                                                    | -                                 | -          | -                       | (0.84)     |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

|           |                                                                                                                        |                 |               |                |                 |
|-----------|------------------------------------------------------------------------------------------------------------------------|-----------------|---------------|----------------|-----------------|
|           | Loans to associates and subsidiaries                                                                                   | -               | (22.91)       | (146.28)       | (194.36)        |
|           | Refunds received against loans to associates and subsidiaries                                                          | -               | 290.66        | 297.83         | -               |
|           | Decrease in investments in retained interests in securitisation transactions                                           | -               | -             | -              | 0.63            |
|           | Sale / redemption of investments in subsidiary companies                                                               | 1,803.90        | 3,608.48      | 3,978.48       | 1,378.95        |
|           | Redemption of Investments in associate companies                                                                       | -               | -             | -              | 21.00           |
|           | Redemption of investments - others                                                                                     | -               | -             | -              | 10.75           |
|           | Fixed deposits with financial institution made                                                                         | (200.00)        | (200.00)      | (200.00)       | -               |
|           | Fixed deposits with Financial Institution realised                                                                     | -               | -             | 200.00         | -               |
|           | Deposits of margin money / cash collateral                                                                             | -               | -             | -              | (1.38)          |
|           | Realisation of margin money / cash collateral                                                                          | 0.08            | -             | -              | 91.25           |
|           | Fixed / restricted deposits with scheduled banks made                                                                  | (625.19)        | (530.14)      | (530.15)       | (205.85)        |
|           | Fixed / restricted deposits with scheduled banks realised                                                              | 124.92          | 230.15        | 760.40         | 780.00          |
|           | Sale of occupancy rights                                                                                               | 7.32            | -             | -              | -               |
|           | Interest received                                                                                                      | 42.41           | 124.71        | 181.70         | 404.07          |
|           | Dividend received                                                                                                      | 1,682.59        | 1,583.75      | 1,602.68       | 1,660.65        |
|           | (Increase) / decrease in short term Inter corporate deposit                                                            | 5.00            | -             | (40.00)        | 43.53           |
|           | Net cash (used in) / generated from investing activities                                                               | (127.43)        | 522.07        | 2,552.91       | 991.50          |
| <b>C.</b> | <b>Cash flows from financing activities</b>                                                                            |                 |               |                |                 |
|           | Expenses on Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS) conversion | -               | (0.35)        | (0.35)         | (0.23)          |
|           | Brokerage and other expenses on Non-Convertible Debentures (NCD)                                                       | (32.52)         | (66.11)       | (87.54)        | (93.02)         |
|           | Premium on redemption of FCCN / CARS (including tax)                                                                   | -               | -             | -              | (886.95)        |
|           | Premium paid on redemption of NCD                                                                                      | -               | -             | (658.05)       | (96.55)         |
|           | Proceeds from issue of shares held in abeyance                                                                         | -               | 0.09          | 0.09           | 0.16            |
|           | Proceeds from long-term borrowings                                                                                     | 7,479.33        | 1,629.38      | 2,310.59       | 2,562.84        |
|           | Repayment of long-term borrowings                                                                                      | (3,244.80)      | (330.63)      | (2,232.38)     | (3,377.47)      |
|           | Proceeds from short-term borrowings                                                                                    | 4,715.58        | 6,795.55      | 8,548.00       | 11,873.79       |
|           | Repayment of short-term borrowings                                                                                     | (4,641.22)      | (5,392.48)    | (8,679.86)     | (10,177.80)     |
|           | Net change in other short-term borrowings (with maturity up to three months)                                           | 1,998.23        | 121.33        | (1,473.41)     | 1,287.75        |
|           | Repayment of fixed deposits                                                                                            | (7.15)          | (359.45)      | (362.19)       | (1,868.38)      |
|           | Dividend paid (including dividend distribution tax)                                                                    | (648.63)        | (648.56)      | (648.81)       | (1,460.41)      |
|           | Interest paid *                                                                                                        | (1,291.07)      | (1,287.74)    | (1,749.90)     | (1,809.42)      |
|           | Net cash from / (used in) financing activities                                                                         | 4,327.75        | 461.03        | (5,033.81)     | (4,045.69)      |
|           | <b>Net (decrease) / increase in cash and cash equivalents</b>                                                          | <b>1,058.80</b> | <b>28.56</b>  | <b>(17.44)</b> | <b>(795.75)</b> |
|           | Cash and cash equivalents as at April 01, (opening balance)                                                            | 198.68          | 205.57        | 205.57         | 919.64          |
|           | Exchange fluctuation on foreign currency bank balances                                                                 | (11.24)         | 7.26          | 10.55          | 81.68           |
|           | <b>Cash and cash equivalents as at December 31 / March 31 (Closing balance)</b>                                        | <b>1,246.24</b> | <b>241.39</b> | <b>198.68</b>  | <b>205.57</b>   |
|           | * Includes discounting charges paid                                                                                    | 320.63          | 248.77        | 373.78         | 345.06          |
|           | <b>Non-cash transactions :</b>                                                                                         |                 |               |                |                 |
|           | FCCN / CARS converted to Ordinary shares                                                                               | -               | 413.34        | 413.34         | 232.83          |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

**Consolidated Balance Sheet**

(₹ in crore)

|            |                                          | As at December 31, |                   | As at March 31,   |                   |
|------------|------------------------------------------|--------------------|-------------------|-------------------|-------------------|
|            |                                          | 2014               | 2013              | 2014              | 2013              |
| <b>I.</b>  | <b><u>EQUITY AND LIABILITIES</u></b>     |                    |                   |                   |                   |
|            | <b>1. SHAREHOLDERS' FUNDS</b>            |                    |                   |                   |                   |
|            | (a) Share capital                        | 643.78             | 643.78            | 643.78            | 638.07            |
|            | (b) Reserves and surplus                 | 68,178.87          | 63,007.93         | 64,959.67         | 36,999.23         |
|            |                                          | <b>68,822.65</b>   | <b>63,651.71</b>  | <b>65,603.45</b>  | <b>37,637.30</b>  |
|            | <b>2. MINORITY INTEREST</b>              | 433.42             | 416.01            | 420.65            | 370.48            |
|            | <b>3. NON-CURRENT LIABILITIES</b>        |                    |                   |                   |                   |
|            | (a) Long-term borrowings                 | 54,843.47          | 47,812.74         | 45,258.61         | 32,155.29         |
|            | (b) Deferred tax liabilities (net)       | 3,094.96           | 1,942.32          | 1,572.33          | 2,048.21          |
|            | (c) Other long-term liabilities          | 4,630.22           | 2,814.12          | 2,596.86          | 3,284.06          |
|            | (d) Long-term provisions                 | 12,540.16          | 12,239.32         | 12,190.29         | 8,337.24          |
|            |                                          | <b>75,108.81</b>   | <b>64,808.50</b>  | <b>61,618.09</b>  | <b>45,824.80</b>  |
|            | <b>4. CURRENT LIABILITIES</b>            |                    |                   |                   |                   |
|            | (a) Short-term borrowings                | 12,908.35          | 14,007.98         | 9,695.86          | 11,620.21         |
|            | (b) Trade payables                       | 53,632.48          | 48,282.23         | 57,315.73         | 44,912.35         |
|            | (c) Other current liabilities            | 19,724.87          | 19,636.02         | 17,373.86         | 22,224.94         |
|            | (d) Short-term provisions                | 9,050.78           | 9,083.94          | 7,970.68          | 7,788.16          |
|            |                                          | <b>95,316.48</b>   | <b>91,010.17</b>  | <b>92,356.13</b>  | <b>86,545.66</b>  |
|            | <b>TOTAL</b>                             | <b>239,681.36</b>  | <b>219,886.39</b> | <b>219,998.32</b> | <b>170,378.24</b> |
| <b>II.</b> | <b><u>ASSETS</u></b>                     |                    |                   |                   |                   |
|            | <b>1. NON-CURRENT ASSETS</b>             |                    |                   |                   |                   |
|            | (a) Fixed assets                         |                    |                   |                   |                   |
|            | (i) Tangible assets                      | 50,564.84          | 40,104.26         | 40,694.29         | 32,728.95         |
|            | (ii) Intangible assets                   | 26,435.82          | 24,091.05         | 23,418.55         | 18,680.41         |
|            | (iii) Capital work-in-progress           | 10,461.80          | 8,408.38          | 10,137.30         | 4,345.11          |
|            | (iv) Intangible assets under development | 25,340.38          | 21,122.09         | 23,125.26         | 14,108.44         |
|            |                                          | 112,802.84         | 93,725.78         | 97,375.40         | 69,862.91         |
|            | (b) Goodwill (on consolidation)          | 4,938.17           | 5,109.13          | 4,978.83          | 4,102.37          |
|            | (c) Non-current investments              | 1,239.17           | 1,469.88          | 1,114.39          | 1,222.41          |
|            | (d) Deferred tax assets (net)            | 2,789.57           | 2,612.83          | 2,347.08          | 4,428.93          |
|            | (e) Long-term loans and advances         | 13,874.03          | 16,378.91         | 13,268.84         | 15,584.12         |
|            | (f) Other non-current assets             | 1,787.02           | 5,268.96          | 5,068.45          | 1,023.95          |
|            |                                          | <b>137,430.80</b>  | <b>124,565.49</b> | <b>124,152.99</b> | <b>96,224.69</b>  |
|            | <b>2. CURRENT ASSETS</b>                 |                    |                   |                   |                   |
|            | (a) Current investments                  | 14,632.97          | 11,093.13         | 9,572.28          | 7,542.32          |
|            | (b) Inventories                          | 29,064.73          | 26,986.52         | 27,270.89         | 21,036.82         |
|            | (c) Trade receivables                    | 11,319.90          | 11,105.20         | 10,574.23         | 10,959.60         |
|            | (d) Cash and bank balances               | 30,987.02          | 29,582.90         | 29,711.79         | 21,114.82         |
|            | (e) Short-term loans and advances        | 12,623.51          | 11,996.37         | 14,055.24         | 12,667.05         |
|            | (f) Other current assets                 | 3,622.43           | 4,556.78          | 4,660.90          | 832.94            |
|            |                                          | <b>102,250.56</b>  | <b>95,320.90</b>  | <b>95,845.33</b>  | <b>74,153.55</b>  |
|            | <b>TOTAL</b>                             | <b>239,681.36</b>  | <b>219,886.39</b> | <b>219,998.32</b> | <b>170,378.24</b> |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

**Consolidated Statement of Profit and Loss**

(₹ in crore)

|              |                                                                                                     | Nine months Ended<br>December 31, |                   | Year Ended<br>March 31, |                   |
|--------------|-----------------------------------------------------------------------------------------------------|-----------------------------------|-------------------|-------------------------|-------------------|
|              |                                                                                                     | 2014                              | 2013              | 2014                    | 2013              |
| <b>I.</b>    | <b>REVENUE FROM OPERATIONS</b>                                                                      | 197,538.51                        | 170,408.90        | 236,626.43              | 193,698.47        |
|              | Less: Excise duty                                                                                   | (2,318.22)                        | (2,892.38)        | (3,792.77)              | (4,905.78)        |
|              |                                                                                                     | 195,220.29                        | 167,516.52        | 232,833.66              | 188,792.69        |
| <b>II.</b>   | <b>OTHER INCOME</b>                                                                                 | 653.57                            | 573.75            | 828.59                  | 815.59            |
| <b>III.</b>  | <b>TOTAL REVENUE (I + II)</b>                                                                       | <b>195,873.86</b>                 | <b>168,090.27</b> | <b>233,662.25</b>       | <b>189,608.28</b> |
| <b>IV.</b>   | <b>EXPENSES :</b>                                                                                   |                                   |                   |                         |                   |
|              | (a) Cost of materials consumed                                                                      | 111,805.29                        | 97,654.08         | 135,550.04              | 113,851.34        |
|              | (b) Purchases of products for sale                                                                  | 9,314.75                          | 7,748.86          | 10,876.95               | 9,266.00          |
|              | (c) Changes in inventories of finished goods, work-in-progress and products for sale                | (1,718.48)                        | (2,100.29)        | (2,840.58)              | (3,029.29)        |
|              | (d) Employee cost / benefits expense                                                                | 18,765.84                         | 15,529.11         | 21,556.42               | 16,632.19         |
|              | (e) Finance costs                                                                                   | 2,929.20                          | 3,066.23          | 4,733.78                | 3,560.25          |
|              | (f) Depreciation and amortisation expense                                                           | 9,531.87                          | 7,952.68          | 11,078.16               | 7,601.28          |
|              | (g) Product development / Engineering expenses                                                      | 2,063.18                          | 1,788.63          | 2,565.21                | 2,021.59          |
|              | (h) Other expenses                                                                                  | 35,633.54                         | 31,934.19         | 43,825.77               | 35,648.33         |
|              | (i) Expenditure transferred to capital and other accounts                                           | (11,406.44)                       | (9,875.98)        | (13,537.85)             | (10,193.45)       |
|              | <b>TOTAL EXPENSES</b>                                                                               | <b>176,918.75</b>                 | <b>153,697.51</b> | <b>213,807.90</b>       | <b>175,358.24</b> |
| <b>V.</b>    | <b>PROFIT BEFORE EXCEPTIONAL ITEMS,</b>                                                             |                                   |                   |                         |                   |
|              | <b>EXTRA ORDINARY ITEMS AND TAX (III - IV)</b>                                                      | <b>18,955.11</b>                  | <b>14,392.76</b>  | <b>19,854.35</b>        | <b>14,250.04</b>  |
| <b>VI.</b>   | <b>EXCEPTIONAL ITEMS</b>                                                                            |                                   |                   |                         |                   |
|              | (a) Exchange loss (net) including on revaluation of foreign currency borrowings, deposits and loans | 23.43                             | 352.66            | 707.72                  | 515.09            |
|              | (b) Provision for costs associated with closure of operations and impairment of intangibles         | -                                 | 224.16            | 224.16                  | 87.62             |
|              | (c) Employee separation cost                                                                        | 0.13                              | -                 | 53.50                   | -                 |
|              | (d) Profit on sale of a division                                                                    | -                                 | -                 | -                       | -                 |
|              |                                                                                                     | <b>23.56</b>                      | <b>576.82</b>     | <b>985.38</b>           | <b>602.71</b>     |
| <b>VII.</b>  | <b>PROFIT BEFORE EXTRA ORDINARY ITEMS</b>                                                           |                                   |                   |                         |                   |
|              | <b>AND TAX (V - VI)</b>                                                                             | <b>18,931.55</b>                  | <b>13,815.94</b>  | <b>18,868.97</b>        | <b>13,647.33</b>  |
| <b>VIII.</b> | Extraordinary items                                                                                 | -                                 | -                 | -                       | -                 |
| <b>IX.</b>   | <b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS (VII - VIII)</b>                                    | <b>18,931.55</b>                  | <b>13,815.94</b>  | <b>18,868.97</b>        | <b>13,647.33</b>  |
| <b>X.</b>    | Tax expense / (credit) (net)                                                                        | 6,619.33                          | 3,667.86          | 4,764.79                | 3,776.66          |
| <b>XI.</b>   | <b>PROFIT AFTER TAX FROM CONTINUING OPERATIONS (IX - X)</b>                                         | <b>12,312.22</b>                  | <b>10,148.08</b>  | <b>14,104.18</b>        | <b>9,870.67</b>   |
| <b>XII.</b>  | Share of profit / (loss) of associates (net)                                                        | 10.47                             | (36.41)           | (53.71)                 | 105.61            |
| <b>XIII.</b> | Minority interest                                                                                   | (52.90)                           | (38.94)           | (59.45)                 | (83.67)           |
| <b>XIV.</b>  | <b>PROFIT FOR THE YEAR</b>                                                                          | <b>12,269.79</b>                  | <b>10,072.73</b>  | <b>13,991.02</b>        | <b>9,892.61</b>   |
| <b>XV.</b>   | <b>EARNINGS PER SHARE</b>                                                                           |                                   |                   |                         |                   |
|              | A. Ordinary shares (face value of ₹ 2 each)                                                         |                                   |                   |                         |                   |
|              | a. Basic                                                                                            | 38.11                             | 31.34             | 43.51                   | 31.02             |
|              | b. Diluted                                                                                          | 38.10                             | 31.33             | 43.50                   | 30.94             |
|              | B. 'A' Ordinary shares (face value of ₹ 2 each)                                                     |                                   |                   |                         |                   |
|              | a. Basic                                                                                            | 38.21                             | 31.44             | 43.61                   | 31.12             |
|              | b. Diluted                                                                                          | 38.20                             | 31.43             | 43.60                   | 31.04             |

**Condensed Consolidated Cash Flow Statement**

(₹ in crore)

|           |                                                                                         | Nine months ended<br>December 31, |                   | Year ended<br>March 31, |                  |
|-----------|-----------------------------------------------------------------------------------------|-----------------------------------|-------------------|-------------------------|------------------|
|           |                                                                                         | 2014                              | 2013              | 2014                    | 2013             |
| <b>A.</b> | <b>Cash flows from operating activities</b>                                             |                                   |                   |                         |                  |
|           | Profit for the year                                                                     | 12,269.79                         | 10,072.73         | 13,991.02               | 9,892.61         |
|           | Adjustments for:                                                                        |                                   |                   |                         |                  |
|           | Depreciation (including lease equalisation adjusted in income)                          | 9,529.63                          | 7,949.29          | 11,073.64               | 7,596.76         |
|           | Loss on sale of assets (net) (including assets scrapped / written off)                  | 319.34                            | 21.18             | 46.52                   | 23.89            |
|           | Profit on sale of investments (net)                                                     | (68.35)                           | (59.04)           | (114.58)                | (80.09)          |
|           | Provision for costs associated with closure of operations and impairment of intangibles | -                                 | 224.16            | 224.16                  | 87.62            |
|           | Provision for inter-corporate deposits (net)                                            | -                                 | -                 | -                       | 5.29             |
|           | Gain on settlement of deferred sales tax liability                                      | (127.73)                          | (104.14)          | (154.46)                | (138.29)         |
|           | Share of (profit) / loss of associate companies (net)                                   | (10.47)                           | 36.41             | 53.71                   | (105.61)         |
|           | Provision / (reversal) for diminution in value of investments                           | -                                 | (0.41)            | (1.05)                  | 0.41             |
|           | Share of Minority Interest                                                              | 52.90                             | 38.94             | 59.45                   | 83.67            |
|           | Tax expense                                                                             | 6,619.33                          | 3,667.86          | 4,764.79                | 3,776.67         |
|           | Interest / dividend (net)                                                               | 2,343.98                          | 2,549.93          | 4,019.77                | 2,828.30         |
|           | Exchange differences (net)                                                              | 296.14                            | 257.09            | 722.11                  | 434.31           |
|           |                                                                                         | <b>18,954.77</b>                  | <b>14,581.27</b>  | <b>20,694.06</b>        | <b>14,512.93</b> |
|           | Operating profit before working capital changes                                         | 31,224.56                         | 24,654.00         | 34,685.08               | 24,405.54        |
|           | Adjustments for:                                                                        |                                   |                   |                         |                  |
|           | Inventories                                                                             | (2,045.48)                        | (2,042.04)        | (2,852.55)              | (2,655.81)       |
|           | Trade receivables                                                                       | (840.35)                          | 1,923.68          | 2,130.19                | (2,697.57)       |
|           | Finance receivables                                                                     | 1,270.50                          | (645.24)          | (67.55)                 | (2,479.10)       |
|           | Other current and non-current assets                                                    | (1,165.41)                        | 1,809.91          | 1,123.90                | (999.03)         |
|           | Trade payables                                                                          | (3,214.39)                        | (5,002.37)        | 4,693.90                | 8,132.19         |
|           | Other current and non-current liabilities                                               | (717.72)                          | (409.27)          | (141.66)                | (628.33)         |
|           | Provisions                                                                              | 1,622.01                          | 1,295.91          | 888.18                  | 1,324.79         |
|           |                                                                                         | <b>(5,090.84)</b>                 | <b>(3,069.42)</b> | <b>5,774.41</b>         | <b>(2.86)</b>    |
|           | Cash generated from operations                                                          | 26,133.72                         | 21,584.58         | 40,459.49               | 24,402.68        |
|           | Income taxes paid (net)                                                                 | (2,612.37)                        | (2,927.53)        | (4,308.33)              | (2,240.07)       |
|           | Net cash from operating activities                                                      | <b>23,521.35</b>                  | <b>18,657.05</b>  | <b>36,151.16</b>        | <b>22,162.61</b> |
| <b>B.</b> | <b>Cash flows from investing activities</b>                                             |                                   |                   |                         |                  |
|           | Payments for fixed assets                                                               | (23,955.45)                       | (19,292.03)       | (26,975.13)             | (18,862.57)      |
|           | Proceeds from sale of fixed assets                                                      | 22.24                             | 27.84             | 49.93                   | 36.69            |
|           | Investments in Mutual Fund (purchased) / sold (net)                                     | (5,232.87)                        | (2,179.33)        | (424.69)                | 186.11           |
|           | Acquisition of a subsidiary company                                                     | -                                 | (190.45)          | (184.56)                | -                |
|           | Investments in associate companies                                                      | (160.00)                          | -                 | -                       | (0.01)           |
|           | Investments - others                                                                    | (3.76)                            | (3.28)            | (3.88)                  | (5.50)           |
|           | Investment in Pass-through certificate (PTC) (net)                                      | -                                 | -                 | 13.60                   | -                |
|           | Investments in retained interests in securitisation transactions made                   | -                                 | (38.00)           | -                       | (107.69)         |
|           | Investments in retained interests in securitisation transactions realised               | 44.14                             | 36.51             | -                       | -                |
|           | Redemption of Investments in associate companies                                        | -                                 | -                 | -                       | 21.00            |
|           | Sale / Redemption of investments - others                                               | 42.19                             | 2.45              | 3.56                    | 12.86            |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

|           |                                                                                                                        | Nine months ended<br>December 31, |                    | Year ended<br>March 31, |                    |
|-----------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------|-------------------------|--------------------|
|           |                                                                                                                        | 2014                              | 2013               | 2014                    | 2013               |
|           | Fixed deposits with financial institution made                                                                         | (200.00)                          | (202.50)           | (237.50)                | -                  |
|           | Fixed deposits with Financial Institution realised                                                                     | 32.50                             | -                  | 200.00                  | -                  |
|           | Deposits of margin money / cash collateral                                                                             | (0.19)                            | (182.88)           | (4.48)                  | (251.21)           |
|           | Realisation of margin money / cash collateral                                                                          | 3.05                              | 882.42             | 1,365.93                | 762.15             |
|           | Fixed / restricted deposits with banks made                                                                            | (964.55)                          | (3,345.43)         | (5,252.38)              | (6,972.22)         |
|           | Fixed / restricted deposits with banks realised                                                                        | 1,332.12                          | 289.97             | 863.31                  | 836.65             |
|           | Interest received                                                                                                      | 462.91                            | 426.75             | 653.23                  | 712.89             |
|           | Dividend received from associate companies                                                                             | 14.52                             | 13.50              | 14.51                   | 56.25              |
|           | Dividend / income on investments received                                                                              | 58.06                             | 24.53              | 25.53                   | 38.40              |
|           | (Increase) / decrease in short term Inter corporate deposit                                                            | (95.00)                           | -                  | -                       | 44.83              |
|           | Net cash used in investing activities                                                                                  | <b>(28,600.09)</b>                | <b>(23,729.93)</b> | <b>(29,893.02)</b>      | <b>(23,491.37)</b> |
| <b>C.</b> | <b>Cash flows from financing activities</b>                                                                            |                                   |                    |                         |                    |
|           | Expenses on Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS) conversion | -                                 | (0.35)             | (0.35)                  | (0.23)             |
|           | Brokerage and other expenses on Non-Convertible Debentures (NCD)                                                       | (32.53)                           | (66.11)            | (87.54)                 | (93.02)            |
|           | Premium paid on redemption of FCCN / CARS (including tax)                                                              | -                                 | -                  | -                       | (886.95)           |
|           | Premium paid on redemption of NCD                                                                                      | -                                 | -                  | (658.05)                | (96.55)            |
|           | Proceeds from issue of shares to minority shareholders (net of issue expenses)                                         | -                                 | -                  | -                       | 0.56               |
|           | Proceeds from issue of shares held in abeyance                                                                         | -                                 | 0.09               | 0.09                    | 0.16               |
|           | Proceeds from long-term borrowings (net of issue expenses)                                                             | 15,386.77                         | 16,190.28          | 23,321.39               | 13,160.24          |
|           | Repayment of long-term borrowings                                                                                      | (7,172.68)                        | (5,802.34)         | (16,737.81)             | (7,538.44)         |
|           | Proceeds from short-term borrowings                                                                                    | 7,310.48                          | 10,054.13          | 11,353.56               | 14,702.92          |
|           | Repayment of short-term borrowings                                                                                     | (6,324.46)                        | (8,835.75)         | (12,403.24)             | (13,011.82)        |
|           | Net change in other short-term borrowings (with maturity up to three months)                                           | 2,039.51                          | 265.54             | (1,416.57)              | 155.56             |
|           | Repayment of fixed deposits                                                                                            | (7.15)                            | (359.45)           | (362.19)                | (1,868.38)         |
|           | Dividend paid (including dividend distribution tax)                                                                    | (676.35)                          | (684.53)           | (688.62)                | (1,527.24)         |
|           | Dividend paid to minority shareholders                                                                                 | (33.35)                           | (26.21)            | (33.35)                 | (23.33)            |
|           | Interest paid *                                                                                                        | (3,860.08)                        | (4,086.28)         | (6,170.56)              | (4,665.56)         |
|           | Net cash from / (used in) financing activities                                                                         | 6,630.16                          | 6,649.03           | (3,883.24)              | (1,692.08)         |
|           | <b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>                                                  | 1,551.42                          | 1,576.14           | 2,374.90                | (3,020.84)         |
|           | Cash and cash equivalents as at April 01, (opening balance)                                                            | 16,627.98                         | 12,350.98          | 12,350.97               | 14,849.89          |
|           | Cash and cash equivalent on acquisition of subsidiary                                                                  | -                                 | 41.80              | 40.51                   | -                  |
|           | Effect of foreign exchange on cash and cash equivalents                                                                | (106.81)                          | 2,501.68           | 1,861.60                | 521.92             |
|           | <b>Cash and cash equivalents as at December 31 / March 31 (Closing balance)</b>                                        | <b>18,072.59</b>                  | <b>16,470.60</b>   | <b>16,627.98</b>        | <b>12,350.97</b>   |
|           | *Includes discounting charges paid                                                                                     | 576.69                            | 469.72             | 665.93                  | 568.49             |
|           | Previous year figures have been restated, wherever necessary, to conform to this period's classification.              |                                   |                    |                         |                    |
|           | <b>Non-cash transactions :</b>                                                                                         |                                   |                    |                         |                    |
|           | FCCN / CARS converted to Ordinary shares                                                                               | -                                 | 413.34             | 413.34                  | 232.83             |

# ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

## CAPITAL STRUCTURE

The share capital of our Company as on the date of the Letter of Offer is as set forth below:

(in ₹ crore, except share data)

|                                   |                                                                    | Aggregate Value at Face Value* | Aggregate Value at Issue Price |
|-----------------------------------|--------------------------------------------------------------------|--------------------------------|--------------------------------|
| <b>1</b>                          | <b>AUTHORISED SHARE CAPITAL</b>                                    |                                |                                |
|                                   | 3,50,00,00,000 Ordinary Shares of ₹ 2 each                         | 700.00                         | NA                             |
|                                   | 1,00,00,00,000 'A' Ordinary Shares of ₹ 2 each                     | 200.00                         | NA                             |
|                                   | 30,00,00,000 Preference Shares of ₹ 100 each                       | 3,000.00                       | NA                             |
| <b>2</b>                          | <b>ISSUED CAPITAL BEFORE THE ISSUE</b>                             | 643.788                        |                                |
|                                   | 2,73,71,97,592 Ordinary Shares                                     | 547.44                         | NA                             |
|                                   | 48,22,06,515 'A' Ordinary Shares                                   | 96.44                          | NA                             |
| <b>3</b>                          | <b>SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE</b>             | 643.78 <sup>(1)(2)</sup>       | NA                             |
|                                   | 2,73,67,13,122 Ordinary Shares                                     | 547.38 <sup>(1)(2)</sup>       | NA                             |
|                                   | 48,19,66,945 'A' Ordinary Shares                                   | 96.40 <sup>(2)</sup>           | NA                             |
| <b>4</b>                          | <b>PRESENT ISSUE<sup>(2)</sup> IN TERMS OF The Letter of Offer</b> | 35.42                          | 7,497.99                       |
|                                   | Up to 15,06,44,759 Ordinary Shares                                 | 30.12                          | 6,779.01                       |
|                                   | Up to 2,65,30,290 'A' Ordinary Shares                              | 5.30                           | 718.97                         |
| <b>5</b>                          | <b>ISSUED CAPITAL AFTER THE ISSUE</b>                              | 679.32                         |                                |
|                                   | 2,88,78,42,351 Ordinary Shares                                     | 577.57                         | NA                             |
|                                   | 50,87,36,805 'A' Ordinary Shares                                   | 101.75                         | NA                             |
| <b>6</b>                          | <b>SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>              | 679.17 <sup>(3)</sup>          |                                |
|                                   | 2,88,73,57,881 Ordinary Shares                                     | 577.47 <sup>(3)</sup>          | NA                             |
|                                   | 50,84,97,235 'A' Ordinary Shares                                   | 101.70                         | NA                             |
| <b>SECURITIES PREMIUM ACCOUNT</b> |                                                                    |                                | (in ₹ crore)                   |
| Before the Issue                  |                                                                    |                                | 11,683.09                      |
| After the Issue                   |                                                                    |                                | 19,145.64                      |

- (1) The call money in respect of 13,746 ordinary shares of our Company of face value ₹ 10 each is currently outstanding. For further details, see "Capital Structure" on page 51 of the Letter of Offer.
- (2) The entitlements to 4,84,470 Ordinary Shares and 2,39,570 'A' Ordinary Shares are subject matters of various suits filed in the courts / forums by third party for which final order is awaited and hence kept in abeyance.
- (3) The Issue has been authorised by a resolution of our Board passed at its meetings held on (a) January 27, 2015 pursuant to Section 62 of the Companies Act, 2013; and (b) March 25, 2015. Further, the issue of 'A' Ordinary Shares has also been authorised by a resolution dated March 3, 2015 of the shareholders of our Company passed through postal ballot in terms of Rule 4(1)(b) of the Companies (Share Capital and Debentures) Rules, 2014.

\*The figures have been rounded off.

### Notes to the Capital Structure

#### 1. Shareholding Pattern of our Company

##### A. Shareholding Pattern of the Ordinary Shares of our Company as per the last filing with the Stock Exchanges

- (i) The shareholding pattern of the Ordinary Shares of our Company as on December 31, 2014, is as follows:

| Category of Shareholder                         | No. of Shareholders | Total No. of Shares | Total No. of Shares held in Dematerialized Form | Total Shareholding as a % of Total No. of Shares |                   | Shares pledged or otherwise encumbered |                               |
|-------------------------------------------------|---------------------|---------------------|-------------------------------------------------|--------------------------------------------------|-------------------|----------------------------------------|-------------------------------|
|                                                 |                     |                     |                                                 | As a % of (A+B)                                  | As a % of (A+B+C) | Number of Shares                       | As a % of total No. of shares |
| (A) Shareholding of Promoter and Promoter Group |                     |                     |                                                 |                                                  |                   |                                        |                               |
| (1) Indian                                      |                     |                     |                                                 |                                                  |                   |                                        |                               |
| Bodies Corporate                                | 9                   | 937,781,325         | 937,781,325                                     | 43.52                                            | 34.27             | 61,400,000                             | 6.55                          |
| Any Others (Specify)                            | 4                   | 1,774,880           | 1,774,880                                       | 0.08                                             | 0.06              | 0                                      | 0.00                          |
| Trusts                                          | 4                   | 1,774,880           | 1,774,880                                       | 0.08                                             | 0.06              | 0                                      | 0.00                          |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

| Category of Shareholder                                                                     | No. of Shareholders | Total No. of Shares  | Total No. of Shares held in Dematerialized Form | Total Shareholding as a % of Total No. of Shares |                   | Shares pledged or otherwise encumbered |                               |
|---------------------------------------------------------------------------------------------|---------------------|----------------------|-------------------------------------------------|--------------------------------------------------|-------------------|----------------------------------------|-------------------------------|
|                                                                                             |                     |                      |                                                 | As a % of (A+B)                                  | As a % of (A+B+C) | Number of Shares                       | As a % of total No. of shares |
| <b>Sub Total</b>                                                                            | <b>13</b>           | <b>939,556,205</b>   | <b>939,556,205</b>                              | <b>43.60</b>                                     | <b>34.33</b>      | <b>61,400,000</b>                      | <b>6.54</b>                   |
| <b>(2) Foreign</b>                                                                          |                     |                      |                                                 |                                                  |                   |                                        |                               |
| <b>Total shareholding of Promoter and Promoter Group (A)</b>                                | <b>13</b>           | <b>939,556,205</b>   | <b>939,556,205</b>                              | <b>43.60</b>                                     | <b>34.33</b>      | <b>61,400,000</b>                      | <b>6.54</b>                   |
| <b>(B) Public Shareholding</b>                                                              |                     |                      |                                                 |                                                  |                   |                                        |                               |
| <b>(1) Institutions</b>                                                                     |                     |                      |                                                 |                                                  |                   |                                        |                               |
| Mutual Funds / UTI                                                                          | 271                 | 60,789,361           | 60,700,631                                      | 2.82                                             | 2.22              | 0                                      | 0.00                          |
| Financial Institutions / Banks                                                              | 192                 | 4,594,987            | 4,288,647                                       | 0.21                                             | 0.17              | 0                                      | 0.00                          |
| Central Government / State Government(s)                                                    | 7                   | 2,038,825            | 24,920                                          | 0.09                                             | 0.07              | 0                                      | 0.00                          |
| Insurance Companies                                                                         | 174                 | 233,689,761          | 233,688,211                                     | 10.84                                            | 8.54              | 0                                      | 0.00                          |
| Foreign Institutional Investors                                                             | 917                 | 677,621,352          | 677,574,527                                     | 31.44                                            | 24.76             | 0                                      | 0.00                          |
| <b>Any Others (Specify)</b>                                                                 | <b>61</b>           | <b>36,695,855</b>    | <b>36,695,855</b>                               | <b>1.70</b>                                      | <b>1.34</b>       | <b>0</b>                               | <b>0.00</b>                   |
| Foreign Bodies DR                                                                           | 3                   | 11,018,391           | 11,018,391                                      | 0.51                                             | 0.40              | 0                                      | 0.00                          |
| Foreign Institutional Investors - DR                                                        | 1                   | 2,213                | 2,213                                           | 0.00                                             | 0.00              | 0                                      | 0.00                          |
| Foreign Nationals - DR                                                                      | 1                   | 991                  | 991                                             | 0.00                                             | 0.00              | 0                                      | 0.00                          |
| Foreign Portfolio Investor (Corporate)                                                      | 56                  | 25,674,260           | 25,674,260                                      | 1.19                                             | 0.94              | 0                                      | 0.00                          |
| <b>Sub Total</b>                                                                            | <b>1,622</b>        | <b>1,015,430,141</b> | <b>1,012,972,791</b>                            | <b>47.12</b>                                     | <b>37.10</b>      | <b>0</b>                               | <b>0.00</b>                   |
| <b>(2) Non-Institutions</b>                                                                 |                     |                      |                                                 |                                                  |                   |                                        |                               |
| Bodies Corporate                                                                            | 2,407               | 12,036,278           | 11,387,133                                      | 0.56                                             | 0.44              | 0                                      | 0.00                          |
| <b>Individuals</b>                                                                          |                     |                      |                                                 |                                                  |                   |                                        |                               |
| Individual shareholders holding nominal share capital up to Rs. 1 lakh                      | 358,672             | 160,282,795          | 132,957,475                                     | 7.44                                             | 5.86              | 0                                      | 0.00                          |
| Individual shareholders holding nominal share capital in excess of Rs. 1 lakh               | 63                  | 8,251,104            | 7,253,289                                       | 0.38                                             | 0.30              | 0                                      | 0.00                          |
| <b>Any Others (Specify)</b>                                                                 | <b>9,907</b>        | <b>19,482,049</b>    | <b>16,191,429</b>                               | <b>0.90</b>                                      | <b>0.71</b>       | <b>0</b>                               | <b>0.00</b>                   |
| Non Resident Indians                                                                        | 9,174               | 10,607,845           | 7,319,465                                       | 0.49                                             | 0.39              | 0                                      | 0.00                          |
| Clearing Members                                                                            | 660                 | 3,684,350            | 3,684,350                                       | 0.17                                             | 0.13              | 0                                      | 0.00                          |
| Trusts                                                                                      | 66                  | 4,618,305            | 4,616,555                                       | 0.21                                             | 0.17              | 0                                      | 0.00                          |
| Overseas Corporate Bodies                                                                   | 3                   | 490                  | 0                                               | 0.00                                             | 0.00              | 0                                      | 0.00                          |
| Foreign Corporate Bodies                                                                    | 4                   | 571,059              | 571,059                                         | 0.03                                             | 0.02              | 0                                      | 0.00                          |
| <b>Sub Total</b>                                                                            | <b>371,049</b>      | <b>200,052,226</b>   | <b>167,789,326</b>                              | <b>9.28</b>                                      | <b>7.31</b>       | <b>0</b>                               | <b>0.00</b>                   |
| <b>Total Public shareholding (B)</b>                                                        | <b>372,671</b>      | <b>1,215,482,367</b> | <b>1,180,762,117</b>                            | <b>56.40</b>                                     | <b>44.41</b>      | <b>0</b>                               | <b>0.00</b>                   |
| <b>Total (A)+(B)</b>                                                                        | <b>372,684</b>      | <b>2,155,038,572</b> | <b>2,120,318,322</b>                            | <b>100.00</b>                                    | <b>78.75</b>      | <b>61,400,000</b>                      | <b>2.85</b>                   |
| <b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b> | <b>0</b>            | <b>0</b>             | <b>0</b>                                        | <b>0.00</b>                                      | <b>0.00</b>       | <b>0</b>                               | <b>0.00</b>                   |
| <b>(1) Promoter and Promoter Group</b>                                                      | <b>0</b>            | <b>0</b>             | <b>0</b>                                        | <b>0.00</b>                                      | <b>0.00</b>       | <b>0</b>                               | <b>0.00</b>                   |
| <b>(2) Public</b>                                                                           | <b>4</b>            | <b>581,674,550</b>   | <b>581,653,550</b>                              | <b>0.00</b>                                      | <b>21.25</b>      | <b>0</b>                               | <b>0.00</b>                   |
| <b>Sub Total</b>                                                                            | <b>4</b>            | <b>581,674,550</b>   | <b>581,653,550</b>                              | <b>0.00</b>                                      | <b>21.25</b>      | <b>0</b>                               | <b>0.00</b>                   |
| <b>Total (A)+(B)+(C)</b>                                                                    | <b>372,688</b>      | <b>2,736,713,122</b> | <b>2,701,971,872</b>                            | <b>0.00</b>                                      | <b>100.00</b>     | <b>61,400,000</b>                      | <b>2.24</b>                   |

**Notes:**

1. For determining public shareholding for the purpose of Clause 40A.
2. For definitions of Promoter and Promoter Group, refer to Clause 40A.

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3. Public shareholding.
  4. In Voting Pattern each 'A' Ordinary Shareholder is entitled to one vote for every ten 'A' Ordinary Shares held.
  5. TATA AIG Life Insurance Company Ltd (Formerly known as Tata AIG Life Insurance Company Limited) is not considered part of Promoter Group holds 4,624,336 Ordinary Shares representing 0.17% of the paid-up Ordinary Share Capital. Accordingly, their holding is included under Public Shareholding under the head "Institutions" Insurance Companies.
  6. Each ADR/GDR represents five underlying shares of ₹ 2 each.
- (ii) Statement showing shareholding of Ordinary Shares including shares, warrants and convertible securities of persons belonging to the category "Promoter and Promoter Group" as on December 31, 2014:

| Sr. No. | Name of the Shareholder         | Details of Shares held |                                   | Encumbered shares (*) |                 |                                                        | Details of warrants     |                                                   | Details of convertible securities     |                                                                 | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|---------|---------------------------------|------------------------|-----------------------------------|-----------------------|-----------------|--------------------------------------------------------|-------------------------|---------------------------------------------------|---------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                 | No. of Shares held     | As a % of grand total (A)+(B)+(C) | No                    | As a percentage | As a % of grand total (A)+(B)+(C) of sub-clause (I)(a) | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | As a % total number of convertible securities of the same class |                                                                                                                                            |
| 1       | Tata Sons Ltd                   | 702,333,345            | 25.66                             | 61,400,000            | 8.74            | 2.24                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 25.66                                                                                                                                      |
| 2       | Tata Steel Ltd                  | 151,687,515            | 5.54                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 5.54                                                                                                                                       |
| 3       | Tata Industries Ltd             | 68,436,485             | 2.50                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 2.50                                                                                                                                       |
| 4       | Tata Investment Corporation Ltd | 10,025,000             | 0.37                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.37                                                                                                                                       |
| 5       | Ewart Investments Ltd           | 2,923,610              | 0.11                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.11                                                                                                                                       |
| 6       | Tata Chemicals Ltd              | 1,863,705              | 0.07                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.07                                                                                                                                       |
| 7       | Sir Ratan Tata Trust            | 859,200                | 0.03                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.03                                                                                                                                       |
| 8       | Sir Dorabji Tata Trust          | 808,960                | 0.03                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.03                                                                                                                                       |
| 9       | Af-Taab Investment Company Ltd  | 338,525                | 0.01                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.01                                                                                                                                       |
| 10      | Tata Global Beverages Ltd       | 116,665                | 0.00                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.00                                                                                                                                       |
| 11      | JRD Tata Trust                  | 105,280                | 0.00                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.00                                                                                                                                       |
| 12      | Simto Investment Company Ltd    | 56,475                 | 0.00                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.00                                                                                                                                       |
| 13      | Lady Tata Memorial Trust        | 1,440                  | 0.00                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.00                                                                                                                                       |
|         | <b>Total</b>                    | <b>939,556,205</b>     | <b>34.33</b>                      | <b>61,400,000</b>     | <b>6.54</b>     | <b>2.24</b>                                            | <b>0</b>                | <b>0.00</b>                                       | <b>0</b>                              | <b>0.00</b>                                                     | <b>34.33</b>                                                                                                                               |

(\*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.

- (iii) Statement showing shareholding of Ordinary Shares including shares, warrants and convertible securities of persons belonging to the category "Public" and holding more than 1% of the total number of Ordinary Shares as on December 31, 2014:

| Sl. No. | Name of the Shareholder                     | No. of Shares held | Shares as % of Total No. of Shares | Details of warrants     |                                                   | Details of convertible securities     |                                                                  | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|---------|---------------------------------------------|--------------------|------------------------------------|-------------------------|---------------------------------------------------|---------------------------------------|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                             |                    |                                    | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | % w.r.t total number of convertible securities of the same class |                                                                                                                                            |
| 1       | Life Insurance Corporation of India         | 89,847,555         | 3.28                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 3.28                                                                                                                                       |
| 2       | ICICI Prudential Life Insurance Company Ltd | 38,498,902         | 1.41                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.41                                                                                                                                       |
|         | <b>Total</b>                                | <b>128,346,457</b> | <b>4.69</b>                        | <b>0</b>                | <b>0.00</b>                                       | <b>0</b>                              | <b>0.00</b>                                                      | <b>4.69</b>                                                                                                                                |

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- (iv) Statement showing holding of Ordinary Shares including shares, warrants and convertible securities of persons (together with Persons Acting in Concert) belonging to the category “Public” and holding more than 5% of the total number of Ordinary Shares as on December 31, 2014:

| Sl. No. | Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them | No. of Shares | Shares as % of Total No. of Shares | Details of warrants |                                                   | Details of convertible securities     |                                                                  | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|---------|---------------------------------------------------------------------------------|---------------|------------------------------------|---------------------|---------------------------------------------------|---------------------------------------|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                 |               |                                    | Number of warrants  | As a % total number of warrants of the same class | Number of convertible securities held | % w.r.t total number of convertible securities of the same class |                                                                                                                                            |
| 1       | Nil                                                                             | 0             | 0.00                               | 0                   | 0.00                                              | 0                                     | 0.00                                                             | 0.00                                                                                                                                       |
|         | <b>Total</b>                                                                    | <b>0</b>      | <b>0.00</b>                        | <b>0</b>            | <b>0.00</b>                                       | <b>0</b>                              | <b>0.00</b>                                                      | <b>0.00</b>                                                                                                                                |

- (v) Statement showing details of DRs:

| Sr. No. | Type of Outstanding DR (ADRs, GDRs, SDRs, etc.) | No. of Outstanding DRs | No. of Shares Underlying Outstanding DRs | Shares Underlying Outstanding DRs as % of Total No. of Shares |
|---------|-------------------------------------------------|------------------------|------------------------------------------|---------------------------------------------------------------|
| 1       | Citibank N A as Depository for ADR              | 116,326,038            | 581,630,190                              | 21.25                                                         |
| 2       | Citibank N A as Depository for GDR              | 8,872                  | 44,360                                   | 0.00                                                          |
|         | <b>Total</b>                                    | <b>116,334,910</b>     | <b>581,674,550</b>                       | <b>21.25</b>                                                  |

- (vi) Statement showing holding of DRs, where underlying shares held by ‘promoter / promoter group’ are in excess of 1% of the total number of shares.

| Sr. No. | Name of the DR Holder | Type of Outstanding DR (ADRs, GDRs, SDRs, etc.) | No. of Shares Underlying Outstanding DRs | Shares Underlying Outstanding DRs as a % of Total No. of Shares |
|---------|-----------------------|-------------------------------------------------|------------------------------------------|-----------------------------------------------------------------|
| 1       | Nil                   | Nil                                             | 0.00                                     | 0.00                                                            |
|         | <b>Total</b>          |                                                 | <b>0.00</b>                              | <b>0.00</b>                                                     |

## B. ‘A’ Ordinary Shareholding Pattern of our Company as per the last filing with the Stock Exchanges

- (i) The ‘A’ Ordinary Shareholding pattern of our Company as on December 31, 2014, is as follows:

| Category of Shareholder                               | No. of Shareholders | Total No. of Shares | Total No. of Shares held in Dematerialized Form | Total Shareholding as a % of Total No. of Shares |                   | Shares pledged or otherwise encumbered |                               |
|-------------------------------------------------------|---------------------|---------------------|-------------------------------------------------|--------------------------------------------------|-------------------|----------------------------------------|-------------------------------|
|                                                       |                     |                     |                                                 | As a % of (A+B)                                  | As a % of (A+B+C) | Number of Shares                       | As a % of total No. of shares |
| (A) Shareholding of Promoter and Promoter Group       |                     |                     |                                                 |                                                  |                   |                                        |                               |
| (1) Indian                                            |                     |                     |                                                 |                                                  |                   |                                        |                               |
| Bodies Corporate                                      | 4                   | 2,478,587           | 2,478,587                                       | 0.51                                             | 0.51              | 0                                      | 0.00                          |
| Sub Total                                             | 4                   | 2,478,587           | 2,478,587                                       | 0.51                                             | 0.51              | 0                                      | 0.00                          |
| (2) Foreign                                           |                     |                     |                                                 |                                                  |                   |                                        |                               |
| Total shareholding of Promoter and Promoter Group (A) | 4                   | 2,478,587           | 2,478,587                                       | 0.51                                             | 0.51              | 0                                      | 0.00                          |
| (B) Public Shareholding                               |                     |                     |                                                 |                                                  |                   |                                        |                               |
| (1) Institutions                                      |                     |                     |                                                 |                                                  |                   |                                        |                               |
| Mutual Funds / UTI                                    | 122                 | 109,844,747         | 109,844,747                                     | 22.79                                            | 22.79             | 0                                      | 0.00                          |
| Financial Institutions / Banks                        | 5                   | 1,184,596           | 1,184,596                                       | 0.25                                             | 0.25              | 0                                      | 0.00                          |
| Central Government / State Government(s)              | 2                   | 1,445,391           | 1,445,391                                       | 0.30                                             | 0.30              | 0                                      | 0.00                          |
| Insurance Companies                                   | 5                   | 3,100,048           | 3,100,048                                       | 0.64                                             | 0.64              | 0                                      | 0.00                          |
| Foreign Institutional Investors                       | 227                 | 294,667,045         | 294,667,045                                     | 61.14                                            | 61.14             | 0                                      | 0.00                          |
| Qualified Foreign Investor                            | 1                   | 298                 | 298                                             | 0.00                                             | 0.00              | 0                                      | 0.00                          |
| Any Others (Specify)                                  | 16                  | 13,472,157          | 13,472,157                                      | 2.80                                             | 2.80              | 0                                      | 0.00                          |
| Foreign Portolio Investor ( Corporate)                | 16                  | 13,472,157          | 13,472,157                                      | 2.80                                             | 2.80              | 0                                      | 0.00                          |
| Sub Total                                             | 378                 | 423,714,282         | 423,714,282                                     | 87.91                                            | 87.91             | 0                                      | 0.00                          |

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| Category of Shareholder                                                                     | No. of Shareholders | Total No. of Shares | Total No. of Shares held in Dematerialized Form | Total Shareholding as a % of Total No. of Shares |                   | Shares pledged or otherwise encumbered |                               |
|---------------------------------------------------------------------------------------------|---------------------|---------------------|-------------------------------------------------|--------------------------------------------------|-------------------|----------------------------------------|-------------------------------|
|                                                                                             |                     |                     |                                                 | As a % of (A+B)                                  | As a % of (A+B+C) | Number of Shares                       | As a % of total No. of shares |
| <b>(2) Non-Institutions</b>                                                                 |                     |                     |                                                 |                                                  |                   |                                        |                               |
| Bodies Corporate                                                                            | 1,052               | 11,847,351          | 11,847,166                                      | 2.46                                             | 2.46              | 0                                      | 0.00                          |
| <b>Individuals</b>                                                                          |                     |                     |                                                 |                                                  |                   |                                        |                               |
| Individual shareholders holding nominal share capital up to Rs. 1 lakh                      | 60,898              | 28,073,677          | 27,833,198                                      | 5.82                                             | 5.82              | 0                                      | 0.00                          |
| Individual shareholders holding nominal share capital in excess of Rs. 1 lakh               | 60                  | 12,850,069          | 12,850,069                                      | 2.67                                             | 2.67              | 0                                      | 0.00                          |
| <b>Any Others (Specify)</b>                                                                 | <b>1,763</b>        | <b>3,002,979</b>    | <b>2,999,409</b>                                | <b>0.62</b>                                      | <b>0.62</b>       | <b>0</b>                               | <b>0.00</b>                   |
| Non Resident Indians                                                                        | 1,345               | 1,602,735           | 1,599,165                                       | 0.33                                             | 0.33              | 0                                      | 0.00                          |
| Clearing Members                                                                            | 407                 | 1,162,691           | 1,162,691                                       | 0.24                                             | 0.24              | 0                                      | 0.00                          |
| Trusts                                                                                      | 11                  | 237,553             | 237,553                                         | 0.05                                             | 0.05              | 0                                      | 0.00                          |
| <b>Sub Total</b>                                                                            | <b>63,773</b>       | <b>55,774,076</b>   | <b>55,529,842</b>                               | <b>11.57</b>                                     | <b>11.57</b>      | <b>0</b>                               | <b>0.00</b>                   |
| <b>Total Public shareholding (B)</b>                                                        | <b>64,151</b>       | <b>479,488,358</b>  | <b>479,244,124</b>                              | <b>99.49</b>                                     | <b>99.49</b>      | <b>0</b>                               | <b>0.00</b>                   |
| <b>Total (A)+(B)</b>                                                                        | <b>64,155</b>       | <b>481,966,945</b>  | <b>481,722,711</b>                              | <b>100.00</b>                                    | <b>100.00</b>     | <b>0</b>                               | <b>0.00</b>                   |
| <b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b> | <b>0</b>            | <b>0</b>            | <b>0</b>                                        | <b>0.00</b>                                      | <b>0.00</b>       | <b>0</b>                               | <b>0.00</b>                   |
| <b>(1) Promoter and Promoter Group</b>                                                      | <b>0</b>            | <b>0</b>            | <b>0</b>                                        | <b>0.00</b>                                      | <b>0.00</b>       | <b>0</b>                               | <b>0.00</b>                   |
| <b>(2) Public</b>                                                                           | <b>0</b>            | <b>0</b>            | <b>0</b>                                        | <b>0.00</b>                                      | <b>0.00</b>       | <b>0</b>                               | <b>0.00</b>                   |
| <b>Sub Total</b>                                                                            | <b>0</b>            | <b>0</b>            | <b>0</b>                                        | <b>0.00</b>                                      | <b>0.00</b>       | <b>0</b>                               | <b>0.00</b>                   |
| <b>Total (A)+(B)+(C)</b>                                                                    | <b>64,155</b>       | <b>481,966,945</b>  | <b>481,722,711</b>                              | <b>0.00</b>                                      | <b>100.00</b>     | <b>0</b>                               | <b>0.00</b>                   |

## Notes:

- For determining public shareholding for the purpose of Clause 40A
- For definitions of Promoter and Promoter Group, refer to Clause 40A
- Public shareholding.

(ii) Statement showing shareholding of 'A' Ordinary Shares including shares, warrants and convertible securities of persons belonging to the category "Promoter and Promoter Group" as on December 31, 2014:

| Sr. No. | Name of the Shareholder        | Details of Shares held |                                   | Encumbered shares (*) |                 |                                                        | Details of warrants     |                                                   | Details of convertible securities     |                                                                 | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|---------|--------------------------------|------------------------|-----------------------------------|-----------------------|-----------------|--------------------------------------------------------|-------------------------|---------------------------------------------------|---------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                | No. of Shares held     | As a % of grand total (A)+(B)+(C) | No                    | As a percentage | As a % of grand total (A)+(B)+(C) of sub-clause (I)(a) | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | As a % total number of convertible securities of the same class |                                                                                                                                            |
| 1       | Tata Sons Ltd                  | 1,995,907              | 0.41                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.41                                                                                                                                       |
| 2       | Ewart Investments Ltd          | 417,655                | 0.09                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.09                                                                                                                                       |
| 3       | AF-Taab Investment Company Ltd | 48,360                 | 0.01                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.01                                                                                                                                       |
| 4       | Tata Global Beverages Ltd      | 16,665                 | 0.00                              | 0                     | 0.00            | 0.00                                                   | 0                       | 0.00                                              | 0                                     | 0.00                                                            | 0.00                                                                                                                                       |
|         | <b>Total</b>                   | <b>2,478,587</b>       | <b>0.51</b>                       | <b>0</b>              | <b>0.00</b>     | <b>0.00</b>                                            | <b>0</b>                | <b>0.00</b>                                       | <b>0</b>                              | <b>0.00</b>                                                     | <b>0.51</b>                                                                                                                                |

(\*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.

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(iii) Statement showing shareholding of 'A' Ordinary Shares including shares, warrants, convertible securities of persons belonging to the category "Public" and holding more than 1% of the total number of 'A' Ordinary Shares as on December 31, 2014:

| Sl. No. | Name of the Shareholder                                     | No. of Shares held | Shares as % of Total No. of Shares | Details of warrants     |                                                   | Details of convertible securities     |                                                                  | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|---------|-------------------------------------------------------------|--------------------|------------------------------------|-------------------------|---------------------------------------------------|---------------------------------------|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                             |                    |                                    | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | % w.r.t total number of convertible securities of the same class |                                                                                                                                            |
| 1       | HSBC Global Investment Funds A/c HSBC GIF Mauritius Limited | 25,128,664         | 5.21                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 5.21                                                                                                                                       |
| 2       | Matthews Asia Dividend Fund                                 | 24,859,606         | 5.16                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 5.16                                                                                                                                       |
| 3       | HDFC Trustee Company Ltd - HDFC Equity Fund                 | 19,611,750         | 4.07                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 4.07                                                                                                                                       |
| 4       | Copthall Mauritius Investment Ltd                           | 17,063,007         | 3.54                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 3.54                                                                                                                                       |
| 5       | Goldman Sachs (Singapore) Pte                               | 16,122,409         | 3.35                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 3.35                                                                                                                                       |
| 6       | HDFC Trustee Company Ltd -HDFC Top 200 Fund                 | 14,457,057         | 3.00                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 3.00                                                                                                                                       |
| 7       | Government of Singapore                                     | 10,390,202         | 2.16                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 2.16                                                                                                                                       |
| 8       | Franklin Templeton Investments Funds                        | 10,350,000         | 2.15                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 2.15                                                                                                                                       |
| 9       | Government Pension Fund Global                              | 9,295,233          | 1.93                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.93                                                                                                                                       |
| 10      | Swiss Finance Corporation (Mauritius) Ltd                   | 9,142,951          | 1.90                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.90                                                                                                                                       |
| 11      | Merrill Lynch Capital Markets Espana S A S V                | 8,254,942          | 1.71                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.71                                                                                                                                       |
| 12      | Skagen Global Verdivpapirfond                               | 8,041,456          | 1.67                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.67                                                                                                                                       |
| 13      | SBI Magnum Taxgain Scheme                                   | 8,000,000          | 1.66                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.66                                                                                                                                       |
| 14      | Eastspring Investments India Equity Open Ltd                | 6,846,182          | 1.42                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.42                                                                                                                                       |
| 15      | HDFC Trustee Company Ltd - HDFC Tax Saver Fund              | 6,685,418          | 1.39                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.39                                                                                                                                       |
| 16      | Nordea Emerging Market Equities Fund                        | 6,322,892          | 1.31                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.31                                                                                                                                       |
| 17      | D E Shaw Oculus Investments Bi-Fi 1 Mauritius Ltd           | 5,882,347          | 1.22                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.22                                                                                                                                       |
| 18      | HDFC Trustee Company Ltd - HDFC Prudence Fund               | 5,341,965          | 1.11                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.11                                                                                                                                       |
| 19      | Morgan Stanley Asia (Singapore) PTE                         | 4,981,650          | 1.03                               | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.03                                                                                                                                       |
|         | <b>Total</b>                                                | <b>216,777,731</b> | <b>44.98</b>                       | <b>0</b>                | <b>0.00</b>                                       | <b>0</b>                              | <b>0.00</b>                                                      | <b>44.98</b>                                                                                                                               |

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

- (iv) Statement showing holding of 'A' Ordinary Shares including shares, warrants, convertible securities of persons (together with Persons Acting in Concert) belonging to the category "Public" and holding more than 5% of the total number of 'A' Ordinary Shares as on December 31, 2014:

| Sl. No. | Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them | No. of Shares     | Shares as % of Total No. of Shares | Details of warrants |                                                   | Details of convertible securities     |                                                                  | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|---------|---------------------------------------------------------------------------------|-------------------|------------------------------------|---------------------|---------------------------------------------------|---------------------------------------|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                 |                   |                                    | Number of warrants  | As a % total number of warrants of the same class | Number of convertible securities held | % w.r.t total number of convertible securities of the same class |                                                                                                                                            |
| 1       | HSBC Global Investment Funds A/c HSBC GIF Mauritius Limited                     | 25,128,664        | 5.21                               | 0                   | 0.00                                              | 0                                     | 0.00                                                             | 5.21                                                                                                                                       |
| 2       | Matthews Asia Dividend Fund                                                     | 24,859,606        | 5.16                               | 0                   | 0.00                                              | 0                                     | 0.00                                                             | 5.16                                                                                                                                       |
|         | <b>Total</b>                                                                    | <b>49,988,270</b> | <b>10.37</b>                       | <b>0</b>            | <b>0.00</b>                                       | <b>0</b>                              | <b>0.00</b>                                                      | <b>10.37</b>                                                                                                                               |

- (v) Statement showing details of DRs:

| Sl. No. | Type of Outstanding DR (ADRs, GDRs, SDRs, etc.) | No. of Outstanding DRs | No. of Shares Underlying Outstanding DRs | Shares Underlying Outstanding DRs as % of Total No. of Shares |
|---------|-------------------------------------------------|------------------------|------------------------------------------|---------------------------------------------------------------|
| 1       | Nil                                             | Nil                    | 0.00                                     | 0.00                                                          |
|         | <b>Total</b>                                    |                        | <b>0.00</b>                              | <b>0.00</b>                                                   |

- (vi) Statement showing holding of DRs, where underlying shares held by Promoter / Promoter Group are in excess of 1% of the total number of shares.

| Sl. No. | Type of Outstanding DR (ADRs, GDRs, SDRs, etc.) | No. of Outstanding DRs | No. of Shares Underlying Outstanding DRs | Shares Underlying Outstanding DRs as % of Total No. of Shares |
|---------|-------------------------------------------------|------------------------|------------------------------------------|---------------------------------------------------------------|
| 1       | Nil                                             | Nil                    | 0.00                                     | 0.00                                                          |
|         | <b>Total</b>                                    |                        | <b>0.00</b>                              | <b>0.00</b>                                                   |

2. Except as stated below, no Securities have been acquired by the Promoter or members of the Promoter Group in the year immediately preceding the date of filing of the Letter of Offer with the Designated Stock Exchange.

- (i) Ordinary Shares

| Name of the Promoter / Promoter Group entity | Date of the transaction | Number of Ordinary Shares | Nature of the Transaction                                                                                                |
|----------------------------------------------|-------------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------|
| Tata Steel Limited                           | May 23, 2014            | 147,810,695               | Acquisition pursuant to scheme of amalgamation which received the approval of the Stock Exchanges / SEBI on May 23, 2014 |

3. None of the Securities held by any of the shareholders of our Company are locked in.

4. **Subscription to the Issue by the Promoter and Promoter Group**

The Promoter of our Company, Tata Sons Limited, by way of its letter dated March 30, 2015 has undertaken to subscribe, on its own account, to the full extent of its Rights Entitlement in the Issue.

Further, the Promoter has also confirmed that it will subscribe to the Rights Entitlement of, Sir Dorabji Tata Trust, Lady Tata Memorial Trust, Sir Ratan Tata Trust and JRD Tata Trust (collectively, the "Trusts"), which are members of the Promoter Group, that may be renounced in favour of the Promoter since subscription to their respective Rights Entitlement would not be covered under the category of eligible investments under the provisions of the Bombay Public Trusts Act, 1950, as amended. Such renunciation of the Rights Entitlement by the Trusts to the Promoter would not be considered as "renunciation" for the purposes of Regulation 10(4)(b)(i) of Takeover Regulations as the Trusts are not permitted to subscribe to their Rights Entitlement in terms of the Bombay Public Trusts Act, 1950. Such subscription by the Promoter to Ordinary Shares and 'A' Ordinary Shares in this Issue to the extent of the Rights Entitlements renounced in its favour by the Trusts shall be exempt from open offer requirements in terms of Regulation 10(4)(b) of the Takeover Regulations.

The acquisition of Securities by the Promoter and members of the Promoter Group shall not result in a change of control of the management of our Company. Our Company is in compliance with Clause 40A of the Listing Agreement and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

5. The ex-rights price of the Ordinary Shares and 'A' Ordinary Shares as per regulation 10(4)(b) of the Takeover Regulations is ₹ 550.94 and ₹ 346.46, respectively.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

6. If our Company does not receive the minimum subscription of 90% of the Issue of the Ordinary Shares and 'A' Ordinary Shares, on an aggregate basis, including the devolvement obligations of the Underwriters, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in the refund of the subscription amount by more than eight days after our Company becomes liable to pay the subscription amount (i.e. 15 days after the Issue Closing Date), our Company shall pay interest for the delayed period, as prescribed under applicable laws.
7. All 'A' Ordinary Shares are fully paid-up and there are no partly paid-up 'A' Ordinary Shares as on the date of the Letter of Offer. Except as disclosed below, all Ordinary Shares are fully paid-up and there are no partly paid-up Ordinary Shares as on the date of the Letter of Offer.

The call money in respect of 13,746 ordinary shares of our Company of face value ₹ 10 each pertaining to 55 folios of Harshad Mehta group, which were allotted pursuant to a rights issue undertaken by our Company in 1991, is currently outstanding (the "Partly-Paid Shares"). Our Company undertook a bonus issue in 1995 and the bonus shares issued by our Company against the Partly- Paid Shares have been currently held in abeyance. Our Company issued a notice of forfeiture to the office of the custodian of these shares directing them to pay the call money in respect of the Partly-Paid Shares on or before December 31, 1998. However, the office of the custodian informed our Company that the Partly-Paid Shares cannot be forfeited and that the office of the custodian is in the process of approaching the special court for release of call money in respect of the Partly-Paid Shares along with interest. Since the matter is under the consideration of the special court, our Company is not in a position to ensure that the Partly-Paid Shares are made fully paid up prior to the Issue. Pursuant to an application made by our Company, SEBI has through its letter dated March 18, 2015 granted exemption from strict enforcement of Regulation 4(2)(f) of the SEBI Regulations to the Issue.

For further details, see "Capital Structure" beginning on page 51 of the Letter of Offer.

### OBJECTS OF THE ISSUE

Our Company proposes to utilise the Net Proceeds from the Issue towards funding of the following objects:

1. Funding capital expenditure towards plant and machinery;
2. Funding expenditure relating to research and product development;
3. Repayment, in full or part, of certain long term and short term borrowings availed by our Company; and
4. General corporate purposes.

The objects set out in the Memorandum of Association enable our Company to undertake our existing activities and the activities for which the funds are being raised by our Company through this Issue.

### Issue Proceeds

The details of the Issue Proceeds are set forth in the following table:

| Particulars                   | Amount (in ₹ crore) |
|-------------------------------|---------------------|
| Gross Proceeds from the Issue | 7,498.00            |
| (Less) Issue related expenses | 70.00               |
| Net Proceeds from the Issue   | 7,428.00            |

### Requirement of funds and utilisation of Net Proceeds

The proposed utilisation of the Net Proceeds is set forth in the table below:

| Particulars                                                                                       | Amount (in ₹ crore) |
|---------------------------------------------------------------------------------------------------|---------------------|
| Funding capital expenditure towards plant and machinery                                           | 500.00              |
| Funding expenditure relating to research and product development                                  | 1,500.00            |
| Repayment, in full or part, of certain long term and short term borrowings availed by our Company | 4,000.00            |
| General corporate purposes                                                                        | 1,428.00            |
| <b>Total</b>                                                                                      | <b>7,428.00</b>     |

### Schedule of deployment

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(in ₹ crore)

| Particulars                                                                                       | Amount proposed to be funded from the Net Proceeds | Estimated Utilization in Fiscal 2016 |
|---------------------------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------------|
| Funding capital expenditure towards plant and machinery                                           | 500.00                                             | 500.00                               |
| Funding expenditure relating to research and product development                                  | 1,500.00                                           | 1,500.00                             |
| Repayment, in full or part, of certain long term and short term borrowings availed by our Company | 4,000.00                                           | 4,000.00                             |
| General corporate purposes                                                                        | 1,428.00                                           | 1,428.00                             |
| <b>Total</b>                                                                                      | <b>7,428.00</b>                                    | <b>7,428.00</b>                      |

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described herein during Fiscal 2016. However, if the Net Proceeds are not completely utilised for the objects stated above by the Fiscal 2016 due to factors such as (i) economic and business conditions; (ii) change in competitive intensity; (iii) commercial considerations; (iv) change in business strategy; and (v) regulatory changes, the same would be utilised (in part or full) in Fiscal 2017 or a subsequent period as may be determined by our Company in accordance with applicable law.

The funds deployment, other than for repayment of certain of our borrowings, described herein is based on management estimates, current circumstances of our business and prevailing market conditions. Our Company has not placed orders or obtained quotations in respect of a substantial portion of the

fund requirements in respect of capital expenditure and research and development expenses.. Further, the funds deployment described herein has not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management.

#### **Means of finance**

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

#### **Details of the objects of the Issue**

The details in relation to objects of the Issue are set forth herein below.

#### **1. Funding capital expenditure towards plant and machinery**

Our Company undertakes investments towards capital expenditure on a continuous basis to meet its business requirements and towards new product introduction, sustenance, increasing efficiency, modernization and removing production constraints. In addition to domestic suppliers and vendors, we also import capital equipment, raw materials and components from suppliers and vendors in various countries.

Our Company's capital expenditure typically include, *inter alia*, expenses for purchase of plant and machinery, tools and other equipments, installation and commissioning expenses, expenses for purchase of vehicle, civil construction, fit-out and consultancy related expenses for workshops and offices of our Company and expenses for purchase of computers.

We have incurred cash outflows of ₹ 3,105.42 crore, ₹ 2,605.39 crore and ₹ 2,852.56 crores towards purchase of fixed assets (including product development expenses) during Fiscal 2014, Fiscal 2013 and Fiscal 2012, respectively.

#### **Details of estimated expenses**

Our Company proposed to deploy ₹ 500.00 crore out of the Net Proceeds as capital expenditure towards purchase of plant and machinery. This fund requirement is based on internal estimates of our Company and as of the date of Letter of Offer our Company has not placed orders or obtained quotations for a substantial portion of the plant and machinery proposed to be funded out of the Net Proceeds. Please see "Risk Factors – The fund requirements in respect of the use of proceeds are based on management estimates and our Company has not commissioned an independent appraisal for the use of the proceeds of this Issue. Furthermore, while our Company will appoint a monitoring agency to monitor the use of the proceeds of this Issue, it has not entered into any definitive agreements to use the proceeds of this Issue" on page 22 of the Letter of Offer.

#### **2. Funding expenditure relating to research and product development**

Research and product development is the cornerstone of our operations and continued growth. Over the years, we have devoted significant resources towards our research and development activities. Our research and development activities focus on product development, environmental technologies and vehicle safety. Our engineering and research centre ("ERC"), established in 1966, is one of the few in-house automotive research and development centres in India recognised by the Government of India. ERC is integrated with all of our Company's global automotive product design and development centres in South Korea, Italy and the United Kingdom. In addition to this, we leverage key competencies through various engineering service suppliers and design teams of our suppliers.

In Fiscal 2014, we launched 89 new products or variants of our existing vehicle lines. We offer an extensive range of commercial vehicles (for both goods and passenger transport) as well as passenger vehicles. We intend to expand the range of our product base further supported by our strong brand recognition in India, our understanding of local consumer preferences, in-house engineering capabilities and extensive distribution network. With growing competition, changing technologies and evolving customer expectations, we understand the importance of bringing new platforms to address market gaps and further enhance our existing range of vehicles to ensure customer satisfaction.

We believe that our in-house research and development capabilities, including those of our Subsidiaries Jaguar Land Rover, TDCV, Trilix Srl., Turin (Italy), and TMETC in the United Kingdom and our joint ventures with Marcopolo of Brazil in India, with Thonburi in Thailand and Tata Africa Holdings (SA) (Pty.), Ltd in South Africa, will enable us to expand our product range and extend our geographical reach.

We intend to continue to invest in our business units in general, and in research and product development in particular, over the next several years in order to improve our existing product range, develop new products and platforms and to build and expand our portfolio in the passenger vehicle and commercial vehicle categories. We believe this would strengthen our position in the Indian automotive market and help us to grow our market share internationally.

#### **Expenses for research and product development:**

Expenses made by our Company towards research and product development ("R&D Expenses") consists of Material costs which include cost of material used for (i) prototype vehicles; (ii) pilot batch and product proving vehicles; and (iii) benchmarking vehicles. Prototype vehicles are used for performing all tests such as durability, fuel economy, reliability, endurance and crash tests that are required to assess performance of the vehicle. Pilot batch includes a small lot of vehicles rolled out for identifying manufacturing issues, if any, which uses soft tools. Pilot batch is followed by product proving vehicles which is a larger lot of vehicles for verifying other parameters related to production process including tact time, cycle time, quality and consistency.

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R&D Expenses also consist of technical know-how expenses which include costs incurred towards various external agencies who provide technical inputs and research and development support in specialized fields. In addition to technical support, certain agencies provide finished components to our Company as part of their mandate once the regular production commences. Technical know-how expenses also include costs associated with such finished components provided by the external agencies in addition to the technical support.

In addition to the above, R&D Expenses also consist of conversion costs which include expenses incurred towards the design engineers in the ERC.

### *Details of estimated expenses*

| Type of vehicle           | Vehicle family                           | Amount proposed to be funded through Net Proceeds (In ₹ crore) |
|---------------------------|------------------------------------------|----------------------------------------------------------------|
| <b>Commercial vehicle</b> | Heavy commercial vehicle                 | 225.00                                                         |
|                           | Light commercial vehicle                 | 139.00                                                         |
|                           | Small commercial vehicle / Pick-up / Van | 224.00                                                         |
|                           | <b>Sub total</b>                         | <b>588.00</b>                                                  |
| <b>Passenger vehicle</b>  | Car                                      | 574.00                                                         |
|                           | Utility vehicle                          | 338.00                                                         |
|                           | <b>Sub total</b>                         | <b>912.00</b>                                                  |
|                           | <b>Grand total</b>                       | <b>1,500.00</b>                                                |

Our Company proposed to deploy ₹ 1,500 crores out of the Net Proceeds to fund expenditure towards research and product development as described above. Such fund requirements are solely based on internal estimates of our Company. Please see “Risk Factors – The fund requirements in respect of the use of proceeds are based on management estimates and our Company has not commissioned an independent appraisal for the use of the proceeds of this Issue. Furthermore, while our Company will appoint a monitoring agency to monitor the use of the proceeds of this Issue, it has not entered into any definitive agreements to use the proceeds of this Issue” on page 22 of the Letter of Offer.

### 3. **Repayment, in full or part, of certain long term and short term borrowings availed by our Company**

Our Company has entered into certain financing arrangements with, *inter alia*, various banks/ financial institutions. For details of our debt financing arrangements, see “Financial Statements” beginning on page 92 of the Letter of Offer.

Our Company proposes to utilize an estimated amount of ₹ 4,000 crores from the Net Proceeds towards repayment, in full or in part, of certain loans availed by our Company without any obligation to any particular bank or financial institution. The selection and extent of loans proposed to be repaid from our Company’s loan facilities provided above, while based on the applicable repayment schedule to be repaid in Fiscal 2016, is also and will be based on various commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan and applicable law governing such borrowings.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, our Company may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are repaid or further drawn-down prior to the completion of the Issue, our Company may utilize this component of the Net Proceeds towards repayment of such additional indebtedness. The Net Proceeds for the above stated object may also be utilised for repayment of any such further borrowings and refinancing, subject to a maximum utilisation of ₹ 4,000 crores for the stated object.

We believe that such repayment will help reduce our Company’s outstanding indebtedness, debt servicing costs and our Company’s debt-equity ratio, thereby resulting in an enhanced equity base, assisting our Company in maintaining a favourable debt-equity ratio in the near future and enable utilization of our accruals for further investment in our business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund our potential business development opportunities. The details of the outstanding loans proposed to be repaid from the Net Proceeds are set out below:

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

| Sr. No. | Name of the Lender        | Nature of Borrowing and date of the Sanction Letter / Document                                                                      | Purpose <sup>(1)</sup>                                                                                                                                          | Amount Sanctioned <sup>(1)</sup> | Amount Outstanding as at March 25, 2015 <sup>(1)</sup> | Repayment Date / Schedule      | Amount proposed to repaid out of the Net Proceeds (In ₹ crore) |
|---------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------------|--------------------------------|----------------------------------------------------------------|
|         |                           |                                                                                                                                     |                                                                                                                                                                 | (in ₹ crore)                     |                                                        |                                |                                                                |
| 1       | Various debenture holders | Tranche E-25-A of the NC Debentures Debenture trustee agreement dated May 24, 2013                                                  | To be utilised for capital expenditure, working capital, refinance of existing debts and other general corporate purposes permitted by the RBI for bank finance | 300.00                           | 300.00                                                 | Redemption on December 1, 2015 | 300.00                                                         |
| 2       | Various debenture holders | Tranche E-25-B of the NC Debentures Debenture trustee agreement dated May 24, 2013                                                  | To be utilised for capital expenditure, working capital, refinance of existing debts and other general corporate purposes permitted by the RBI for bank finance | 300.00                           | 300.00                                                 | Redemption on June 3, 2015     | 300.00                                                         |
| 3       | Various debenture holders | Tranche E-25-C of the NC Debentures Debenture trustee agreement dated May 24, 2013                                                  | To be utilised for capital expenditure, working capital, refinance of existing debts and other general corporate purposes permitted by the RBI for bank finance | 300.00                           | 300.00                                                 | Redemption on October 30, 2015 | 300.00                                                         |
| 4       | State Bank of India       | Working Capital Facility Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated February 28, 2014 | To be utilised for working capital and general corporate purpose                                                                                                | 100.00                           | 100.00                                                 | Repayment on May 21, 2015      | 100.00                                                         |
| 5       | State Bank of India       | Working Capital Facility Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated February 28, 2014 | To be utilised for working capital and general corporate purpose                                                                                                | 100.00                           | 100.00                                                 | Repayment on May 25, 2015      | 100.00                                                         |
| 6       | State Bank of India       | Working Capital Facility Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated February 28, 2014 | To be utilised for working capital and general corporate purpose                                                                                                | 100.00                           | 100.00                                                 | Repayment on May 29, 2015      | 100.00                                                         |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

| Sr. No. | Name of the Lender  | Nature of Borrowing and date of the Sanction Letter / Document                                                                         | Purpose <sup>(1)</sup>                                           | Amount Sanctioned <sup>(1)</sup> | Amount Outstanding as at March 25, 2015 <sup>(1)</sup> | Repayment Date / Schedule | Amount proposed to repaid out of the Net Proceeds (In ₹ crore) |
|---------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------------------------|--------------------------------------------------------|---------------------------|----------------------------------------------------------------|
|         |                     |                                                                                                                                        |                                                                  | (in ₹ crore)                     |                                                        |                           |                                                                |
| 7       | State Bank of India | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated January 22, 2015  | To be utilised for working capital and general corporate purpose | 100.00                           | 100.00                                                 | Repayment on May 29, 2015 | 100.00                                                         |
| 8       | State Bank of India | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated January 22, 2015  | To be utilised for working capital and general corporate purpose | 100.00                           | 100.00                                                 | Repayment on May 30, 2015 | 100.00                                                         |
| 9       | State Bank of India | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated February 28, 2014 | To be utilised for working capital and general corporate purpose | 200.00                           | 200.00                                                 | Repayment on May 30, 2015 | 200.00                                                         |
| 10      | State Bank of India | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated January 22, 2015  | To be utilised for working capital and general corporate purpose | 100.00                           | 100.00                                                 | Repayment on June 1, 2015 | 100.00                                                         |
| 11      | State Bank of India | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated February 28, 2014 | To be utilised for working capital and general corporate purpose | 100.00                           | 100.00                                                 | Repayment on June 1, 2015 | 100.00                                                         |
| 12      | State Bank of India | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated February 28, 2014 | To be utilised for working capital and general corporate purpose | 100.00                           | 100.00                                                 | Repayment on June 4, 2015 | 100.00                                                         |
| 13      | State Bank of India | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated February 28, 2014 | To be utilised for working capital and general corporate purpose | 100.00                           | 100.00                                                 | Repayment on June 5, 2015 | 100.00                                                         |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

| Sr. No. | Name of the Lender                                        | Nature of Borrowing and date of the Sanction Letter / Document                                                                        | Purpose <sup>(1)</sup>                                           | Amount Sanctioned <sup>(1)</sup> | Amount Outstanding as at March 25, 2015 <sup>(1)</sup> | Repayment Date / Schedule  | Amount proposed to repaid out of the Net Proceeds (In ₹ crore) |
|---------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------------------------|--------------------------------------------------------|----------------------------|----------------------------------------------------------------|
|         |                                                           |                                                                                                                                       |                                                                  | (in ₹ crore)                     |                                                        |                            |                                                                |
| 14      | State Bank of India                                       | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated January 22, 2015 | To be utilised for working capital and general corporate purpose | 100.00                           | 100.00                                                 | Repayment on June 10, 2015 | 100.00                                                         |
| 15      | State Bank of India                                       | Working Capital Facility<br>Working Capital Consortium Agreement dated July 28, 2009 read with Sanction letter dated January 22, 2015 | To be utilised for working capital and general corporate purpose | 100.00                           | 100.00                                                 | Repayment on June 10, 2015 | 100.00                                                         |
| 16      | HDFC Bank Limited                                         | Short term loan<br>Sanction letter dated June 23, 2014                                                                                | To be utilised for working capital purpose only                  | 100.00                           | 100.00                                                 | Repayment on June 1, 2015  | 100.00                                                         |
| 17      | HDFC Bank Limited                                         | Short term loan<br>Sanction letter dated June 23, 2014                                                                                | To be utilised for working capital purpose only                  | 100.00                           | 100.00                                                 | Repayment on June 30, 2015 | 100.00                                                         |
| 18      | HDFC Bank Limited                                         | Short term loan<br>Sanction letter dated January 20, 2015                                                                             | To be utilised for working capital purpose only                  | 100.00                           | 100.00                                                 | Repayment on July 1, 2015  | 100.00                                                         |
| 19      | Original purchaser - HDFC Trustee Company Private Limited | Commercial paper<br>Contract note dated February 25, 2015                                                                             | -*                                                               | 65.00                            | 65.00                                                  | Repayment on May 26, 2015  | 65.00                                                          |
| 20      | Original purchaser - HDFC Trustee Company Private Limited | Commercial paper<br>Contract note dated February 25, 2015                                                                             | -*                                                               | 35.00                            | 35.00                                                  | Repayment on May 26, 2015  | 35.00                                                          |
| 21      | Original purchaser - SBI Mutual Fund                      | Commercial paper<br>Contract note dated February 25, 2015                                                                             | -*                                                               | 100.00                           | 100.00                                                 | Repayment on May 27, 2015  | 100.00                                                         |
| 22      | Original purchaser - Sundaram Ultra Short Term Fund       | Commercial paper<br>Contract note dated February 23, 2015                                                                             | -*                                                               | 100.00                           | 100.00                                                 | Repayment on May 27, 2015  | 100.00                                                         |
| 23      | Original purchaser - HDFC Bank Limited                    | Commercial paper<br>Contract note dated March 23, 2015                                                                                | -*                                                               | 300.00                           | 300.00                                                 | Repayment on May 28, 2015  | 300.00                                                         |

# ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

| Sr. No. | Name of the Lender                       | Nature of Borrowing and date of the Sanction Letter / Document | Purpose <sup>(1)</sup> | Amount Sanctioned <sup>(1)</sup> | Amount Outstanding as at March 25, 2015 <sup>(1)</sup> | Repayment Date / Schedule  | Amount proposed to repaid out of the Net Proceeds (In ₹ crore) |
|---------|------------------------------------------|----------------------------------------------------------------|------------------------|----------------------------------|--------------------------------------------------------|----------------------------|----------------------------------------------------------------|
|         |                                          |                                                                |                        | (in ₹ crore)                     |                                                        |                            |                                                                |
| 24      | Original purchaser - HDFC Bank Limited   | Commercial paper Contract note dated March 24, 2015            | -*                     | 200.00                           | 200.00                                                 | Repayment on June 2, 2015  | 200.00                                                         |
| 25      | Original purchaser - DBS Bank Limited    | Commercial paper Contract note dated March 3, 2015             | -*                     | 100.00                           | 100.00                                                 | Repayment on June 4, 2015  | 100.00                                                         |
| 26      | Original purchaser - State Bank of India | Commercial paper Contract note dated March 4, 2015             | -*                     | 200.00                           | 200.00                                                 | Repayment on June 8, 2015  | 200.00                                                         |
| 27      | Original purchaser - IDFC Limited        | Commercial paper Contract note dated July 3, 2014              | -*                     | 100.00                           | 100.00                                                 | Repayment on June 29, 2015 | 100.00                                                         |
| 28      | Original purchaser - HDFC Bank Limited   | Commercial paper Contract note dated January 20, 2015          | -*                     | 100.00                           | 100.00                                                 | Repayment on June 29, 2015 | 100.00                                                         |
| 29      | Original purchaser - HDFC Bank Limited   | Commercial paper Contract note dated January 20, 2015          | -*                     | 100.00                           | 100.00                                                 | Repayment on June 30, 2015 | 100.00                                                         |
| 30      | Original purchaser - IDFC Limited        | Commercial paper Contract note dated July 8, 2014              | -*                     | 100.00                           | 100.00                                                 | Repayment on June 30, 2015 | 100.00                                                         |

(1) As certified by V.C.Venkatraman & Co., through its certificate dated March 27, 2015. Further, V.C. Venkatraman & Co. has confirmed that these borrowings have been utilised for the purposes for which they were availed, as provided in the relevant borrowing documents.

## 4. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating ₹ 1,428.00 crore towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited to strategic initiatives, partnerships and joint ventures, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

### Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ 70.00 crore. The break-up for the Issue expenses is as follows:

| Sr. No.                                                          | Activity Expense                                                                        | Amount (in ₹ crore) | Percentage of Total Estimated Issue Expenditure (%) | Percentage of Issue Size (%) |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------------|-----------------------------------------------------|------------------------------|
| 1                                                                | Fees of the G C S L M s , Lead Managers and Co-Lead Manager and Underwriting commission | 38.28               | 54.68                                               | 0.51                         |
| 2                                                                | Fees to the legal advisors, other service providers and statutory fees                  | 13.67               | 19.53                                               | 0.18                         |
| 3                                                                | Fees of Registrar to the Issue                                                          | 0.14                | 0.20                                                | 0.00                         |
| 4                                                                | Printing and stationery, distribution, postage, Advertising and marketing expenses etc. | 4.44                | 6.34                                                | 0.06                         |
| 5                                                                | Other expenses                                                                          | 13.47               | 19.25                                               | 0.18                         |
| <b>Total Estimated Issue Expenditure (including Service Tax)</b> |                                                                                         | <b>70.00</b>        | <b>100.00</b>                                       | <b>0.93</b>                  |

### Interim use of Net Proceeds

Pending utilization for the objects described above, our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Our Company intends to deposit the Net Proceeds with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934. We confirm that pending utilization of the Net Proceeds for the objects of the Issue, our Company shall not utilize the Net Proceeds for any investment in the equity markets, real estate or related products.

### Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

### Monitoring of Utilization of Funds

Our Company has appointed HDFC Bank as the Monitoring Agency in relation to the Issue under the requirements of Regulation 16 of the SEBI Regulations. Our Board and Monitoring Agency will monitor the utilization of the Net Proceeds. Our Company will disclose the utilization of the Net

Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to finalisation of the basis of allotment for the Issue.

Pursuant to Clause 49 of the Equity Listing Agreement, our Company shall on a quarterly basis disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. The report submitted by the Monitoring Agency will be placed before the Audit Committee of our Company, so as to enable the Audit Committee to make appropriate recommendations to the Board.

Furthermore, in accordance with Clause 43A of the Equity Listing Agreement, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including material deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee. In the event that the Monitoring Agency points out any deviation in the use of Net Proceeds from the objects of the Issue stated above, or has given any other reservations with respect to the end use of Net Proceeds, our Company shall intimate the same to the Stock Exchanges without delay.

### Appraising Entity

None of the objects of the Issue for which the Net Proceeds will be utilised have been appraised.

### Other Confirmations

Except as stated above, no part of the proceeds of the Issue will be paid by our Company to the Promoter, the Directors, Associates, Group Companies or key management personnel, except in the normal course of business.

## OUR MANAGEMENT

### Board of Directors

Our Company's Articles of Association provides that the minimum number of Directors shall be three. As of the date of the Letter of Offer, our Company has ten directors, of which two Directors are Executive Directors and six Directors are Independent Directors. Pursuant to the provisions of the Companies Act, 2013 at least two-thirds of the total number of Directors excluding the Independent Directors are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. A retiring director is eligible for re-election. Further, the Independent Directors may be appointed for a maximum of two terms of up to five consecutive years each. Any re-appointment of Independent Directors shall, *inter alia*, be on the basis of the performance evaluation report and approved by the shareholders by way of a special resolution. The quorum for meetings of our Board is one-third of the total number of Directors, or two Directors, whichever is higher, unless otherwise fixed by the Directors.

The following table sets forth details regarding our Board as of the date of filing the Letter of Offer:

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

| Name, Designation, Term, DIN, Occupation, and Business address                                                                                                                                                                                                                                                                                      | Age (in years) | Other Directorships                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Cyrus P Mistry</b><br><b>Designation:</b> Non-Executive Chairman<br><b>Term:</b> Not liable to retire by rotation<br><b>DIN:</b> 00010178<br><b>Occupation:</b> Company Director<br><b>Address:</b> Sterling Bay, 103, Walkeshwar Road, Walkeshwar, Mumbai 400 006                                                                               | 46             | <b>Other Directorships</b><br><b>(1)</b> Cyrus Investments Private Limited<br><b>(2)</b> Jaguar Land Rover Automotive Plc<br><b>(3)</b> Sterling Investment Corporation Private Limited<br><b>(4)</b> Tata AG, Zug<br><b>(5)</b> Tata America International Corporation<br><b>(6)</b> Tata Chemicals Limited<br><b>(7)</b> Tata Consultancy Services Limited<br><b>(8)</b> Tata Enterprises (Overseas) AG, Zug<br><b>(9)</b> Tata Global Beverages Limited<br><b>(10)</b> Tata Industries Limited<br><b>(11)</b> Tata International AG, Zug<br><b>(12)</b> Tata Limited<br><b>(13)</b> Tata Sons Limited<br><b>(14)</b> Tata Steel Limited<br><b>(15)</b> The Tata Power Company Limited<br><b>(16)</b> Tata Teleservices Limited<br><b>(17)</b> The Indian Hotels Company Limited       |
| <b>Nusli N Wadia</b><br><b>Designation:</b> Non-Executive Independent Director<br><b>Term:</b> Appointed as an Independent Director with effect from July 31, 2014 up to February 14, 2019<br><b>DIN:</b> 00015731<br><b>Occupation:</b> Business<br><b>Address:</b> Beach House, P. Balu Marg, Prabhadevi, Mumbai 400 025                          | 71             | <b>Other Directorships</b><br><b>(1)</b> The Bombay Dyeing & Manufacturing Company Limited<br><b>(2)</b> Wadia Techno-Engineering Services Limited<br><b>(3)</b> Tata Steel Limited<br><b>(4)</b> The Bombay Burmah Trading Corporation Limited<br><b>(5)</b> Tata Chemicals Limited<br><b>(6)</b> Britannia Industries Limited<br><b>(7)</b> Go Airlines (India) Limited<br><b>(8)</b> Go Investments & Trading Private Limited<br><b>(9)</b> Leila Lands SDN Bhd (Malaysia)<br><b>(10)</b> Strategic Food International Company LLC, Dubai, U.A.E.<br><b>(11)</b> Strategic Brand Holdings Co. Ltd., UAE<br><b>(12)</b> Al Sallan Food Industries Co. SAOG, Oman<br><b>(13)</b> Al Fayafi General Trading Co. LLC, UAE<br><b>(14)</b> Britannia and Associates (Dubai) Private Limited |
| <b>Dr. Raghunath A Mashelkar</b><br><b>Designation:</b> Non-Executive Independent Director<br><b>Term:</b> Appointed as an Independent Director with effect from July 31, 2014 up to December 31, 2017<br><b>DIN:</b> 00074119<br><b>Occupation:</b> Professional<br><b>Address:</b> D-4, Varsha Park, Raghunath Bungalow, Baner Road, Pune 411 045 | 72             | <b>Other Directorships</b><br><b>(1)</b> Reliance Industries Limited<br><b>(2)</b> Thermax Limited<br><b>(3)</b> KPIT Technologies Limited<br><b>(4)</b> Sakal Papers Private Limited<br><b>(5)</b> Piramal Enterprises Limited<br><b>(6)</b> Vyome Bioscience Private Limited<br><b>(7)</b> Invictus Oncology Private Limited<br><b>(8)</b> Reliance GeneMedix Plc., Ireland                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Nasser Munjee</b><br><b>Designation:</b> Non-Executive Independent Director<br><b>Term:</b> Appointed as an Independent Director with effect from July 31, 2014 up to July 30, 2019<br><b>DIN:</b> 00010180<br><b>Occupation:</b> Professional<br><b>Address:</b> Benedict Villa, House No. 471, Saudevado, Chorao Island, Tiswadi Goa 403 102   | 62             | <b>Other Directorships</b><br><b>(1)</b> ABB India Limited<br><b>(2)</b> Ambuja Cements Limited<br><b>(3)</b> Britannia Industries Limited<br><b>(4)</b> Cummins India Limited<br><b>(5)</b> DCB Bank Limited<br><b>(6)</b> HDFC Limited<br><b>(7)</b> Go Airlines (India) Limited<br><b>(8)</b> Tata Chemicals Limited<br><b>(9)</b> Tata Motors Finance Limited<br><b>(10)</b> Tata Chemicals North America Inc, USA<br><b>(11)</b> Jaguar Land Rover Automotive plc<br><b>(12)</b> Aarusha Homes Private Limited                                                                                                                                                                                                                                                                      |

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

| Name, Designation, Term, DIN, Occupation, and Business address                                                                                                                                                                                                                                                                                                                             | Age (in years) | Other Directorships                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Subodh Bhargava</b><br><b>Designation:</b> Non-Executive Independent Director<br><b>Term:</b> Appointed as an Independent Director with effect from July 31, 2014 up to March 29, 2017<br><b>DIN:</b> 00035672<br><b>Occupation:</b> Professional<br><b>Address:</b> A-15/1, DLF City Phase -I, Gurgaon 122002, Haryana                                                                 | 72             | <b>Other Directorships</b><br><b>(1)</b> Tata Communications Limited<br><b>(2)</b> Tata Steel Limited<br><b>(3)</b> TRF Limited<br><b>(4)</b> GlaxoSmithKline Consumer Healthcare Limited<br><b>(5)</b> Batliboi Limited<br><b>(6)</b> Larsen & Toubro Limited<br><b>(7)</b> Tata Communications International Pte Ltd.<br><b>(8)</b> Tata Communications Services (International) Pte Ltd.<br><b>(9)</b> SunBorne Energy Holdings LLC                                                                                                                                                                       |
| <b>Vinesh K Jairath</b><br><b>Designation:</b> Non-Executive Independent Director<br><b>Term:</b> Appointed as an Independent Director with effect from July 31, 2014 up to July 30, 2019<br><b>DIN:</b> 00391684<br><b>Occupation:</b> Professional<br><b>Address:</b> 194-B, Kalpataru Horizon, S.K. Ahire Marg, Worli, Mumbai 400 018                                                   | 56             | <b>Other Directorships</b><br><b>(1)</b> Indiabulls Real Estate Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Dr. Ralf Speth</b><br><b>Designation:</b> Non-Executive Director and Non-Independent Director<br><b>Term:</b> Liable to retire by rotation<br><b>DIN:</b> 03318908<br><b>Occupation:</b> Chief Executive Officer<br><b>Address:</b> Kranzenhornweg 5 C, 83064 Raubling, Germany                                                                                                         | 59             | <b>Other Directorships</b><br><b>(1)</b> Jaguar Land Rover Automotive PLC<br><b>(2)</b> Jaguar Land Rover Limited<br><b>(3)</b> Jaguar Land Rover Holding Limited<br><b>(4)</b> Spark44 (JV) Limited<br><b>(5)</b> ACEA-Belgium and Brussels<br><b>(6)</b> Bladon Jets<br><b>(7)</b> Confederation of British Industry (CBI)<br><b>(8)</b> Sun Catalytix Corporation<br><b>(9)</b> Society Motors Manufacturers & Traders                                                                                                                                                                                    |
| <b>Falguni S Nayar</b><br><b>Designation:</b> Non-Executive Independent Director<br><b>Term:</b> Appointed as an Independent Director with effect from July 31, 2014 upto July 30, 2019<br><b>DIN:</b> 00003633<br><b>Occupation:</b> Professional<br><b>Address:</b> Flat No. 9, Rushilla 5 <sup>th</sup> Floor, Carmichael Road, Mumbai 400 026                                          | 52             | <b>Other Directorships</b><br><b>(1)</b> Dabur India Limited<br><b>(2)</b> ACC Limited<br><b>(3)</b> FSN Ecommerce Ventures Private Limited<br><b>(4)</b> Heritage View Developers Private Limited<br><b>(5)</b> Valleyview Probuild Private Limited<br><b>(6)</b> Sea View Probuild Private Limited                                                                                                                                                                                                                                                                                                         |
| <b>Ravindra Pisharody</b><br><b>Designation:</b> Executive Director (Commercial Vehicles)<br><b>Term:</b> Appointed for a period of five years with effect from June 21, 2012, liable to retire by rotation<br><b>DIN:</b> 01875848<br><b>Occupation:</b> Service<br><b>Address:</b> Hill Park Estate, Flat No. 9, 2nd Floor, Block No. 1, AG Bell Road, Malabar Hill, Mumbai 400 006      | 59             | <b>Other Directorships</b><br><b>(1)</b> Tata Marcopolo Motors Limited<br><b>(2)</b> Tata Cummins Private Limited<br><b>(3)</b> Tata International Limited<br><b>(4)</b> Tata Motors Finance Limited<br><b>(5)</b> Automobile Corporation of Goa Limited<br><b>(6)</b> Tata Hispano Motors Carrocera SA<br><b>(7)</b> Tata Hispano Motors Carroceries Maghreb SA<br><b>(8)</b> Tata International Singapore Pte Limited<br><b>(9)</b> Nita Company Limited<br><b>(10)</b> Tata Motors (SA) (Pty) Limited<br><b>(11)</b> Tata Daewoo Commercial Company Limited<br><b>(12)</b> Tata Motors (Thailand) Limited |
| <b>Satish B Borwankar</b><br><b>Designation:</b> Executive Director (Quality)<br><b>Term:</b> Appointed for a period of five years with effect from June 21, 2012, liable to retire by rotation<br><b>DIN:</b> 01793948<br><b>Occupation:</b> Service<br><b>Address:</b> Flat No. H 22, VOILA S No. 118/3-5, Warje, Near Cipla Hospital, Kothrud, Mumbai - Bangalore Highway, Pune 411 052 | 62             | <b>Other Directorships</b><br><b>(1)</b> Tata Cummins Private Limited<br><b>(2)</b> TML Drivelines Limited<br><b>(3)</b> Tata Marcopolo Motors Limited<br><b>(4)</b> Jaguar Land Rover India Limited<br><b>(5)</b> TAL Manufacturing Solutions Limited<br><b>(6)</b> Tata Motors (Thailand) Limited<br><b>(7)</b> Tata Daewoo Commercial Vehicle Company Limited                                                                                                                                                                                                                                             |

**Relationship between the Directors**

None of our Directors are related to each other.

**Brief Biographies**

**Cyrus P. Mistry** is the Chairman and Nominee Director of our Company. He holds a bachelor's degree in Civil Engineering from Imperial College London and Masters in Science degree in Management from London Business School. He was bestowed with the Alumni Achievement Award by the London Business School. He was previously the Managing Director of Shapoorji Pallonji group and was responsible for building the infrastructure development division in the Shapoorji Pallonji group. He has experience in the field of real estate construction and investment industries. He was appointed as a Director with effect from May 29, 2012 and as Deputy Chairman of our Company with effect from November 7, 2012. He took over as Chairman as our Company with effect from December 28, 2012. He was appointed as a nominee Director of Tata Steel Limited with effect from May 29, 2013.

**Nusli N Wadia** is an Independent Director of our Company. He was educated in the UK and is the chairman of The Bombay Dyeing & Manufacturing Company Limited and heads the Wadia Group. He is also the chairman / trustee of various charitable institutions and non-profit organizations. He was appointed as an Independent Director of our Company with effect from December 22, 1998.

**Dr. Raghunath A Mashelkar** is an Independent Director of our Company. He holds a Doctor of Philosophy in Chemical Engineering from the Bombay University. He is an eminent chemical engineering scientist and retired from the post of Director General from the CSIR. He is also the President of Indian National Science Academy, National Innovation Foundation, Institution of Chemical Engineers, UK and Global Research Alliance. The President of India honoured Dr. Mashelkar with the Padmashri in 1991, the Padmabhushan in 2000 and the Padma Vibhushan in 2014. He was appointed as an Independent Director of our Company with effect from August 28, 2007.

**Nasser Munjee** is an Independent Director of our Company. He holds a Bachelor's degree and a Master's degree from the London School of Economics, UK. He has served with HDFC for over 20 years at various positions including as its Executive Director. He was the Managing Director of Infrastructure Development Finance Company Limited up to March 2004. He has been the Chairman of Development Credit Bank since June, 2005 and is also on the board of directors of various multinational companies and trusts. He is a Technical Advisor on the World Bank-Public Private Partnership Infrastructure and Advisory Fund. He was appointed as an Independent Director of our Company with effect from June 27, 2008.

**Subodh Bhargava** is an Independent Director of our Company. He holds a degree in Mechanical Engineering from the University of Roorkee. He retired from Eicher Group of Companies as Group Chairman and Chief Executive in March 2000. He was previously the President of the Confederation of Indian Industry and the Association of Indian Automobile Manufacturers and the Vice President of the Tractor Manufacturers Association. He is currently associated as a director of several Indian corporates, including Tata Communications Limited and Tata Steel Limited. He was appointed as an Independent Director of our Company with effect from June 27, 2008.

**Vinesh K Jairath** is an Independent Director of our Company. He holds a Bachelor of Arts Degree in Public Administration

and Bachelor of Laws Degree, both from the Punjab University, a Masters in Economics from the University of Manchester, UK and joined Indian Administrative Service in 1982. He has served as the Principal Secretary (Industries) of the Government of Maharashtra and has over 25 years of experience in public administration, rural development, poverty alleviation, infrastructure, finance, industry, urban development and environmental management occupying various important positions in the Government of India and the State Government of Maharashtra. He was appointed as an Independent Director of our Company with effect from March 31, 2009.

**Dr. Ralf Speth** is a Non-Executive Director of our Company. He holds a degree in Engineering from Rosenheim University, Germany and holds a Doctorate of Engineering in Mechanical Engineering and Business Administration from Warwick University. He was appointed to the post of Chief Executive Officer at Jaguar Land Rover on February 18, 2010. He is on the Board of Directors of Jaguar Land Rover Automobile PLC, UK. Having served BMW for 20 years, he joined Ford Motor Company's Premier Automotive Group as Director of Production, Quality and Product Planning. He was appointed as a Non-Executive Director of our Company with effect from November 10, 2010.

**Falguni S Nayar** is an Independent Director of our Company. She holds a bachelor's degree in Commerce from the Mumbai University and a post graduate diploma in Management from Indian Institute of Management, Ahmedabad. She has spent over 19 years with Kotak Mahindra Bank with the last six years as Managing Director and Chief Executive Officer of Kotak Investment Bank. She is currently the founder and Chief Executive Officer of Nykaa.com, an online shopping website for beauty and wellness products and also offers an online magazine, expert advice and virtual makeover tools. She was recognised as the 'Top Business Woman' by Business Today in 2009 and 2011 and has received the FICCI Ladies Organisation award for 'Top Woman Achiever' in the field of banking in 2008. She was appointed as an Independent Director of our Company with effect from May 29, 2013.

**Ravindra Pisharody** is the Executive Director (Commercial Vehicles) of our Company. He is an alumnus of Indian Institute of Technology, Kharagpur and Indian Institute of Management, Kolkata. He joined Tata Motors as Vice President Commercial Vehicles (Sales & Marketing), in 2007. He is also on the board of various Tata Motors group companies. Before joining our Company, he worked with Castrol Limited, a subsidiary of BP Plc, and with Philips India, a subsidiary of the Dutch company in various roles. He was appointed as the Executive Director (Commercial Vehicles) of our Company with effect from June 21, 2012.

**Satish B Borwankar** is the Executive Director (Quality) of our Company. He holds a bachelor's degree in Mechanical Engineering from Indian Institute of Technology, Kanpur. He started his career with Tata Motors in 1974, as a graduate engineer trainee. He has worked in various executive positions, for overseeing and implementing product development, manufacturing operations and quality control initiatives of the commercial vehicles business unit. He has played a significant role in setting up greenfield projects of our Company. He was appointed as the Executive Director (Quality) with effect from June 21, 2012.

For details see "Our Management" beginning on page 84 of the Letter of Offer.

## RELATED PARTY TRANSACTIONS

For details of related party transactions, see “Related Party Disclosures for the year ended March 31, 2014” and “Related Party Disclosures” on pages A-63 and A-96 respectively of the Letter of Offer.

## MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

This section includes the following:

1. Management’s discussion and analysis of financial conditions and results of operation prepared on the limited reviewed consolidated financial statements of our Company for the nine months ended December 31, 2014 prepared in accordance with the Indian GAAP; and
  2. Management’s discussion and analysis of financial conditions and results of operation prepared on the audited consolidated financial statements of our Company as at and for the year ended March 31, 2014 in accordance with the Indian GAAP.
1. Management’s discussion and analysis of financial conditions and results of operation prepared on the limited reviewed consolidated financial statements of our Company for the nine months ended December 31, 2014 prepared in accordance with the Indian GAAP

### Overview

We primarily operate in the automotive segment. The acquisition of Jaguar Land Rover business has enabled us to enter the premium car market. We continue to focus on profitable growth opportunities in global automotive business, through new products and market expansion. We continue to focus on integration, and synergy through sharing of resources, platforms, facilities for product development and manufacturing, sourcing strategy, mutual sharing of best practices.

During the nine months ended December 31, 2014 our total revenue (net of excise duties) including finance revenues increased by 16.5% or ₹ 27,703.77 crore to ₹ 195,220.29 crore from ₹ 167,516.52 crore during the nine months ended December 31, 2013. During the nine months ended December 31, 2014, net profit after tax (post minority interest and share of profit / loss (net) of associates) increased by 21.8% or ₹ 2,197.06 crore to ₹ 12,269.79 crore from ₹ 10,072.73 crore during the nine months ended December 31, 2013. Our business segments are (i) automotive operations; and (ii) other operations as described further below. The table below sets forth the breakdown in revenue between automotive operations and other operations for the nine months ended December 31, 2014 and 2013 and the percentage change from period to period.

|                            | Nine months ended December 31, |                    |             |
|----------------------------|--------------------------------|--------------------|-------------|
|                            | 2014                           | 2013               | % of Change |
|                            | (₹ in crore)                   |                    |             |
| Automotive operations      | 1,94,255.03                    | 1,66,645.47        | 16.6        |
| Other Operations           | 1,996.78                       | 1,821.00           | 9.7         |
| Inter-segment-eliminations | (1,031.52)                     | (949.95)           | 8.6         |
| <b>Total</b>               | <b>1,95,220.29</b>             | <b>1,67,516.52</b> | <b>16.5</b> |

### (i) Automotive operations

Automotive operations are most significant segment, accounting for 99.5% of our total revenues during both nine months ended December 31, 2014 and 2013, respectively. For the nine months ended December 31, 2014, revenue from automotive operations before inter-segment eliminations increased by 16.6% or ₹ 27,609.56 crore to ₹ 194,255.03 crore as compared to ₹ 1,66,645.47 crore during the nine months ended December 31, 2013.

Automotive operations include:

- activities relating to the development, design, manufacture, assembly and sale of vehicles as well as related spare parts and accessories;
- distribution and service of vehicles; and
- financing of our vehicles in certain markets.

Our total sales (including international business sales and Jaguar Land Rover sales) during the nine months ended December 31, 2014 and 2013 are set forth in the table below:

| Category                             | Nine months ended December 31, |              |                 |              |
|--------------------------------------|--------------------------------|--------------|-----------------|--------------|
|                                      | 2014                           |              | 2013            |              |
|                                      | Units                          | %            | Units           | %            |
| Passenger Cars                       | 1,45,296                       | 19.9         | 1,52,763        | 20.0         |
| Utility Vehicles                     | 3,05,683                       | 42.0         | 2,76,292        | 36.3         |
| Light Commercial Vehicles            | 1,67,702                       | 23.0         | 2,35,879        | 30.9         |
| Medium and Heavy Commercial Vehicles | 1,09,795                       | 15.1         | 97,761          | 12.8         |
| <b>Total</b>                         | <b>7,28,476</b>                | <b>100.0</b> | <b>7,62,695</b> | <b>100.0</b> |

Our automotive operations segment is further divided into (i) Tata and other brand vehicles (including vehicle financing thereof); and (ii) Jaguar Land Rover. During the nine months ended December 31, 2014, Jaguar Land Rover contributed 83.4% of our total automotive revenue (before intra-segment elimination), compared to 81.0% of total automotive revenue (before intra-segment elimination) during the nine months ended December 31, 2013. The remaining 16.6% of total automotive revenue during the nine months period ended December 31, 2014 (before intra-segment elimination) was contributed by Tata and other brand vehicles, compared to 19.0% of total automotive revenue (before intra-segment elimination) for the nine months ended December 31, 2013.

Revenue from Tata and other brand vehicles (including vehicle financing thereof) and Jaguar Land Rover for nine months ended December 31, 2014 and 2013 and the percentage change from period to period (before intra-segment eliminations) is set forth in the below table.

|                               | Nine months ended December 31, |             |             |
|-------------------------------|--------------------------------|-------------|-------------|
|                               | 2014                           | 2013        | % of Change |
|                               | (₹ in crore)                   |             |             |
| Tata and other brand vehicles | 32,203.75                      | 31,633.28   | 1.8         |
| Jaguar Land Rover             | 1,62,136.66                    | 1,35,052.49 | 20.1        |

***Tata and other brands vehicles (including vehicle financing thereof)***

India is a major market for Tata and other brand vehicles (including vehicle financing thereof). During the nine months ended December 31, 2014, there was, generally, a slight and gradual economic recovery in the geographic markets in which Tata and other brands vehicles segment has operations. However, competitive pressure continues across all major products of the Tata and other brands vehicle segment leading to decrease in vehicles sales volumes.

During the nine months ended December 31, 2014, the Indian economy experienced a GDP growth of 7.4%, compared to 6.9% in Fiscal 2014 (based on data from the Ministry of Statistics and Program Implementation). The IIP in India grew by 2.1% during the nine months ended December 31, 2014, compared to flat growth during the nine months ended December 31, 2013. Relatively low growth in industrial activity in India was broad-based and was mainly due to factors such as the poor growth of consumer goods sector, where consumer durables contracted by 15.2% during the nine months ended December 31, 2014 compared to 12.9% during the nine months ended December 31, 2013. Furthermore, aggregate demand has experienced sluggish growth as measured by factors such as demand for capital goods, which grew by 4.8% during the nine months ended December 31, 2014 compared to 0.4% during the nine months ended December 31, 2013.

The Indian automobile industry experienced a growth of 1.8% in the nine months ended December 31, 2014, as compared to negative growth of 7.3% for the nine months ended December 31, 2013. Falling crude oil prices, lower inflation, resumption of manufacturing and mining activities and lower interest rates appear to be helping the Indian auto industry revive after two years of decline.

Nevertheless, demand in the LCV product category was affected due to the lack of financing for potential customers in the nine months ended December 31, 2014. In addition, high default rates for loans along with early delinquencies has led financiers to tighten lending norms - for example, by lowering the loan-to-value ratio on new financing and by focusing on collection of existing loans instead of extending new loans for small commercial vehicles.

The following table sets forth our total sales of Tata and other brand vehicles:

| Category                             | Nine months ended December 31, |              |                 |              |
|--------------------------------------|--------------------------------|--------------|-----------------|--------------|
|                                      | 2014                           |              | 2013            |              |
|                                      | Units                          | %            | Units           | %            |
| Passenger Cars                       | 87,756                         | 22.8         | 94,107          | 20.8         |
| Utility Vehicles                     | 20,227                         | 5.2          | 24,709          | 5.5          |
| Light Commercial Vehicles            | 1,67,702                       | 43.5         | 2,35,879        | 52.1         |
| Medium and Heavy Commercial Vehicles | 1,09,795                       | 28.5         | 97,761          | 21.6         |
| <b>Total</b>                         | <b>3,85,480</b>                | <b>100.0</b> | <b>4,52,456</b> | <b>100.0</b> |

Our overall vehicle sales decreased by 14.8% to 3,85,480 units during the nine months ended December 31, 2014 from 4,52,456 units during the nine months ended December 31, 2013. Revenue (before intra-segment elimination) increased by 1.8% to Rs.32,203.75 crores during the nine months ended December 31, 2014, compared to Rs.31,633.28 crores during the nine months ended December 31, 2013.

***Commercial vehicles in India***

Industry sales in the M&HCV category grew by 10.6% to 1,60,189 units during the nine months ended December 31, 2014 as compared to sales of 1,44,855 units for the nine months ended December 31, 2013, due to stable freight rates across key routes, lowering of diesel prices, increased quantity of cargo transported and a renewal of mining activities in states of Karnataka and Goa. However, the LCV segment for the nine months ended December 31, 2014 contracted by 20.2% to 3,06,127 units from 3,83,846 units for the nine months ended December 31, 2013, mainly led by lower availability of freight, financing defaults and tightened lending norms all of which continues to impede the recovery in the LCV segment. These factors resulted in decline in the industry-wide sales of commercial vehicles by 11.8% during the nine months ended December 31, 2014, compared to the nine months ended December 31, 2013.

Sales of our commercial vehicles in India decreased by 20.5% to 2,34,522 units for the nine months ended December 31, 2014 from 2,95,013 units for the nine months ended December 31, 2013. Our Company's sales in the M&HCV category grew by 8,533 units or 10.6% to 88,840 units during the nine months ended December 31, 2014 as compared to sales of 80,307 units for the nine months ended December 31, 2013. However, our sales in the LCV segment for the nine months ended December 31, 2014 declined by 32.1% to 1,45,682 units from 2,14,706 units for the nine months ended December 31, 2013.

***Passenger vehicles in India***

The passenger vehicle industry in India experienced growth of 5.8% for the nine months ended December 31, 2014, compared to a decline of 4.9% for the nine months ended December 31, 2013. The growth in sales volumes was reflected across passenger vehicle segments. Increased demand in the passenger vehicle industry was primarily attributable to reduced fuel prices and improvement in consumer sentiment.

Notwithstanding growth in the Indian passenger vehicle sector, our passenger vehicle sales in India decreased by 10.8% to 101,204 units for the nine months ended December 31, 2014 from 113,500 units for the nine months ended December 31, 2013 due to fewer new product offerings compared to our competitors. Our passenger vehicle categories consist of: (i) UVs and (ii) passenger cars. In the UV category, we sold 19,139 units for the nine months ended December 31, 2014, representing a decrease of 20.2% from 23,971 units for the nine months ended December 31, 2013. We sold 82,065 units in the passenger car category during the nine months ended December 31, 2014, representing a decrease of 8.3% compared to 89,529 units during the nine months ended December 31, 2013. We sold 16,060 Nano cars during the nine months ended December 31, 2014, a decrease of 9.4% compared to 17,730 units for the nine months ended December 31, 2013.

On August 12, 2014, we launched Zest, the all new stylish compact sedan and sold 16,027 vehicles during the period August 12, 2014 to December 31, 2014.

***International Markets***

Our overall sales in international markets increased by 13.2% to 49,754 units for the nine months ended December 31, 2014 compared to 43,943 units for the nine months ended December 31, 2013. Our Company's exports of vehicles manufactured in India increased by 17.7% for the nine months ended December 31, 2014 to 39,213 units from 33,317 units for the nine months ended December 31, 2013. The improvement of the geo-political situation in the SAARC region has contributed to an upsurge in investment in capital goods, which has helped us to improve

volumes in this region generally, particularly in Bangladesh. In addition, launch of new models in the Middle East and Africa region along with opening up of new markets in these regions contributed to an increase in international sales volumes.

TDCV, our subsidiary company, is engaged in design, development and manufacturing of M&HCVs, recorded a 1.5% increase in its overall vehicle sales to 7,968 units for the nine months ended December 31, 2014, from 7,851 units for the nine months ended December 31, 2013. TDCV exported 2,841 units for the nine months ended December 31, 2014, compared to 3,125 units for the nine months ended December 31, 2013, a fall of 9.1%. Sluggish market conditions in Russia, South Africa, Algeria and Laos due to adverse socio-political conditions were partially offset by increase in volumes in Vietnam. The Ukraine crisis and financial sanctions contributed to sluggish market conditions in Russia, which affected currency exchange rates and lessened demand for automobiles and for new large projects. The over-all sales in South Africa have been affected by the depreciation of the South African Rand and overall limited economic growth. In Algeria and Laos, vehicle demand has been affected by continued political and economic uncertainties and general economic conditions and the absence of major projects. In Vietnam, TDCV has been able to develop new fleet customers to take advantage of shift in demand to more lightweight commercial vehicles due to stricter application of vehicles weight regulations. In the South Korean market, TDCV's sales have increased by 8.5% from 4,726 units for the nine months ended December 31, 2013 to 5,127 units for the nine months ended December 31, 2014, primarily due to higher sales in October to December 2014, due to emission norms effective from January 1, 2015.

#### Jaguar Land Rover

The total sales of Jaguar Land Rover during nine months ended December 31, 2014 and 2013 are set forth in the table below:

| Category     | Nine months ended December 31, |              |                 |              |
|--------------|--------------------------------|--------------|-----------------|--------------|
|              | 2014                           |              | 2013            |              |
|              | Units                          | %            | Units           | %            |
| Jaguar       | 57,540                         | 16.8         | 58,656          | 18.9         |
| Land Rover   | 2,85,456                       | 83.2         | 2,51,583        | 81.1         |
| <b>Total</b> | <b>3,42,996</b>                | <b>100.0</b> | <b>3,10,239</b> | <b>100.0</b> |

During the nine months ended December 31, 2014, Jaguar Land Rover continued to experience growth in all its geographical markets; including both developing and developed markets, and particularly in the United Kingdom. However, economic conditions have been unfavorable in Europe and in some other markets, particularly Russia. Overall, the volume growth has been driven by the strong sales of Range Rover, Range Rover Sport and the Jaguar F-TYPE.

Retail volumes for the nine months ended December 31, 2014 were 3,37,902 units, an increase of 9.2% compared to the nine months ended December 31, 2013. Retail volumes for the nine months ended December 31, 2014 were 57,539 units for Jaguar and 2,80,363 units for Land Rover, a growth of 1.9% and 10.8%, respectively from 56,491 units and 2,53,044 units respectively, for the nine months ended December 31, 2013. Retail volumes in China increased by 25.8% in the nine months ended December 31, 2014 from 73,510 units to 92,443 units, as compared to the nine months ended December 31, 2013. Retail volumes in the Asia Pacific region increased by 17.7% to 19,460 units in the nine months ended December 31, 2014 from 16,539 units for the nine months ended December 31, 2013. Retail

volumes in the United Kingdom increased by 11.9% to 58,041 units for the nine months ended December 31, 2014 from 51,890 units for the nine months ended December 31, 2013. Retail volumes in North America decreased by 1.2% to 55,058 units for the nine months ended December 31, 2014 compared to 55,748 units for the nine months ended December 31, 2013, primarily due to the lack of available Freelander inventory and a production scheduling mismatch between supply and demand. Retail volumes in the rest of Europe market, increased by 6.0% to 61,384 units for the nine months ended December 31, 2014 compared to 57,928 units for the nine months ended December 31, 2013, primarily due to the strong sales of the Range Rover, Range Rover Sport and the Jaguar F-TYPE, partially offset by the lack of available Freelander inventory. Retail volumes in the rest of the world market, declined by 4.5% to 51,516 units for the nine months ended December 31, 2014 compared to 53,920 units for the nine months ended December 31, 2013, primarily as a consequence of adverse economic and political conditions impacting sales in Russia, Brazil and South Africa.

Wholesale volumes for the nine months ended December 31, 2014 was 3,42,996 units, an increase of 10.6% from 3,10,239 units for the nine months ended December 31, 2013. Wholesale volumes for Jaguar in the nine months ended December 31, 2014 declined by 1.9% to 57,540 units from 58,656 units sold during nine months ended December 31, 2013. Wholesale volumes for Land Rover for the nine months ended December 31, 2014 was 285,456 units, an increase of 13.5% from 2,51,583 units for the nine months ended December 31, 2013, driven by the strong sales of all models partially offset by Production run out of the Freelander as well as favorable market mix, most notably strong sales in China.

The premium and luxury vehicles sector in India has experienced a growth during the nine months ended December 31, 2014. We sold 2,046 units of Jaguar and Land Rover in India in the nine months ended December 31, 2014 as compared to 1,992 units in the nine months ended December 31, 2013 resulting in an increase of 2.7%.

#### (ii) Other operations

The other operations business segment includes IT, machine tools and factory automation solutions, and investment business. During the nine months ended December 31, 2014, revenue from other operations before inter-segment eliminations was ₹ 1,996.78 crore compared to ₹ 1,821.00 crore during nine months ended December 31, 2013. Segment results before other income, finance cost, tax and exceptional items (before inter-segment eliminations) was ₹ 253.43 crore for the nine months ended December 31, 2014 as compared to ₹ 174.55 crore for nine months ended December 31, 2013.

#### Results of operation

The following table sets forth selected line items from our Company's condensed consolidated statements of income for the periods indicated and shows these items as a percentage of total revenues.

|                                                       | Percentage to Revenue from operations For nine months ended December 31, |      |
|-------------------------------------------------------|--------------------------------------------------------------------------|------|
|                                                       | 2014                                                                     | 2013 |
| Revenue from operations net of excise duty            | 100                                                                      | 100  |
| Expenditure:                                          |                                                                          |      |
| Cost of material consumed (including change in stock) | 61.2                                                                     | 61.7 |
| Employee Cost                                         | 9.6                                                                      | 9.3  |

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|                                                                                                  |       |       |
|--------------------------------------------------------------------------------------------------|-------|-------|
| Manufacturing and other expenses (net)                                                           | 18.3  | 19.1  |
| Amount Capitalised                                                                               | (5.8) | (5.9) |
| Total Expenditure                                                                                | 83.3  | 84.2  |
| Other Income                                                                                     | 0.3   | 0.3   |
| Profit before Exceptional Items, Depreciation, Interest and Tax                                  | 17.0  | 16.1  |
| Depreciation and Amortisation (including product development / engineering expenses written off) | 5.9   | 5.8   |
| Finance costs                                                                                    | 1.5   | 1.8   |
| Exceptional Item – Loss                                                                          | 0.0   | 0.3   |
| Profit before Tax                                                                                | 9.6   | 8.2   |

## Revenue

During the nine months ended December 31, 2014, our total revenue (net of excise duties, where applicable) including finance revenues increased by 16.5% or ₹ 27,703.77 crore to ₹ 1,95,220.29 crore from ₹ 1,67,516.52 crore for the nine months ended December 31, 2013.

The increase for revenue was primarily driven by our Jaguar Land Rover business, where revenue increased by 20.1% from ₹ 1,35,052.49 crore for the nine months ended December 31, 2013 to ₹ 1,62,136.66 crore for the nine months ended December 31, 2014, due to sales volume increases across products and markets most notably in China and United Kingdom. The revenue also reflect an increase on account of favourable currency translation from GBP to Indian Rupees of ₹ 7,880.07 crore pertaining to Jaguar Land Rover.

The revenue for Tata and other brand vehicles (including financing thereof) also marginally increased by 1.8% from ₹ 31,633.28 crore for the nine months ended December 31, 2013 to ₹ 32,203.75 crore for the nine months ended December 31, 2014. This was due to increase in sales outside India (of vehicles manufactured in India) by 17.8% to ₹ 2,650.12 crore for the nine months ended December 31, 2014 from ₹ 2,250.57 crore for the nine months ended December 31, 2013. Revenue from vehicles sales of TDCV increased by 12.2% from ₹ 3,569.19 crore for the nine months ended December 31, 2013 to ₹ 4,002.86 crore for the nine months ended December 31, 2014, mainly due to increase in domestic volumes. However, revenues (net of excise duty) from vehicle sales manufactured in India decreased to ₹ 27,090.88 crore for the nine months ended December 31, 2014 from ₹ 27,928.46 crore for the nine months ended December 31, 2013, due to lower sales volume of commercial and passenger vehicles in India as explained above. Further, revenue from our vehicle financing operations decreased by 25.1% to ₹ 1,651.28 crore for the nine months ended December 31, 2014 from ₹ 2,204.44 crore for the nine months ended December 31, 2013, arising primarily due to generation of fewer automotive financing in India resulting in reduction of finance revenue.

## Cost of materials consumed (including change in stock)

|                                               | For nine months ended December 31, |                    |
|-----------------------------------------------|------------------------------------|--------------------|
|                                               | 2014                               | 2013               |
|                                               | (₹ in crore)                       |                    |
| Consumption of raw materials and components   | 1,11,805.29                        | 97,654.08          |
| Purchase of product for sale                  | 9,314.75                           | 7,748.86           |
| Change in finished goods and Work-in-progress | (1,718.48)                         | (2,100.29)         |
| <b>Total</b>                                  | <b>1,19,401.56</b>                 | <b>1,03,302.65</b> |

Cost of material consumed is at 61.7% during the nine months ended December 31, 2014 compared to 62.5% during the nine months ended December 31, 2013 of total revenue (excluding income from vehicle financing). At our Company, raw material cost was 75.8% of net revenue as compared to 74.4%, representing an increase of 140 basis points, mainly attributable to higher M&HCV sales and increase in variable marketing expenses. For Jaguar Land Rover, the raw material cost was 60.5% of revenue during the nine months ended December 31, 2014 compared to 60.8% during the nine months ended December 31, 2013, representing a reduction of 30 basis points. The reduction is mainly attributable to product mix and cost reduction programmes.

**Employee Cost** was ₹ 18,765.84 crore for the nine months ended December 31, 2014 as compared to ₹ 15,529.11 crore for the nine months ended December 31, 2013 an increase of ₹ 3,236.73 crore. Of the increase ₹ 738.71 crore (approximately) relates to unfavourable translation of Jaguar Land Rover from GBP to Indian Rupee. At Jaguar Land Rover the increase in employee cost is attributable to increases in the permanent and contractual head count to support the increase in sales volume, new launches and product development projects. At our Company, the employee cost was increased to ₹ 2,255.26 crore during the nine months ended December 31, 2014 as compared to ₹ 2,164.68 crore during the nine months ended December 31, 2013, mainly related to normal yearly revisions. Due to lower volumes at our Company, salary cost as a % to revenue is higher at 8.8% during the nine months ended December 31, 2014 as compared to 8.4% during the nine months ended December 31, 2013. Our Company has initiated steps to rationalize the manpower strength for our Company.

**Manufacturing and Other Expenses** include all works operation, indirect manufacturing expenses, freight cost, fixed marketing costs and other administrative costs. These expenses have increased to ₹ 35,633.54 crore from ₹ 31,934.19 crore during the nine months ended December 31, 2013. As explained above, each line item includes the element of unfavourable translation of Jaguar Land Rover (approximately ₹ 1,585.73 crore). The increases are mainly driven by increased volumes at Jaguar Land Rover.

The breakup is given below -

|                                             | For nine months period ended December 31, |          |
|---------------------------------------------|-------------------------------------------|----------|
|                                             | 2014                                      | 2013     |
|                                             | (₹ in crore)                              |          |
| Processing charges                          | 783.00                                    | 834.84   |
| Stores, spare parts and tools consumed      | 1,330.74                                  | 1,193.91 |
| Freight, transportation, port charges, etc. | 5,623.77                                  | 4,847.48 |
| Repairs to buildings                        | 81.41                                     | 57.08    |
| Repairs to plant, machinery, etc.           | 346.11                                    | 181.42   |
| Power and fuel                              | 807.90                                    | 802.93   |
| Rent                                        | 383.37                                    | 338.46   |
| Rates and taxes                             | 256.20                                    | 196.32   |
| Insurance                                   | 202.05                                    | 206.08   |
| Publicity                                   | 6,170.02                                  | 5,919.90 |

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|                                         | For nine months period ended December 31, |                  |
|-----------------------------------------|-------------------------------------------|------------------|
|                                         | 2014                                      | 2013             |
| Works operation and other expenses      | 19,588.71                                 | 17,344.27        |
| Excise Duty on change in Stock-in-trade | 60.26                                     | 11.50            |
| <b>Manufacturing and Other Expenses</b> | <b>35,633.54</b>                          | <b>31,934.19</b> |

However, in terms of % to revenue, this has decreased to 18.3% during the nine months ended December 31, 2014 as compared from 19.1% during the nine months ended December 31, 2013.

- Processing charges were mainly incurred by our Company, where mainly due to volume contraction, the expenditure was lower.
- Freight, transportation, port charges etc. have increased, mainly at Jaguar Land Rover, in view of increase in volumes in the overseas markets predominantly in China.
- The publicity expenses increase, mainly related to new product launches (new Range Rover, the new Range Rover Sport, The Range Rover Evoque, the F-Type, smaller powertrain derivatives of XF and XJ models as well as the XF Sport brake at Jaguar Land Rover and the Ultra trucks, Tata Zest and Bolt at our Company) and ongoing product / brand campaigns.
- The works operation and other expenses have decreased to 10.0% during the nine months ended December 31, 2014 from 10.3% during the nine months ended December 31, 2013 of net revenue. While a part of revenue relates to volumes, the increase were in engineering expenses at Jaguar Land Rover, computer expenses, provision and write off of finance receivable partly offset by exchange gain on trading activities at Jaguar Land Rover.

**Amount capitalised represents** expenditure transferred to capital and other accounts allocated out of employee cost and other expenses, incurred in connection with product development projects and other capital items. The expenditure transferred to capital and other accounts has increased to ₹ 11,406.44 crore during the nine months ended December 31, 2014 from ₹ 9,875.98 crore during nine months ended December 31, 2013, mainly on account of various product development projects undertaken by our Company and Jaguar Land Rover, for introduction of new products, development of engine and products variants.

**Other Income** was ₹ 653.57 crore during nine months ended December 31, 2014 from ₹ 573.75 crore in nine months ended December 31, 2013 and mainly includes interest income of ₹ 523.03 crore during nine months ended December 31, 2014 (nine months ended December 31, 2013 was ₹ 479.49 crore), dividend income of ₹ 58.30 crore during nine months ended December 31, 2014 (nine months ended December 31, 2013 was ₹ 31.79 crore) and profit on sale of investment of ₹ 68.35 crore during nine months ended December 31, 2014 (nine months ended December 31, 2013 was ₹ 59.04 crore).

**Profit before Interest, Depreciation, Exceptional Items and Tax** has increased from ₹ 27,200.30 crore in the nine months ended December 31, 2013 to ₹ 33,479.36 crore in the nine months ended December 31, 2014, and represented 17.0% of revenue.

**Depreciation and Amortization (including product development / engineering expenses written off):** During nine months ended December 31, 2014, expenditure increased to ₹ 11,595.05 crore from ₹ 9,741.31 crore for nine months ended December 31, 2013. The increase in depreciation expenses during the nine months ended December 31, 2014 was on account of asset additions mainly, the launch of “Ingenium” engines at Wolverhampton and expenses attributable to plant and equipment and tooling (mainly towards capacity and new products). The amortization expenses have gone up from ₹ 4,009.97 crore during nine months ended December 31, 2013 to ₹ 4,928.61 crore during nine months ended December 31, 2014, mainly relates to product development cost capitalized and new products introduced during the nine months ended December 31, 2014 and Fiscal 2014, primarily, the Jaguar F-TYPE coupe and all-wheel drive derivatives, the new Discovery Sport, the Tata Zest and Ultra Trucks. The expenditure on product development / engineering cost written off has increased by ₹ 274.55 crore. As explained above, there was an element of increase representing unfavourable translation impact of ₹ 485.15 crore of GBP to Indian Rupee.

**Finance Cost** decreased by 4.5% to ₹ 2,929.20 crore during the nine months ended December 31, 2014 from ₹ 3,066.23 crore in the nine months ended December 31, 2013. The decrease during finance cost is primarily at Jaguar Land Rover from ₹ 610.52 crore during the nine months ended December 31, 2013 to ₹ 194.30 crore during the nine months ended December 31, 2014 which mainly represented refinancing of 8.125% senior notes due 2018 in March 2014 at lower interest rates which was partially offset by the issuance of additional 4.25% senior notes due 2019 in October 2014. At TML Holdings Pte Ltd Singapore, it has increased by ₹ 169.21 crore to ₹ 230.80 crore during the nine months ended December 31, 2014 from ₹ 61.59 crore in the nine months ended December 31, 2013 due to issue of US\$ 300 million, 5.75% Senior Notes due 2021 during nine months ended December 31, 2014 and issuance of SG\$ 350 million 4.25% Senior Notes due 2018 equivalent and US\$ 600 million syndicated loan facility (with equivalent US\$ 300 million due in November 2017 and equivalent US\$ 300 million due in November 2019) during nine months ended December 31, 2013. At our Company, it has increased by ₹ 88.07 crore to ₹ 1,103.03 crore during the nine months ended December 31, 2014 from ₹ 1,014.96 crore in the nine months ended December 31, 2013.

## Exceptional Items

|                                                                                                 | For the nine months ended December 31, |               |                 |
|-------------------------------------------------------------------------------------------------|----------------------------------------|---------------|-----------------|
|                                                                                                 | 2014                                   | 2013          | Change          |
|                                                                                                 | (₹ in crore)                           |               |                 |
| Exchange loss (net) including on revaluation of foreign currency borrowings, deposits and loans | 23.43                                  | 352.66        | (329.23)        |
| Impairment of intangibles and other costs                                                       | -                                      | 224.16        | (224.16)        |
| Employee separation cost                                                                        | 0.13                                   | -             | 0.13            |
| <b>Total</b>                                                                                    | <b>23.56</b>                           | <b>576.82</b> | <b>(553.26)</b> |

- Foreign exchange loss (net) represents impact on account of revaluation of foreign currency borrowings, deposits and loans, and amortisation of loss / gain, on such foreign currency monetary items which was deferred in previous years.

- ii. Impairment of intangibles and other costs are in respect of subsidiary companies, triggered by continuous under performance, mainly attributed by challenging market conditions in which the subsidiaries operate.

**Consolidated Profit Before Tax (PBT)** increased to ₹ 18,931.55 crore during the nine months ended December 31, 2014, compared to ₹ 13,815.94 crore during the nine months ended December 31, 2013, representing an increase of ₹ 5,115.61 crore. Due to severe contraction in domestic volumes, our Company's contribution to PBT was negative. Jaguar Land Rover by virtue of its strong performance, contributed to PBT. The increase also includes translation impact.

**Tax Expense** represents a net charge of ₹ 6,619.33 crore during the nine months ended December 31, 2014, as compared to net charge of ₹ 3,667.86 crore during the nine months ended December 31, 2013.

Effective tax rate during nine months ended December 31, 2014 is 35.0% as compared to 26.5% during the nine months ended December 31, 2013.

Our Company, on a standalone basis, had written off credit entitlement of MAT of ₹ 777.18 crore during the nine months ended December 31, 2014 in view of an amendment in Indian income tax laws extending the concessional tax rate of 15% on dividend received from foreign subsidiaries for indefinite period. This amendment will result in lower payment of taxes on such dividend income which, along with lower expected future taxable profit, will further reduce the probability of utilizing the available MAT credit.

Further, DTA not created for standalone operation for the nine months ended December 31, 2014, as DTA should be recognized only when there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such DTA can be realized.

The tax expense is not comparable with the profit before tax, since it is consolidated on a line-by-line addition for each subsidiary company and no tax effect is recorded in respect of consolidation adjustments.

**Consolidated Profit for the period** increased to ₹ 12,269.79 crore during the nine months ended December 31, 2014 from ₹ 10,072.73 crore during the nine months ended December 31, 2013, after considering the profit from associate companies and share of minority. The increase in profit as compared to last year is attributable to higher volume at Jaguar Land Rover.

For further details, see "Management's discussion and analysis of financial conditions and results of operation prepared on the limited reviewed consolidated financial statements of our Company for the nine months ended December 31, 2014 prepared in accordance with the Indian GAAP" beginning on page 93 of the Letter of Offer.

## 2. Management's discussion and analysis of financial conditions and results of operation prepared on the audited consolidated financial statements as at and for the year ended March 31, 2014 in accordance with the Indian GAAP.

### Overview

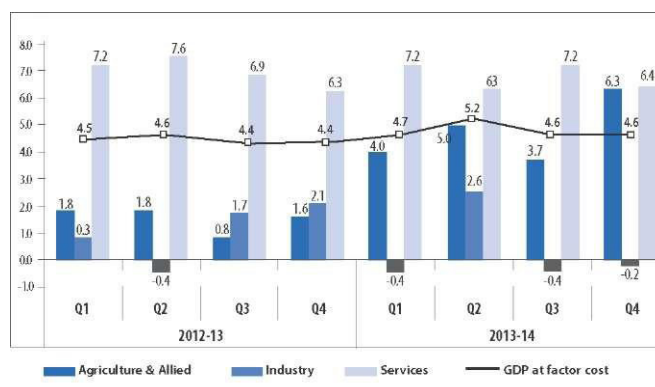
India's GDP growth continues to remain weak, at 4.7% in FY 2013-14 (advance estimates) after growing at 4.5% in FY 2012-13. Industrial activity continues to remain weak. Index of Industrial production (IIP) was negative at 0.1% during FY 2013-14. The stagnation in the industrial activity was broad-based. While mining output registered a negative of 1.1%,

manufacturing output registered a negative of 0.7% during the same period. FY 2013-14 witnessed a decline in investments in new projects in line with slowdown in overall growth.

### Growth rate in GDP

|    | FY 2012-13 | FY 2013-14 |
|----|------------|------------|
| Q1 | 4.5        | 4.7        |
| Q2 | 4.6        | 5.2        |
| Q3 | 4.4        | 4.6        |
| Q4 | 4.4        | 4.6        |
|    | 4.5        | 4.7        |

Source: Ministry of Statistics and Programme implementation



On the back of tight monetary policy, limited Fiscal spending, rising Inflation and slowing investments, over the previous year, FY 2013-14 saw many of the same challenges continuing into the year.

FY 2013-14 was marked by the challenge to the Government to contain the fiscal deficit, and the Government expenditure on infrastructure and other key sectors suffered. Current account deficit was brought in control.

As a result, the domestic auto industry saw decline after a long time. With the continued high interest rates and inflation, households were forced to spend more on essentials and discretionary spend reduced, leading to deferring of purchase decisions. The consistent stagnation of the industrial growth mainly in the areas of mining and quarrying, manufacturing and infrastructure adversely impacted the domestic auto industry.

On the global economy front, it was still a struggle, with the Euro zone in recession for much of 2013. However, in the developed world which had started as an uneven and patchy, recovery began to strengthen. The US economy, despite having to cope with feuding over its budget, seems to have sped up. It has been creating jobs and its housing market and stock indicator have moved up sharply. By the end of the year 2013, the UK had become, on some counts the fastest growing large developed economy. UK labour market conditions improved as employment increased. Rising consumer and business confidence helped to underpin stronger retail sales and investment spending, while the recovery in house prices helped shore up household wealth. This was led by higher consumption, in turn leading to fears of overheating in the housing market.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Germany had a solid year, reducing unemployment and boosting living standards. However, across the Mediterranean the pattern was more disappointing, with Italy, Spain, Portugal and Greece all enduring a year of rising unemployment. Europe and the euro are not out of trouble, but the acute phase of their difficulties may be past. However, there is still a long way to go: deflation risks remain, the sovereign and banking crisis is not fully resolved, and there is a considerable gulf in performance between the core and the periphery.

The structural shift from the developed world towards the emerging world continued but at a slightly slower pace than before. Industrial activity picked up pace throughout the year, supporting continued employment growth. With asset prices buoyant and confidence returning, the pillars of support for consumer spending fell back into place during 2013. In the emerging markets due to announcement by the US Federal Reserve in May, that it would soon begin reducing its monthly asset purchases (so-called “tapering”), caused currencies to depreciate, stock markets to fall and borrowing costs to rise. Countries with large current account and fiscal deficits were worst affected.

Growth in China was at 7.5% and Africa, encouragingly, grew by more than 5%.

### Tata Motors Business:

Consequent to the macro economic factors as explained above, the Indian automobile industry posted a decline of 9.3% in FY 2013-14, as compared to 1.1% growth in the last fiscal. The commercial vehicles declined by 22.4% (last year growth of 1.7%) and passenger vehicles declined by 4.7% (last year growth of 0.9%).

The industry performance in the domestic market during FY 2013-14 and the Company’s market share are given below:-

| Category            | Industry Sales   |                  |              | Company Sales  |                |               | Market Share |              |
|---------------------|------------------|------------------|--------------|----------------|----------------|---------------|--------------|--------------|
|                     | FY 2013-14       | FY 2012-13       | Growth       | FY 2013-14     | FY 2012-13     | Growth        | FY 2013-14   | FY 2012-13   |
|                     | Units            | Units            |              | Units          | Units          |               |              |              |
| Commercial vehicles | 698,907          | 900,433          | -22.4%       | 377,909        | 536,232        | -29.5%        | 54.1%        | 59.6%        |
| Passenger vehicles  | 2,438,502        | 2,557,566        | -4.7%        | 141,846        | 229,325        | -38.1%        | 5.8%         | 9.0%         |
| <b>Total</b>        | <b>3,137,409</b> | <b>3,457,999</b> | <b>-9.3%</b> | <b>519,755</b> | <b>765,557</b> | <b>-32.1%</b> | <b>16.6%</b> | <b>22.1%</b> |

Source: Society of Indian Automobile Manufacturers report and Company Analysis

Commercial vehicles include V2 Van sales.

Passenger vehicles include Fiat and Jaguar Land Rover branded cars

## INDUSTRY STRUCTURE AND DEVELOPMENTS :

### Commercial Vehicles:

The demand for Commercial vehicles remained depressed throughout the year. For FY 2013-14 the Commercial vehicle industry volumes at 698,907 reflect a decline of 22.4% over FY 2012-13. The Medium and Heavy Commercial Vehicles (M&HCV) segment recorded a further negative of 25.2% on the back of 23.3% decline in the last fiscal. The ban on mining, fleet underutilization, fall in resale value and low economic activities contributed to the fall. However, over the last few months, the decline has slowed down and volumes have stabilized through efforts taken by the Government to revive the sector by 4% reduction in excise duty, partial lifting of mining bans and increase in freight rates, indicating that the economy may be nearing the end of the down-cycle. While the M&HCV segment had declined in the last fiscal, the contraction of the Light Commercial Vehicles (LCV) segment by 21.2% is more significant because it was the growth driver in the past, growing by 17.9% in the last fiscal. The fall in this segment has been led by the drop in the Small Commercial Vehicle (SCV) volumes where fund availability is the most critical element. The high default rates in loans coupled with early delinquencies prompted the financiers to tighten lending norms, reduce the Loan -to-value (LTV) ratio and go into a collection mode impacting the SCV segment quite sharply. The Company registered a decline of 29.5% to 377,909 units, primarily due to fall in LCV volumes coupled with the falling demand in M&HCV. The domestic industry performance during FY 2013-14 and the Company’s market share are given below:-

| Category     | Industry Sales |                |               | Company Sales  |                |               | Market Share |              |
|--------------|----------------|----------------|---------------|----------------|----------------|---------------|--------------|--------------|
|              | FY 2013-14     | FY 2012-13     | Growth        | FY 2013-14     | FY 2012-13     | Growth        | FY 2013-14   | FY 2012-13   |
|              | Units          | Units          |               | Units          | Units          |               |              |              |
| M&HCV        | 200,424        | 267,983        | -25.2%        | 109,984        | 142,764        | -23.0%        | 54.9%        | 53.3%        |
| LCV          | 498,483        | 632,450        | -21.2%        | 267,925        | 393,468        | -31.9%        | 53.7%        | 62.2%        |
| <b>Total</b> | <b>698,907</b> | <b>900,433</b> | <b>-22.4%</b> | <b>377,909</b> | <b>536,232</b> | <b>-29.5%</b> | <b>54.1%</b> | <b>59.6%</b> |

Source: Society of Indian Automobile Manufacturers report and Company Analysis

LCVs include V2 Van sales

The Company’s commercial vehicle sales in the domestic and international markets at 420,992 units were 27.5% lower than the previous year.

Even under these difficult conditions, the Company has been able to gain market share in the critical M&HCV segment. The Company has been focusing intensely on market and customer activities to stimulate the buying sentiments. Activities included the Prima Truck Racing Championship event in March, 2014 the first of its kind initiative in the Indian trucking history. The Prima LX series of trucks - a combination of economy & technology - were launched in FY2013- 14 which included - 2523T, 3123T, 4028S (Single reduction and Hub reduction) and 4928S (Single reduction and Hub reduction), 4923.S LX, Prima 4938 Tractor, 3138K

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Tipper, LPT 3 723 - India's first 5-axle truck and LPK 3118, and Prima LX series of Tippers - 2523K, 3123K, 2528K & 3128K. One of the successful marketing initiatives was the Power of Five campaign for M&HCV trucks which was conducted across various locations across the country to counter competition. The campaign focuses on five advantages of the Company's vehicles - 1) Better KMPL, 2) Best Vehicle Uptime 3) Highest Resale Value, 4) Best in class four year warranty, 5) Lowest maintenance cost and five powerful offerings - i) Triple benefit insurance, ii) Increased Oil change interval, iii) 4 Year AMC, iv) Tata Alert, v) Fleetman. The bus segment also witnessed growth in market share for the Company, due to intensive sales efforts coupled with launch of buses with mechanical FIP, introduction of Starbus Ultra in Stage carriage, marketing initiatives such as 'Humare Bus Ki Baat Hain' and 'Dream it to win it' program. The warranty for M&HCV buses and trucks were increased to three years and four years respectively symbolizing improvement in quality. The Tata Alert service, to return a vehicle back on road within 48 hours, has been expanded across all national highways.

The Company registered a decline in the market share of LCV segment due to the sharp fall in volumes of the high share SCV segment. The newly launched Ultra trucks have started to receive good response from the market. There have been various other initiatives such as the Freedom campaign and Triumph through trials campaign of back-to-back and standalone fuel trials to establish the superior fuel efficiency of vehicles. The Company tied up with various PCGs (Public sector, Co-operative & Gramin banks) and has brought out several lucrative financing schemes to ease the financing situation. The Company also launched a major initiative called, 'Saathi, a Parts retailers' customer referral program for entire SCV range, to leverage their customer base. Some of launches this year were the Ace, Magic DICOR and facelifts.

### Passenger Vehicles:

The Passenger Vehicle Industry contracted for the first time in the last five years, in FY 2013-14 with decline of 4.7%. The last such instance was during the economic slowdown of FY 2008-09 when it remained close to flat at negative 0.5%. The decline in sales volumes is seen across segments, but sedans bore the biggest brunt. Hatchbacks and UV's continue to be the volume segments. The high growth in UV segment last year, with the onset of Soft Roaders could not be repeated this year. The premium and luxury vehicles segment however has seen a growth even in an otherwise declining year.

The domestic performance in passenger vehicle segment is given below:

| Category         | Industry Sales   |                  |              | Company Sales  |                |               | Market Share |             |
|------------------|------------------|------------------|--------------|----------------|----------------|---------------|--------------|-------------|
|                  | FY 2013-14       | FY 2012-13       | Growth       | FY 2013-14     | FY 2012-13     | Growth        | FY 2013-14   | FY 2012-13  |
|                  | Units            | Units            |              | Units          | Units          |               |              |             |
| Micro            | 21,130           | 53,847           | -60.8%       | 21,130         | 53,847         | -60.8%        | 100.0%       | 100.0%      |
| Compact          | 786,888          | 794,284          | -0.9%        | 84,141         | 117,377        | -28.3%        | 10.7%        | 14.8%       |
| Midsize          | 154,981          | 200,013          | -22.5%       | 2,414          | 7,410          | -67.4%        | 1.6%         | 3.7%        |
| Executive        | 18,272           | 23,537           | -22.4%       | 164            | 1,061          | -84.5%        | 0.9%         | 4.5%        |
| Premium & Luxury | 3,973            | 5,214            | -23.8%       | 1,430          | 825            | 73.3%         | 36.0%        | 15.8%       |
| Utility Vehicles | 532,963          | 560,892          | -5.0%        | 29,409         | 45,841         | -35.8%        | 5.5%         | 8.2%        |
| Vans             | 118,618          | 123,254          | -3.8%        | 3,158          | 2,964          | 6.5%          | 2.7%         | 2.4%        |
| <b>Total</b>     | <b>2,438,502</b> | <b>2,557,566</b> | <b>-4.7%</b> | <b>141,846</b> | <b>229,325</b> | <b>-38.1%</b> | <b>5.8%</b>  | <b>9.0%</b> |

Source: Society of Indian Automobile Manufacturers report and Company Analysis

Note (a): excludes V2 Van sales

Note (b): Total industry nos. includes sale in other segments

During the year, the Company recorded sales of 141,846 vehicles (including Jaguar Land Rover) in the domestic market; a decline of 38.1%. The domestic market share was 5.8% as compared to 9.0% last year.

The Company introduced a host of new products including the E-max range of CNG vehicles, Vista tech, the refreshed and improved Sumo Gold.

Nano Awesome Campaign was launched during the year, along with the launch of Nano Twist with electronic power steering, thereby continuing to take the Nano Brand closer to the youth.

During the Delhi Auto Expo 2014, Tata Motors Flagship products, the Bolt hatchback and the Zest Sedan were unveiled, to much appreciation. The Company's Horizonext strategy was unveiled, showcasing the direction of Design, Performance & Connectivity that are going to be the brand pillars going ahead. The Expo also saw the Nexon Compact SUV concept and the connectivity concept for the Company's future cars being unveiled.

The drive to improve sales experience for customer with a focus on decor and ambience in showrooms across country continues. The dealership network is also being augmented to cater to the demand for Bolt and Zest launch.

The Company sold 2,805 Jaguar and Land Rover vehicles through its exclusive dealerships in India registering an impressive growth of 12.5%. The globally popular Range Rover Sport and Jaguar XF 3.0D was launched during the year. New brand touch points were created in social media for both Jaguar and Land Rover in a short span. Besides Land Rover Experience events were launched through which over 600 Dynamic Drive Off-road Experiences were delivered. 1st ever Land Rover Expedition was also launched in India that received a stupendous response. A new after-sales customer engagement initiative was introduced through Service Clinics in various dealer cities. Used Car program was introduced through 11 Outlets and achieved a 48% penetration in March 2014.

**Tata Motors Sales, Distribution and Support:** The sales and distribution network in India as of March 31, 2014, comprised 2,420 sales contact points for the Passenger and Commercial Vehicle businesses. The Company has deployed a Customer Relations Management (CRM) system at all its dealerships and offices across the country, largest such deployment in the automotive market. The combined online CRM / DMS system supports users both within the Company and among the distributors in India and abroad.

The Company's 100% subsidiary, TML Distribution Company Ltd (TDCL), acts as a dedicated distribution and logistics management company to support the sales and distribution operations of vehicles in India. TDCL provides distribution and logistics support for vehicles manufactured at the Company's facilities. TDCL helps us improve planning, inventory management, transport management and timely delivery.

The Company provides financing support through its wholly-owned subsidiary, Tata Motors Finance Ltd (TMFL). (Refer discussion on TMFL).

In addition to dealer service workshops, the Company uses a network of service centers on highways and a toll-free customer assistance center to provide 24-hour on-road maintenance (including replacement of parts) to vehicle owners. The Company believes that the reach of the sales, service and maintenance network, provides us with a significant advantage over the competitors.

**Tata Motors Exports:** The Company markets its commercial and passenger vehicles in several countries in Europe, Africa, the Middle East, South East Asia and South Asia. However, the Company's exports of vehicles manufactured in India decreased marginally by 2% in FY 2013-14 to 49,922 units from 50,938 units in FY 2012-13. Commercial vehicles export sales of the Company shrunk by 2.3% to 43,083 units impacted by the external environment influencers in Europe, the Middle East, and South Asia and passenger vehicle sales remained flat 6,839 units.

For FY 2013-14, the Company's top five export destinations accounted for approximately 73% and 88% of the exports of commercial vehicles and passenger vehicle units, respectively. The Company continues to strengthen its position in the geographic areas it is currently operating in and exploring possibilities of entering new markets with market characteristics similar to the Indian market.

The Company has set up a network of distributors in almost all countries where the vehicles are exported. The distribution network includes local dealers for sales and servicing products in the respective regions. The Company has also deputed its representatives overseas to support sales and services and to identify opportunities.

**Jaguar Land Rover business:** JLR has significantly consolidated its position in the premium car segment. The strengths of JLR include iconic globally positioned brands, strong product portfolio of award-winning luxury and high performance cars and premium all-terrain vehicles, global distribution network, strong product development and engineering capabilities, and a strong management team. The brand-wise wholesale sales of JLR are set forth in the table below:-

|              | FY 2013-14     |               | FY 2012-13     |               | Growth       |
|--------------|----------------|---------------|----------------|---------------|--------------|
|              | Units          | %             | Units          | %             |              |
| Jaguar       | 79,307         | 18.5%         | 57,812         | 15.5%         | 37.2%        |
| Land Rover   | 350,554        | 81.5%         | 314,250        | 84.5%         | 11.6%        |
| <b>Total</b> | <b>429,861</b> | <b>100.0%</b> | <b>372,062</b> | <b>100.0%</b> | <b>15.5%</b> |

During FY 2013-14, total sales increased to 429,861 units from 372,062 units in FY 2012-13; an increase of 15.5%. Jaguar volumes increased by 37.2% mainly contributed by the introduction of the Jaguar F-TYPE and the smaller powertrain derivative of XF and XJ and XF Sportbrake. Land Rover volumes increased by 11.6%, mainly contributed by the New Range Rover, New Range Rover Sport, and Range Rover Evoque sales. JLR exported 354,005 units in FY 2013-14 compared to 304,034 units in FY 2012-13; an increase of 16.4%. JLR had a successful year of continued growth in all markets led by China up 34% from last year to record retail sales of 103,077. North America and Asia Pacific regions also performed strongly, up 20.2% and 27.7% to 75,671 and 22,795 respectively. The UK and Europe, partly reflecting the economic headwinds, showed more modest growth, up 6.2% and 2.3% to 76,721 and 82,854 units respectively.

**Jaguar** designs, develops and manufactures a range of premium cars and sports cars recognised for their design, performance and quality. Jaguar's range of products comprises the XF and XJ saloons, the F-TYPE two seater sports car and the XK coupe and convertible.

- The XF, launched in 2008, is a premium executive car that merges sports car styling with the sophistication of a luxury saloon. The 2013 Model Year XF range also included for the first time an all-wheel drive version of the new V6 petrol engine for the US and European markets and a 2.0 litre petrol version for the US and Chinese markets which helped to grow the volumes for Jaguar in FY 2013-14.
- The XJ is Jaguar's largest luxury saloon vehicle, powered by a range of supercharged and naturally aspirated 5.0-litre V8 petrol engine and a 3.0-litre diesel engine. Using Jaguar's aerospace inspired aluminium body architecture, the new XJ's lightweight aluminium body provides improved agility, and fuel and CO<sub>2</sub> efficiency. The 2013 Model Year also included an all-wheel drive version and a 3.0 litre V6 petrol version for the US and European markets excluding the United Kingdom and a 2.0 litre petrol version for the Chinese market.
- The F-TYPE, a two seat sports car, inspired by the 2001 C-X16 concept cars, with an all-aluminium structure and enhanced technology with the power of Jaguar's latest 3.0 litre V6 and 5.0 litre V8 engines, was available for retail customers from April 2013 onwards and since then, has received numerous awards and appreciation by the auto media. In November 2013, Jaguar unveiled the F-TYPE Coupe which went on sale in April 2014.
- In March 2013, Jaguar unveiled two new additions to its R performance range, the XJR sedan and the XKR-S GT. The 550PS XJR - Jaguar's new flagship sports saloon - combines a supercar performance and assertive looks with the high level of luxury already associated with the XJ range. The XKR-S GT is the ultimate road-going but track-ready version of the XK coupe.
- At the Frankfurt Motor Show in September 2013, Jaguar revealed its first ever crossover concept vehicle, the Jaguar C X17, based on a new modular scalable advanced aluminium architecture. JLR has also announced the new Jaguar XE, a mid-sized sedan which will be built on this new modular architecture. This will allow Jaguar to grow its product portfolio and target high growth areas of the premium market.

**Land Rover** designs, develops and manufactures premium all-terrain vehicles that aim to differentiate themselves from the

competition by their capability, design, durability, versatility and refinement. Land Rover's range of products comprises the Defender, Discovery, Freelander, Range Rover (including the new Range Rover), Range Rover Evoque and Range Rover Sport (including the new Range Rover Sport).

- The Defender is one of Land Rover's most capable SUVs, and is recognised as an iconic vehicle in the segment targeting extreme all-terrain capabilities and payload/towing capability.
- The Freelander 2 is a versatile vehicle for active lifestyles, matching style with sophisticated technology and off-road capability. The Freelander 2, offering was significantly enhanced for the 2013 Model Year with the introduction of a turbocharged 2.0-litre petrol engine, giving superior performance as compared to the 3.2-litre engine it replaces, while also reducing CO<sub>2</sub> emissions.
- The Discovery 4 is a mid-size SUV that features genuine all-terrain capability and versatility, including full seven-seat capacity. Recent power train innovations have delivered an improvement in CO<sub>2</sub> for the 3.0-litre LR-TDV6 engine.
- The Range Rover Evoque is the smallest, lightest and most fuel-efficient Range Rover to date, available in 5-door and coupe body styles and in both front-wheel drive and all-wheel drive derivatives. Since its launch in September 2011, consumer interest and demand have been consistent across the globe and the car has been a major success for JLR.
- The Range Rover Sport combines the performance of a sports tourer with the versatility of a Land Rover. At the 2013 New York International Auto Show, Land Rover debuted the All New 2014 MY Range Rover Sport built on a weight saving aluminium architecture, to save up to 420kgs. The All New Range Rover Sport is the fastest, most agile and most responsive Land Rover ever, and has been a tremendous success since launch.
- The Range Rover is the flagship product under the Land Rover brand with a unique blend of British luxury, classic design, high-quality interiors and outstanding all-terrain ability. The new all-aluminium version, was launched in the third quarter of FY 2012-13. The new Range Rover was declared the world's top SUV by The Sunday Times, won Top Gear magazine's "Luxury Car of the Year" and was recently awarded the maximum 5-star safety rating by Euro NCAP.

**New Product Launches:** The new "Discovery Vision" Concept car was unveiled at New York International Auto Show in April 2014 to an enthusiastic response amongst auto media and journalists. Land Rover Discovery Sport (Freelander replacement) was announced as the first new member of Discovery family. It is expected to be available for retail sales in 2015.

#### **Jaguar Land Rover's performance in key geographical markets on retail basis**

**United Kingdom:** Against the backdrop of improved labour market conditions, rising consumer and business confidence and buoyed by cash compensation from the mis-selling of payment protection insurance, total vehicle sales jumped 12.5% compared to the previous year. Jaguar Land Rover sales climbed 6.2% on the year, supported by a strong performance from Jaguar (10.7% growth) and the launch of JLR F-TYPE convertible. 5% annual growth in Land Rover sales reflects JLR dominant market position in the UK for SUVs.

**United States and North America:** In FY 2013-14, total passenger car sales expanded by 6.2%. The launch of the Jaguar F-TYPE and new Range Rover Sport helped Jaguar Land Rover beat the US market three times, growing sales by 19.2%. Alongside a strong expansion of business in Canada, total Jaguar Land Rover sales in North America grew 20.2%.

**Europe:** In Germany, Jaguar Land Rover sales grew 6.5%, against a meagre 0.2% for total passenger cars. In Italy, Jaguar Land Rover sales edged up 1.1%, driven by Land Rover, against a total market contraction of 1.3%. Although in France sales fell across the board, the most surprising performance came from Spain where, after three years of double-digit contraction, the market rebounded by 11.7% and Jaguar Land Rover sales rose 14.7%.

**China:** Passenger car sales reached a new peak of almost 18.4 million units in the year to March, growing faster than either of the previous two years. Total JLR sales in the China Region reached 103,077 up from 77,075 in FY 2012-13. Jaguar volumes more than doubled to 19,891, while Land Rover sales reached 83,186.

Although it is already the largest car market in the world, unlike the UK or US, China's car market remains immature, with low vehicle ownership rates and huge growth potential. A rapidly expanding middle class, fast rising incomes, and a strong preference for premium vehicles mean considerable opportunities exist for JLR to increase sales further.

**Emerging markets:** In Brazil, rising interest rates and falling consumer confidence left total new vehicle registrations down 4.5% year-on-year. Despite this backdrop, JLR expanded its sales by 21.1% to over 11,000 vehicles. Meanwhile, in India and Russia the total vehicle markets also contracted (by 6.2% and 6.0% respectively), but JLR grew its sales by 8.6% and 14.7%. Only in South Africa did the economic situation overcome JLR sales momentum. The 25% depreciation in the Rand against Sterling forced JLR to raise prices to prevent losses being made on several models. JLR sales contracted by 9.9% on the previous year.

**Asia Pacific:** Total JLR sales increased by 27.7% year-on-year to 22,795. Of the three NSCs in the region, South Korea experienced the fastest expansion. On the back of a rebound in economic growth following the slowdown in 2012, JLR sales jumped 51.8%. In Japan, advanced purchases of vehicles to beat the increase in the consumption tax in April 2014 more than offset the deterioration in consumer sentiment. Total JLR sales increased by 33.2% against growth in the total passenger car market of 9.0% in FY 2013-14. Finally, in Australia, the unwinding of the mining boom and growing slack in the economy were compounded by dwindling consumer confidence and rising unemployment. Total new car sales growth was a meager 1.3% after over 8% the year before. JLR sales were buoyant though, and grew by 15.3%.

**Jaguar Land Rover's Sales & Distribution:** JLR markets products in over 170 countries, through a global network of 18 national sales companies (NSCs), 84 importers, 53 export partners and 2,518 franchise sales dealers, of which 784 are joint Jaguar and Land Rover dealers. JLR has established robust business processes and systems to ensure that its production plans meet anticipated retail sales demand and to enable the active management of its inventory of finished vehicles and dealer inventory throughout its network. JLR has robust arrangements in place with: Black Horse (part of the Lloyds Bank Group) in the UK, FGA Capital (a joint venture between Fiat Auto and Credit Agricole) in Europe and Chase Auto

Finance in the USA for the provision of dealer and consumer Financial Services products. Jaguar Land Rover has similar arrangements with local Auto Financial Services providers in other key markets. JLR's financing partners offer its customers a full range of consumer financing options

**Tata Daewoo Commercial Vehicles (TDCV):** FY 2013-14 was a very encouraging as well as challenging year for the TDCV. On one hand Domestic volumes increased by 21.9% resulting in strong performance of the TDCV as compared to its competitors coupled with gradual recovery in the Korean economy. On the other hand Export volumes (including KD) decreased by 14.6% as compared to the previous year mainly due to adverse economic conditions in global markets. TDCV's total sales volume increased by 5% in FY 2013-14 compared to FY 2012-13.

Total market for Heavy Commercial Vehicles (HCV) in Korea was almost stagnant during FY 2013-14 as compared to the previous year; however the TDCV achieved growth rate of 25.7% with sales of 2,995 units of HCV in FY 2013-14 as compared to 2,383 units in the previous year. Medium Duty Trucks segment Industry witnessed 6% growth in FY 2013-14 mainly driven by gradual recovery of Korean economy. In this segment also Company outperformed Industry by achieving 19% volume growth with sales of 3,589 units in FY 2013-14 as compared to 3,017 units in the previous year. TDCV was able to improve its market share in both, HCV as well as MCV segment.

TDCV exported 4,016 units in FY 2013-14, a reduction of 14.6% as compared to 4,700 units sold in the previous year. TDCV's sales decreased significantly in some of its traditional export markets like Russia, Laos, South Africa, Vietnam etc. Sales in previous year were high due to few specific tenders (eg. Kuwait, Iraq) which are not yearly requirement.

**Tata Motors Finance Ltd (TMFL):** Due to severely strained market conditions, total disbursements (including refinance) by TMFL declined by 22% at ₹8,767.56 crores as compared to ₹11,180.03 crores. TMFL financed a total of 157,886 vehicles reflecting decline of 38% over the 254,086 vehicles financed in the previous year. Disbursements for commercial vehicles were at ₹7,504.35 crores (123,989 units) as compared to ₹8,814.90 crores (183,514 units) of the previous year. Disbursements of passenger vehicles declined by 49% to ₹1,213.46 (32,637 units) as compared to ₹2,363.53 crores (70,563 units) in previous year.

Due to weak operating and economic environment in India, movement of commercial vehicles has slowed down in all segments and large and small fleet operators have large waiting period and reduced trips. Delay in receipt of payments by large fleet operators from companies is further delaying payments to attached vehicles of smaller operators. This has resulted in low income and increased levels of provisioning, due to loss of contracts by small fleet operators / First time users in M&HCV / LCV segment since last few months. The performance of HCV loans was the weakest due to slow economic growth, overcapacity and rising input costs.

Various monetary and fiscal measures were unable to stimulate growth across segments resulting sluggish growth and consequent lower demand of all commercial and passenger vehicles. However, with a highly motivated employee workforce, significantly greater customer orientation and an increased branch network / field infrastructure, TMFL is poised for significant, sustainable growth and is confident that it would deliver on its vision for the future.

With a view to de-risk the portfolio and explore additional sources of revenue, the used vehicle finance business was re-

launched by seeding the business in select geographies during the year. Disbursements achieved under refinance were at ₹49.74 crores (1,260 vehicles) during FY 2013-14 as against ₹1.60 crores (9 vehicles) in the previous year.

TMFL increased its reach by opening a number of limited services branches (called Spoke branches) exclusively in Tier 2 & 3 towns. This has also helped in reducing the turn-around-times to improve customer satisfaction.

TMFL's new initiative of Channel Finance and fee based Insurance support business has also helped improve its profitability. TMFL is confident of significantly adding to its revenues and profitability through these new businesses in the coming period. TMFL has also tied up with the Company's used vehicle business for working together to improve realization value from the sale of repossessed stocks by refurbishing them and selling them through the Company's dealers.

TMFL has further enhanced its "Office of the Customer initiative" as well as its spokes branch network & infrastructure and is confident that these investments will pay rich dividends through significantly increased interactions/relations with its customers and dealers.

**Tata Technologies Ltd (TTL):** TTL is a key strategic partner in several of the information technology initiatives for the Tata Motors Group. The broad scope of TTL activities are as follows:

1. Engineering Automation Group [EAG]: EAG addresses the engineering and design needs of manufacturers through services for all stages of the product development and manufacturing process.
2. Enterprise Solutions Group [ESG]: ESG addresses the Information Technology needs of manufacturers including business solutions, strategic consulting, ERP implementation, systems integration, IT networking and infrastructure solutions and program management.
3. Product Lifecycle Management [PLM]: PLM addresses the product development technology solution requirements of manufacturers including end-to-end implementation of PLM technology, best practices and PLM consulting. PLM also includes the TTL's proprietary applications iGETIT® and iCHECKIT®.

During FY 2013-14, the capabilities in the industrial machinery domain, was significantly expanded through the acquisition of Cambric, now comprises an additional 325 engineering experts with extensive knowledge in systems, mechanical and electrical engineering, product design, electronics and embedded design and development. TTL innovative and frugal engineering approach helps organizations create products - at a faster pace with a lower cost - delivering more value to the end-user.

The consolidated revenue in FY 2013-14 was ₹2,394.73 crores, an increase of 17.1% against ₹2,045.42 crores in the previous year. The Services/Products business mix was a 77:23 split as compared to 76:24 mix for FY 2012 -13. The Americas revenue was ₹743.69 crores with Asia Pacific recording ₹972.88 crores and Europe generating ₹960.38 crores.

## **FINANCIAL PERFORMANCE ON A CONSOLIDATED BASIS**

The financial information discussed in this section is derived from the Company's Audited Consolidated Financial Statements.

Tata Motors Group primarily operates in the automotive segment. The acquisition of JLR enabled the Company to enter the premium car market. The Company continues to focus on profitable growth opportunities in global automotive business,

through new products and market expansion. The Company and JLR, continue to focus on integration, and synergy through sharing of resources, platforms, facilities for product development and manufacturing, sourcing strategy, mutual sharing of best practices.

The business segments are (i) automotive operations and (ii) all other operations. The automotive operations include all activities relating to development, design, manufacture, assembly and sale of vehicles including financing thereof, as well as sale of related parts and accessories. The Company provides financing for vehicles sold by the dealers in India. The vehicle financing is intended to drive sale of vehicles by providing financing to the dealers' customers and as such, is an integral part of automotive business. Automotive operations segment accounted for 98.9% and 98.8% of total revenues in FY 2013-14 and FY 2012-13, respectively. For FY 2013-14, revenue from automotive operations before inter-segment eliminations was ₹231,601.80 crores compared to ₹187,623.91 crores for FY 2012-13.

The automotive operations segment is further divided into Tata Motors and other brand vehicles (including spares and vehicle financing) and Jaguar Land Rover. (A reference may be made to review of performance of TML and Jaguar Land Rover business as discussed above). For FY 2013-14, Jaguar Land Rover contributed 82.2% (72.9% for FY 2012-13) of the total automotive revenue (before intra segment elimination) and the remaining 17.8% (27.1% for FY 2012-13) was contributed by Tata and other brand vehicles. Revenue and segment results for automotive operations are given below:

**Total Revenues**

(₹ in crores)

|                                              | <b>FY 2013-14</b> | <b>FY 2012-13</b> |
|----------------------------------------------|-------------------|-------------------|
| Tata vehicles / spares and financing thereof | 41,299.44         | 50,895.05         |
| Jaguar and Land Rover                        | 190,378.50        | 136,822.17        |
| Intra-segment eliminations                   | (76.14)           | (93.31)           |
| <b>Total</b>                                 | <b>231,601.80</b> | <b>187,623.91</b> |

|                                                                              | <b>FY 2013-14</b> | <b>FY 2012-13</b> |
|------------------------------------------------------------------------------|-------------------|-------------------|
| Segment results before other income, finance cost, tax and exceptional items |                   |                   |
| Tata vehicles / spares and financing thereof                                 | (966.93)          | 1,753.59          |
| Jaguar and Land Rover                                                        | 24,561.20         | 14,975.61         |
| Intra-segment eliminations                                                   | -                 | -                 |
| <b>Total</b>                                                                 | <b>23,594.27</b>  | <b>16,729.20</b>  |

The other operations business segment includes information technology, machine tools and factory automation solutions, and investment business. For FY 2013-14, revenue from other operations before inter-segment eliminations was ₹2,518.99 crores compared to ₹2,265.92 crores for FY 2012-13. Segment results before other income, finance cost, tax and exceptional items (before inter-segment eliminations) were ₹282.66 crores as compared to ₹375.68 crores for FY 2012-13.

The revenue from operations net of excise duty on a consolidated basis has grown by 23.3% in FY 2013-14 to ₹232,833.66 crores. The increase is mainly attributable to growth in automotive revenue mainly at Jaguar Land Rover business. The analysis of performance on consolidated basis is given below:-

**Percentage to Revenue from operations**

|                                                                                                  | <b>FY 2013-14</b> | <b>FY 2012-13</b> |
|--------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Revenue from operations net of excise duty                                                       | 100               | 100               |
| Expenditure:                                                                                     |                   |                   |
| Cost of material consumed (including change in stock)                                            | 61.7              | 63.6              |
| Employee Cost                                                                                    | 9.3               | 8.8               |
| Manufacturing and other expenses (net)                                                           | 18.8              | 18.9              |
| Amount Capitalised                                                                               | (5.8)             | (5.4)             |
| Total Expenditure                                                                                | 84.0              | 85.9              |
| Other Income                                                                                     | 0.4               | 0.4               |
| Profit before Exceptional Items, Depreciation, Interest and Tax                                  | 16.4              | 14.5              |
| Depreciation and Amortisation (including product development / engineering expenses written off) | 5.9               | 5.1               |
| Finance costs                                                                                    | 2.0               | 1.9               |
| Exceptional Item - Loss                                                                          | 0.4               | 0.3               |
| Profit before Tax                                                                                | 8.1               | 7.2               |

**Cost of materials consumed (including change in stock)**

(₹ in crores)

|                                                | <b>FY 2013-14</b> | <b>FY 2012-13</b> |
|------------------------------------------------|-------------------|-------------------|
| Consumption of raw materials and components    | 135,550.04        | 113,851.34        |
| Purchase of product for sale                   | 10,876.95         | 9,266.00          |
| Change in finished goods and Work-in- progress | (2,840.58)        | (3,029.29)        |
| <b>Total</b>                                   | <b>143,586.41</b> | <b>120,088.05</b> |

Cost of material consumed decreased from 64.6% to 62.4% of total revenue (excluding income from vehicle financing). At TML raw material cost was 75.6% of net revenue as compared to 73.6%, representing an increase of 200 basis points, mainly attributable to product mix (reduction in M&HCV sales). For JLR the raw material cost was 60.9% of revenue (FY 2012-13 62.5%), representing a reduction of 160 basis points. The reduction is mainly attributable to product mix, cost reduction programmes and reduction in input price of major metals consumed. On a consolidated basis, JLR operations have significantly contributed to reduction in material cost in terms of % to revenue.

**Employee Cost** was ₹21,556.42 crores in FY 2013-14 as compared to ₹16,632.19 crores in FY 2012-13; an increase of ₹4,924.23 crores. Of the increase ₹1,823.07 crores (approximately) relates to translation impact of JLR from UK Pounds to Indian Rupee. At JLR the increase in employee cost is attributable to increases in the permanent and contractual head count to support the volume increases/new launches and product development projects. At TML the employee cost marginally increased to ₹2,877.69 crores as compared to ₹2,837.00 crores in FY 2012-13.

**Manufacturing and Other Expenses** include all works operation, indirect manufacturing expenses, freight cost, fixed marketing costs and other administrative costs. These expenses

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have increased to ₹43,825.77 crores from ₹35,648.33 crores in FY 2012-13. As explained above, each line item includes the element of translation impact of JLR (approximately ₹3,704 crores).

The breakup is given below-

(₹ in crores)

|                                             | FY 2013-14       | FY 2012-13       |
|---------------------------------------------|------------------|------------------|
| Processing charges                          | 1,093.53         | 1,450.56         |
| Stores, spare parts and tools consumed      | 1,682.34         | 1,424.12         |
| Freight, transportation, port charges, etc. | 6,879.75         | 4,803.67         |
| Repairs to buildings                        | 93.58            | 120.84           |
| Repairs to plant, machinery, etc.           | 261.45           | 202.24           |
| Power and fuel                              | 1,128.69         | 1,077.77         |
| Rent                                        | 465.86           | 317.55           |
| Rates and taxes                             | 265.51           | 203.07           |
| Insurance                                   | 278.75           | 225.91           |
| Publicity                                   | 8,064.10         | 6,607.14         |
| Works operation and other expenses          | 23,660.54        | 19,098.97        |
| Excise Duty on change in Stock-in-trade     | (48.33)          | 116.49           |
| <b>Manufacturing and Other Expenses</b>     | <b>43,825.77</b> | <b>35,648.33</b> |

The increases are mainly driven by volumes, size of operations and also include inflation impact however this has remained same at 18.8% as compared to 18.9% in FY 2012-13, in terms of % to revenue.

- i. Processing charges were mainly incurred by TML, where mainly due to volume contraction, the expenditure was lower.
- ii. Freight, transportation, port charges etc. have increased, mainly at JLR, in view of increase in volumes in the overseas markets.
- iii. The publicity expenses increase, mainly related to new product launches (Range Rover Sport and the F- Type launch) and ongoing product / brand campaigns.
- iv. The works operation and other expenses have increased to 10.2% from 10.1% of net revenue. While a part of revenue relates to volumes, the major increases were in IT costs, warranty and engineering expenses at JLR, partly offset by exchange gain on trading activities at JLR.

**Amount capitalised represents** expenditure transferred to capital and other accounts allocated out of employee cost and other expenses, incurred in connection with product development projects and other capital items. The expenditure transferred to capital and other accounts has increased to ₹13,537.85 crore from ₹10,193.45 crore of FY 2012-13, mainly on account of various product development projects undertaken by the Company and JLR, for introduction of new products, development of engine and products variants.

**Other Income** was ₹828.59 crores from ₹815.59 crores in FY 2012-13 and mainly includes interest income of ₹675.45 crores (FY 2012-13 ₹ 694.06 crores) and profit on sale of investment of ₹114.58 crores (FY 2012-13 ₹80.09 crores). The increase is due

to profit on sale of mutual funds, mainly at TML.

**Profit before Interest, Depreciation, Exceptional Items and Tax** has increased from ₹27,433.16crores in FY 2012-13 to ₹38,231.50 crores in FY 2013-14, and represented 16.4% of revenue.

**Depreciation and Amortization (including product development / engineering expenses written off):** During FY 2013-14, expenditure increased to ₹13,643.37 crores from ₹9,622.87 crores in FY 2012-13. The increase in depreciation of ₹1,496.84 crores is on account of plant and equipment and tooling (mainly towards capacity and new products) installed in last year, the full effect of which is reflected in the current year. The amortization expenses have gone up from ₹3,593.90 crores in FY 2012-13 to ₹5,573.94 crores in FY 2013-14, attributable to new product introduced during the last year. The expenditure on product development / engineering cost written off has increased by ₹543.62 crores. As explained above, there was an element of increase representing translation impact.

**Finance Cost** increased by 33.0% to ₹4,733.78 crores from ₹3,560.25 crores in FY 2012-13. The increase mainly represented borrowings for the short term and long term needs of the Group. The increase is partly attributable to prepayment of 2011 Senior notes by JLR.

### Exceptional Items

(₹ in crores)

|                                                                                                 | FY 2013-14    | FY 2012-13    | Change        |
|-------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| Exchange loss (net) including on revaluation of foreign currency borrowings, deposits and loans | 707.72        | 515.09        | 192.63        |
| Impairment of intangibles and other costs                                                       | 224.16        | 87.62         | 136.54        |
| Employee separation cost                                                                        | 53.50         | -             | 53.50         |
| <b>Total</b>                                                                                    | <b>985.38</b> | <b>602.71</b> | <b>382.67</b> |

- i. Foreign exchange loss (net) represents impact on account of revaluation of foreign currency borrowings, deposits and loans, and amortisation of loss / gain, on such foreign currency monetary items which was deferred in previous years.
- ii. Impairment of intangibles and other costs are in respect of subsidiary companies, triggered by continuous under performance, mainly attributed by challenging market conditions in which the subsidiaries operate.
- iii. Employee separation cost -To address the challenges, business downturn, the Company had rolled out organization wide cost optimization programme, which included employee cost as an important pillar. Accordingly, based on requests from employees for early retirement, the Company has given early retirement with a lump sum amount of ₹53.50 crores to various employees.

**Consolidated Profit Before Tax (PBT)** increased to ₹18,868.97 crores in FY 2013-14, compared to ₹13,647.33 crores in FY 2012-13, representing an increase of ₹5,221.64 crores. Due to severe contraction in domestic volumes, TML's contribution to PBT was negative. JLR by virtue of its strong performance, contributed to PBT. The increase also includes translation impact.

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**Tax Expense** represents a net charge of ₹4,764.79 crores in FY 2013-14, as compared to net charge of ₹3,776.66 crores in FY 2012-13. The tax expense is not comparable with the profit before tax, since it is consolidated on a line-by-line addition for each subsidiary company and no tax effect is recorded in respect of consolidation adjustments. Effective tax rate in FY 2013-14 is 25.3% as compared to 27.7% in FY 2012-13.

**Consolidated Profit for the year** increased to ₹13,991.02 crores from ₹9,892.61 crores in FY 2012-13, after considering the profit from associate companies and share of minority. The increase in profit as compared to last year is attributable to higher volume in JLR

For further details, see “2. Management’s discussion and analysis of financial conditions and results of operation prepared on the audited consolidated financial statements as at and for the year ended March 31, 2014 in accordance with the Indian GAAP” beginning on page 109 of the Letter of Offer.

### WORKING RESULTS

In accordance with circular no.F.2/5/SE/76 dated February 5, 1977 issued by the Ministry of Finance, Government of India, as amended by Ministry of Finance, Government of India through its circular dated March 8, 1977, our working results on a standalone basis for the period from April 1, 2014 to January 31, 2015 are set out in the table below:

(in ₹ crore)

| Particulars                                                      | For the period April 1, 2014 to January 31, 2015 |
|------------------------------------------------------------------|--------------------------------------------------|
| Sales / Turnover                                                 | 28,399                                           |
| Other Income                                                     | 1,798                                            |
| <b>Total Income</b>                                              | <b>30,197</b>                                    |
| Estimated gross profit / loss (excluding depreciation and taxes) | (1,307)                                          |
| Provision for depreciation                                       | (1,997)                                          |
| Provision for taxes (net)                                        | (756)                                            |
| Estimated Net Profit / (Loss)                                    | (4,060)                                          |

#### Material changes and commitments, if any, affecting our financial position

There are no material changes affecting the financial position of our Company after the last date of the financial statements included in the Letter of Offer.

### MATERIAL DEVELOPMENTS

In addition to the discussions in “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page 93 of the Letter of Offer, the following are the material developments in respect of our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities since April 1, 2014.

#### Trading Update

Our total sales (including exports) of Tata Motors vehicles in January and February 2015 were 42,582 vehicles and 44,209 vehicles respectively, representing increases of 5% and 11% over the sales in January and February 2014. However, on a cumulative basis, as of February 28, 2015, we had sold only 449,659 vehicles for the Fiscal 2015, as compared to 515,407 vehicles in the equivalent period in the fiscal year ended March 31, 2014, representing a decline of 13%.

The table below sets forth the breakdown in sales of Tata Motors vehicles for the periods indicated.

| Category                         | January |        |          | February |        |          |
|----------------------------------|---------|--------|----------|----------|--------|----------|
|                                  | 2015    | 2014   | % change | 2015     | 2014   | % change |
| <b>Passenger Cars</b>            |         |        |          |          |        |          |
| Domestic                         | 11,637  | 8,463  | 38%      | 11,805   | 9,026  | 31%      |
| Exports                          | 176     | 353    | -50%     | 120      | 339    | -65%     |
| Subtotal                         | 11,813  | 8,816  | 34%      | 11,925   | 9,365  | 27%      |
| <b>Utility Vehicles</b>          |         |        |          |          |        |          |
| Domestic                         | 1,410   | 2,511  | -44%     | 1,962    | 2,299  | -15%     |
| Exports                          | 71      | 84     | -15%     | 49       | 100    | -51%     |
| Subtotal                         | 1,481   | 2,595  | -43%     | 2,011    | 2,399  | -16%     |
| <b>Light Commercial Vehicles</b> |         |        |          |          |        |          |
| Domestic                         | 14,301  | 17,517 | -18%     | 14,357   | 14,881 | -4%      |
| Exports                          | 2,291   | 2,317  | -1%      | 2,584    | 2,850  | -9%      |
| Subtotal                         | 16,592  | 19,834 | -16%     | 16,941   | 17,731 | -4%      |

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| Medium and Heavy Commercial Vehicles |               |               |           |               |               |            |
|--------------------------------------|---------------|---------------|-----------|---------------|---------------|------------|
| Domestic                             | 11,273        | 8,166         | 38%       | 12,190        | 9,109         | 34%        |
| Exports                              | 1,423         | 1,070         | 33%       | 1,142         | 1,347         | -15%       |
| Subtotal                             | 12,696        | 9,236         | 37%       | 13,332        | 10,456        | 28%        |
| Domestic Total                       | 38,621        | 36,657        | 5%        | 40,314        | 35,315        | 14%        |
| Exports Total                        | 3,961         | 3,824         | 4%        | 3,895         | 4,636         | -16%       |
| <b>Combined Total</b>                | <b>42,582</b> | <b>40,481</b> | <b>5%</b> | <b>44,209</b> | <b>39,951</b> | <b>11%</b> |

We sold 11,813 and 11,925 Tata Motors passenger vehicles in January and February 2015 as compared to 8,816 and 9,365 vehicles in January and February 2014, representing increases of 34% and 27% respectively.

Our sales of Tata Motors light, medium and heavy commercial vehicles in February 2015 were 30,273 vehicles, representing a 7% increase over 28,187 vehicles in February 2014. However, sales of Tata Motors utility vehicles dropped by 43% to 1,481 vehicles in January 2015 and by 16% to 2,011 vehicles in February 2015.

Our Jaguar Land Rover business retailed 37,317 vehicles and 28,689 vehicles in January and February 2015 respectively compared to 39,106 and 30,487 in the corresponding months in 2014, reflecting decline of 5% and 6% respectively. The decrease was largely due to lack of available Freelander inventory. As of February 28, 2015, on a cumulative basis our Jaguar Land Rover business had retailed 403,728 vehicles for the fiscal year ended March 31, 2015, as compared to 379,128 vehicles in the equivalent period in the fiscal year ended March 31, 2014, representing an increase of 6%.

### *Buy-back of Non-Convertible Debentures*

On March 25, 2015, our Board authorized the buy-back of ₹ 12.5 billion of secured non-convertible debentures with a maturity date of March 31, 2016, as part of our debt restructuring program which is intended to ensure a healthy debt equity mix, a balanced maturity profile, and better terms including lower cost of debt.

### *2015 Notes and Tender Offers*

On February 19, 2015, Jaguar Land Rover commenced a tender offer and a consent solicitation, referred to as the Sterling Tender Offer, in respect of its outstanding GBP 500,000,000 8.250% Senior Notes due 2020 issued March 27, 2012, or the 2012 Notes. The Sterling Tender Offer expired at 5:00 p.m., London time, on March 19, 2015. As of the expiration date of the Sterling Tender Offer, Jaguar Land Rover had received valid tenders and consents of GBP 441,548,000 in aggregate principal amount of notes representing approximately 88.31% of the notes outstanding at the commencement of the Sterling Tender Offer, including tenders of GBP 440,593,000 in aggregate principal amount of notes received at or prior to 5:00 p.m., London time, on March 5, 2015.

On February 24, 2015, JLR issued £400,000,000 aggregate principal amount of 3.875% Senior Notes due 2023, referred to as the 2015 Notes.

Jaguar Land Rover intends to use certain of the proceeds of the 2015 Notes, together with cash on hand, to repurchase the 2012 Notes tendered pursuant to the Sterling Tender Offer.

On March 3, 2015, Jaguar Land Rover commenced a tender offer and a consent solicitation, referred to as the Dollar Tender Offer, in respect of its outstanding US\$410,000,000 8.125% Senior Notes due 2021 issued May 19, 2011, or the 2011 Notes. As of 5:00 p.m., New York time, on 16 March 2015, being the early tender date, the Company has received valid tenders and consents of US\$326,117,000 in aggregate principal amount of notes representing approximately 79.54% of the notes outstanding at the commencement of the Dollar Tender Offer.

### *New Products and Services*

The following is a summary of our new and anticipated products in our Tata and other brand vehicles business:

- **Zest:** On August 12, 2014 we announced the commercial launch of the Zest, the all new, sub-four meter compact sedan. The Zest is being manufactured at the Pimpri and Ranjangaon Plant in Pune.
- **Bolt:** On January 22, 2015, we announced the commercial launch of a sporty hatchback, the all-new Bolt. The Bolt is manufactured at the Pimpri plant in Pune.
- **SuperAce Mint:** The Tata Ace family of Mini trucks offer last mile cargo transport solutions from Tata Motors. With this launch, we are penetrating further into the small pick-up market and plan to grow its market share in this segment.
- **Xenon and Prima:** In January 2015, we launched our new-generation Xenon and Prima commercial vehicles in the Malaysian market, with partner DRB-HICOM Commercial Vehicles.

The following is a summary of our new and anticipated products in our business:

- **Land Rover Discovery Sport:** On September 2, 2014, Jaguar Land Rover revealed the new Discovery Sport, a versatile premium compact sport utility vehicle that is the first member of the new Discovery family. Sales of the new Land Rover Discovery Sport have been underway since early 2015.
- **Ranger Rover Evoque:** The 2016 Range Rover Evoque made its world debut at the Geneva Motor Show in March 2015. It is the first model from Jaguar Land Rover to feature full-LED adaptive headlamp technology.
- **Jaguar XE:** The Jaguar XE made its global debut at the 2014 Paris Auto Show. It is the first aluminum monocoque vehicle in the midsize segment.
- **Jaguar XF:** The 2016 Jaguar XF is expected to make its official world debut at the 2015 New York International Auto Show on April 1, 2015. As with other new Jaguar models, the XF will also feature strengthened, lightweight aluminum-intensive construction.

- **Jaguar F-Pace:** The Jaguar F-Pace is based on the C-X17 Concept vehicle which was revealed at the Frankfurt Motor Show in 2013. It is intended to be an ultimate practical sports car, offering a combination of Jaguar sports car inspired exterior design and a practical and spacious luxury interior.

#### **Property Plant and Equipment**

Jaguar Land Rover has affirmed its GBP 600 million investment plan across three sites in the West Midlands, United Kingdom. The largest single investment has been made at its Castle Bromwich plant to upgrade the facility for the production of Jaguar XF, which consists of a GBP 320 million aluminum body shop to facilitate lightweight vehicle manufacturing. In addition, Jaguar Land Rover has completed the purchase of 62 acres of land to double the size of its Advanced Design and Engineering Centre in Whitley, Coventry to support development and production of ultra-low emission vehicles. An investment of GBP 150 million is also being made for the construction of the National Automotive Innovation Centre, or NAIC, which will open in Spring 2017. The NAIC is expected to provide a technology hub for Jaguar Land Rover's research team to work collaboratively with academics and R&D specialists from across the automotive supply chain.

#### **OUTSTANDING LITIGATION AND DEFAULTS**

*Except as disclosed below, there is no outstanding litigation against our Company and its Subsidiaries including, suits, criminal or civil prosecutions and taxation related proceedings that would have a material adverse effect on our operations or financial position.*

*In this regard, please note the following:*

- in determining whether any outstanding litigation against our Company and / or our Subsidiaries other than litigation involving moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences would have a material adverse effect on our business, the materiality threshold has been determined as per Clause XII sub-clause C in Part E of Schedule VIII of the SEBI Regulations, which stipulates that disclosure of outstanding litigation is required where (a) the aggregate amount in such individual litigation is likely to exceed 1% of the total revenue of our Company or 1% of the networth of our Company, as per the last completed financial year; (b) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in a single case individually may not exceed 1% of the total revenue of our Company or 1% of the networth of our Company, as per the last completed financial year; if similar cases put together collectively exceed such threshold; and*
- Except as stated below, neither our Company nor our Subsidiaries are aware of any litigation involving moral turpitude or criminal liability, material violations of statutory regulations or proceedings relating to economic offences, which have arisen in the last ten years.*

*In addition to the cases set out below, our Company and our Subsidiaries, from time to time, have been and continue to be involved in legal proceedings, arising in the ordinary course of their respective businesses. None of these legal proceedings filed against our Company or our Subsidiaries (excluding the cases set out below) are in the nature of criminal proceedings and we believe that the number of proceedings in which our Company and our Subsidiaries are / were involved is not unusual for a company of our size doing businesses in India.*

#### **Litigation involving our Company**

##### ***Litigation filed against our Company***

##### ***Regulatory proceedings***

- The CCI initiated an enquiry against our Company, FIAL and other car manufactures (collectively referred to as the "OEMs") pursuant to an allegation that genuine spare parts of automobiles manufactured by the OEMs were not made freely available in the open market and accordingly, anti-corruptive practices were carried out by the OEMs. The CCI through its order dated August 25, 2014, held that the OEMs had violated the provisions of Section 3 and Section 4 of the Competition Act and imposed a penalty of 2% of the average turnover for three years (the "CCI Order"). Subsequently, our Company and others filed a writ petition before the Delhi High Court challenging the constitutional validity of Section 22(3) and 27(b) of the Competition Act under which the CCI Order was passed and penalty was imposed. The Delhi High Court, through its interim order dated September 30, 2014, admitted the writ petition and granted stay on the CCI Order. The matter is currently pending.

##### ***Tax proceedings***

- A show cause notice dated October 16, 2009 was issued against our Company by Office of the Commissioner of Service Tax, Mumbai demanding payment of service tax aggregating to ₹ 325.74 crore for the period from Fiscal 2005 to Fiscal 2009 on (a) income derived from 'authorised service station services' for maintenance services provided to the customers during the warranty period through dealers (the "Claim 1"); (b) income derived from services categorized as 'banking and other financial services' as a result of merger of Tata Finance Limited with our Company (the "Claim 2"); and (c) amounts paid to foreign parties as commission in foreign currency for 'business auxiliary services' received by our Company (the "Claim 3"). Two other show cause notices dated October 22, 2010 and October 19, 2011, respectively, were issued against our Company by Office of the Commissioner of Service Tax, Mumbai demanding payment of service tax aggregating to ₹ 66.63 crore on income derived from 'authorised service station services' for maintenance services provided to the customers during the warranty period through dealers during Fiscal 2010 and Fiscal 2011, respectively.

The Office of the Commissioner of Service Tax-II, Mumbai, through its order dated March 26, 2013 (the "Service Tax Order"), upheld the recovery demand raised through the aforementioned three show cause notices and directed our Company to pay the following amount:

- Claim 1: An amount of ₹ 312.45 crore payable towards service tax, along with a penalty of ₹ 312.45 million, an additional penalty amount of ₹ 5,000 along with ₹ 200 per day for the period in which the service charge liability is not discharged, starting from the first day after the due date and ending on the date of actual payment of outstanding service tax in respect of the service tax liability for the period from April 1, 2004 to April 17, 2006, subject to a maximum of total service tax not paid for the said period and a penalty of ₹ 200 for every day during which such failure continues or at the rate of 2% of such tax per month, whichever is higher, starting from the first day after the due date till the date of actual payment of the outstanding service tax in respect of the service tax liability for the period from April 18, 2006 to May 9,

2008, subject to a maximum of total service tax not paid for the said period with applicable interest.

- (ii) Claim 2: An amount of ₹ 25.61 crore payable towards service tax, along with a penalty of ₹ 5,000 and ₹ 200 for per day during the period in which such failure continues or at the rate of 2% of such tax per month, whichever is higher, starting from the first day after the due date till the date of actual payment of the outstanding service tax during Fiscal 2010, subject to a maximum of total service tax not paid for the said period, with applicable interest; and
- (iii) Claim 3: An amount of ₹ 4.10 crore along with a penalty of ₹ 5,000 and ₹ 200 for every day during which such failure continues or at the rate of 2% of such tax per month, whichever is higher, starting from the first day after the due date till the date of actual payment of the outstanding service tax during Fiscal 2011, subject to a maximum of total service tax not paid for the said period, with applicable interest.

Subsequently, our Company preferred an appeal along with an application for stay against the Service Tax Order before the Customs, Excise and Service Tax Appellate Tribunal, Mumbai (the "CESTAT"). The CESTAT, through its interim order dated October 22, 2013, granted a stay on recovery of amounts and penalties pending disposal of the appeal subject to our Company pre-depositing an amount of ₹ 0.55 crore. Our Company has deposited an amount of ₹ 0.55 crore and reported compliance to the CESTAT. The matter is currently pending.

2. Two show cause notices dated April 6, 2011 and February 29, 2012 were issued against our Company, by Customs & Central Excise Commissionerate, Meerut-II, demanding recovery of the amount aggregating to ₹ 369.38 crore that our Company had availed as CENVAT credit on certain inputs along with such interest as applicable for the period between March 2010 to July 2010 and February 2011 to October 2011, respectively (the "SCNs"). The Commissioner, Customs & Central Excise, Meerut-II, through its order dated December 13, 2012, upheld the recovery demand raised through the SCNs and imposed a penalty of ₹ 369.38 crore along with such interest as applicable on our Company (the "Service Tax Order"). Subsequently, our Company preferred an appeal along with an application for stay against the Service Tax Order before the Customs, Excise and Service Tax Appellate Tribunal, Delhi (the "CESTAT"). The CESTAT, through its interim order dated August 12, 2013, granted a stay and directed our Company to reverse the credit of an amount of ₹ 318.93 crore. Our Company has reversed the credit of an amount of ₹ 318.93 crore 'under protest' and has reported compliance to the CESTAT. The aggregate amount involved is ₹ 369.38 crore along with such interest as applicable. The matter is currently pending.

#### *Arbitration proceedings*

1. Our Company filed a statement of claim dated September 11, 2012 before the Arbitral Tribunal against the Delhi Transport Corporation (the "Respondent") for breach of an agreement dated October 18, 2008 due to failure on part of the Respondent to make timely payment of consideration for supply of buses. Our Company has claimed an award of ₹ 253.13 crore along with an interest of ₹ 70.20 crore, aggregating to ₹ 323.33 crore. Our Company has also made a claim for wrongful imposition of liquidated damages of ₹ 8.70 crore for alleged delay in the supply of buses. The Respondent has filed its reply and counter-claim. The matter is currently pending.

#### *Notices*

1. A show cause notice dated October 17, 2012 was issued against our Company by Office of Commissioner of Service Tax demanding payment of service tax amount aggregating to ₹ 46.63 crore on income derived from 'authorised service station services' for reimbursements made by our Company to dealers for repair and maintenance services on vehicles under warranty during Fiscal 2012. The aggregate amount involved is ₹ 46.63 crore. Our Company has replied to the said show cause notice on January 28, 2013. The matter is currently pending.
2. A show cause notice dated February 21, 2014 was issued against our Company by the Office of the Commissioner of Central Excise and Service Tax demanding payment of service tax amount aggregating to ₹ 46.01 crore on income derived from 'authorised service station services' for service charges reimbursed to dealers for carrying out service during the warranty for the Fiscal 2013. The aggregate amount involved is ₹ 46.01 crore. Our Company has replied to the said show cause notice on January 6, 2015. The matter is currently pending.
3. A show cause notice dated November 16, 2012 was issued against our Company by Customs & Central Excise Commissionerate, Meerut-II, demanding recovery of the amount that our Company had availed as CENVAT credit for certain input aggregating to ₹ 14.73 crore along with such interest as applicable for the period from November 2011 to July 2012. The aggregate amount involved is ₹ 14.73 crore along with such interest as applicable. Our Company has replied to the said show cause notice on May 5, 2014. The matter is currently pending.
4. A show cause notice dated September 4, 2013 was issued against our Company by Customs & Central Excise Commissionerate, Meerut-II, demanding recovery of the amount that our Company had availed as CENVAT credit for certain input aggregating to ₹ 61.61 crore for the period from August 2012 to November 2012. The aggregate amount involved is ₹ 61.61 crore. Our Company has replied to the said show cause notice on September 5, 2014. The matter is currently pending.

#### *Criminal proceedings*

1. 11 petitions were filed against our Company in different forums for violation of provisions under the Minimum Wages Act, 1948. The matters are currently pending.
2. 10 petitions were filed against our Company in different forums for violation of provisions under the Contract Labour (Regulation & Abolition) Act, 1970. The matters are currently pending.
3. 10 petitions were filed against our Company in different forums for offences under the Indian Penal Code, 1860. The matters are currently pending.
4. A petition was filed against our Company under Section 3 (x) of the Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1989. The matter is currently pending.
5. Eight petitions were filed against our Company for alleged violation of the provisions of the Factories Act, 1948. The matters are currently pending.
6. Two petitions were filed against our Company for alleged violation of provisions of the Industrial Dispute Act, 1947. The matters are currently pending.
7. A petition was filed against our Company for alleged violation of the provisions of the Indian Forest Act, 1927. The matter is currently pending.

### ***Litigation filed by our Company***

#### ***Civil proceedings***

In October 2008, our Company moved the Nano project from Singur in West Bengal to Sanand in Gujarat. In June 2011, the newly elected Government of West Bengal enacted a law cancelling the land lease agreement at Singur, and took over possession of the land. Our Company challenged the constitutional validity of the law. In June 2012, the Calcutta High Court declared the law unconstitutional and restored our Company's rights under the land lease agreement. The government of West Bengal filed an appeal in the Supreme Court of India in August 2012, which is pending disposal. The matter is currently pending.

#### ***Criminal proceedings***

1. Our Company has filed 10 petitions in different forums for quashing the proceedings under the Minimum Wages Act, 1948. The matters are currently pending.
2. Our Company has filed 11 petitions in different forums for quashing the proceedings under the Contract Labour (Regulation & Abolition) Act, 1970. The matters are currently pending.
3. Our Company has filed seven petitions in different forums for quashing of proceedings under the Indian Penal Code, 1860. The matters are currently pending.
4. Our Company has filed two petitions in different forums under Section 66 of the Information Technology Act, 2000. The matters are currently pending.
5. Our Company has filed three petitions in different forums for quashing the proceedings under the Factories Act, 1948. The matters are currently pending.

### **GOVERNMENT AND OTHER APPROVALS**

We are required to obtain approvals, registrations, permits and licenses under the provisions of various laws and regulations for conducting our business which include license to operate factories, registration as a dealer, registration for manufacturing of excisable goods, environmental licenses and other approvals. The requirement for approvals for a particular plant may vary based on factors such as the legal requirements in the state in which the plant is located. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

We have obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are required for carrying on our present business activities. Some of the approvals and licenses that we require for our business operations may expire in the ordinary course of business, and we will apply for their renewal from time to time.

We have set out below, details of pending approvals and pending renewal of licenses in relation to our business:

#### ***I. Pending Approvals***

##### ***Jamshedpur plant***

1. Application dated November 12, 2014 made to the Jharkhand State Pollution Control Board, under the Water Act for renewal of consent to operate for trade effluent discharge for the period starting from January 1, 2015 to December 31, 2015.
2. Application dated November 12, 2014 made to the Jharkhand State Pollution Control Board, under the Air Act for renewal of consent to operate for air emission for the period starting from January 1, 2015 to December 31, 2015.

##### ***Uttarakhand plant***

1. Application dated October 10, 2014 made to the Assistant Director of Factories, Haldwani for renewal of factory license for the year 2015.

### **OTHER REGULATORY AND STATUTORY DISCLOSURES**

#### **Authority for the Issue**

The Issue has been authorised by a resolution of our Board passed at its meetings held on (a) January 27, 2015 pursuant to Section 62 of the Companies Act, 2013; and (b) March 25, 2015. Further, the issue of 'A' Ordinary Shares has also been authorised by a resolution dated March 3, 2015 of the shareholders of our Company passed through postal ballot in terms of Rule 4(1)(b) of the Companies (Share Capital and Debentures) Rules, 2014. The Issue Price of ₹ 450 for the Ordinary Shares and ₹ 271 for 'A' Ordinary Shares has been arrived at in consultation with the GCSLMs, the Lead Managers and the Co-Lead Manager.

Our Company has received approvals from the BSE and the NSE under Clause 24(a) of the Listing Agreement for listing of the Securities to be allotted in the Issue pursuant to letters, dated March 27, 2015.

#### **RBI Approval for Renunciation**

The RBI has, pursuant to a letter dated March 30, 2015, conveyed its no-objection to renunciation of Rights Entitlement by the following:

1. resident shareholder to a non-resident. The offer price to NR should not be less than at which the offer is made to a resident shareholder in terms of Regulation 6 of Notification No. FEMA.20/2000-RB dated May 3, 2000, as amended from time to time. Further the renunciation of the Rights Entitlement should be on the floor of the Stock Exchanges;
2. non-resident shareholder to a resident on the floor of the Stock Exchanges; and
3. non-resident shareholder to a non-resident on the floor of the Stock Exchanges. However the offer price to NR should not be less than at which the offer is made to a resident shareholder. If the non-resident shareholder renouncing the Rights Entitlement includes FIIs, the individual limit and the over all limits (as applicable) would have to be complied with; subject to the condition that: (a) the Company complies with all the documentation and reporting requirements; (b) if any transaction involves an erstwhile OCB, the bank should approach with full details for prior approval; (c) the NRI Shareholders holding non-repatriable shares may renounce the Rights Entitlement in favour of residents or other NRIs only; and (d) in terms of Regulation 6 of Notification No. FEMA 20/2000-RB dated May 3, 2000 as amended from time to time, only the existing non-resident Shareholders may subscribe for additional Securities over and above the Securities offered on the rights basis by the Company.

Accordingly, only the following may apply for additional Securities in the Issue:

- (i) resident Ordinary Shareholders and 'A' Ordinary Shareholders of our Company;
- (ii) non-resident Ordinary Shareholders and 'A' Ordinary Shareholders of our Company subject to the sectoral cap; and
- (iii) resident Renouncees.

#### **Prohibition by SEBI or Other Governmental Authorities**

Our Company, the Promoter, the members of the Promoter

Group, the Directors, persons in control of our Company and persons in control of the Promoter have not been prohibited from accessing or operating the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies with which the Promoter, the Directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of the Directors are associated with the securities market in any manner.

Subodh Bhargava, our Non-Executive Independent Director is also an independent director on the board of directors of Batliboi Limited ("Batliboi"). SEBI, through its order dated June 4, 2013 (the "SEBI Order") has, *inter alia*, prohibited the directors of Batliboi, including Subodh Bhargava from: (i) buying, selling or otherwise dealing in securities of Batliboi in any manner either directly or indirectly; and (ii) holding any new position as a director in any listed company, till such time that Batliboi complies with the minimum public shareholding requirements prescribed under the Securities Contracts (Regulation) Rules, 1957.

#### **Prohibition by RBI**

None of our Company, the Promoter, the relatives (as defined under the Companies Act) of Promoters or Group Companies have been identified as wilful defaulters by the RBI or any other governmental authority.

#### **Eligibility for the Issue**

Our Company is a listed company was incorporated under the Companies Act, 1913. The Securities of our Company are presently listed on the BSE and NSE. It is eligible to offer Securities pursuant to this Issue in terms of Chapter IV of the SEBI Regulations.

#### **Compliance with Regulation 4(2) of the SEBI Regulations**

Our Company is in compliance with the conditions specified in Regulation 4(2), to the extent applicable. Further, in relation to compliance with Regulation 4(2)(d) of the SEBI Regulations, Company undertakes to make an application to the Stock Exchanges for listing of the Securities to be issued pursuant to this Issue. Our Company has chosen BSE as the Designated Stock Exchange for the Issue.

#### **Compliance with Regulation 10 of the SEBI Regulations**

Our Company satisfies the following conditions specified in Regulation 10 and accordingly, our Company is eligible to make this Issue by way of a 'fast track issue':

1. the Ordinary Shares and the 'A' Ordinary Shares have been listed on BSE and NSE, each being a recognised stock exchange having nationwide trading terminals, for a period of at least three years immediately preceding the date of the Letter of Offer;
2. the average market capitalisation of the public shareholding of our Company is at least ₹ 30,000 million;
3. the annualised trading turnover of the Ordinary Shares and 'A' Ordinary Shares of our Company during the six calendar months immediately preceding the month of the Letter of Offer with the Designated Stock Exchange has been at least 2% of the weighted average number of Ordinary Shares and 'A' Ordinary Shares, as applicable, available as free float during such six months' period;

4. our Company has redressed at least 95% of the complaints received from the investors till the end of the quarter immediately preceding the month of the date of the Letter of Offer;
5. our Company has been in compliance with the Listing Agreement for a period of at least three years immediately preceding the date of the Letter of Offer;
6. the impact of auditor qualifications, if any, on the audited accounts of our Company in respect of Fiscal 2014 does not exceed 5% of the net profit after tax for Fiscal 2014;
7. no show-cause notices have been issued or prosecution proceedings initiated by the SEBI or pending against our Company or the Promoter or whole time directors as of the date of the Letter of Offer; and
8. the entire shareholding of the Promoter Group is held in dematerialised form as on the date of the Letter of Offer.

#### **Compliance with Part E of Schedule VIII of the SEBI Regulations**

Our Company is in compliance with the provisions specified in Clause (1) of Part E of Schedule VIII of the SEBI Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the listing agreement for the last three years immediately preceding the date of filing of the Letter of Offer with the Designated Stock Exchange.
2. The reports, statements and information referred to in sub-clause (a) above are available on the website of the BSE and the NSE or on a common e-filing platform specified by SEBI.
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Shareholders / Investors' Grievance Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part E of Schedule VIII of SEBI Regulations, disclosures in the Letter of Offer have been made in terms of Clause (5) of Part E of Schedule VIII of the SEBI Regulations.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. THE GLOBAL CO-ORDINATORS AND SENIOR LEAD MANAGERS, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED, DSP MERRILL LYNCH LIMITED, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED, J. P. MORGAN INDIA PRIVATE LIMITED AND THE LEAD MANAGERS, ICICI SECURITIES LIMITED, KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND SBI CAPITAL MARKETS LIMITED AND THE CO-LEAD MANAGER, HDFC BANK LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN**

CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE GLOBAL CO-ORDINATORS AND SENIOR LEAD MANAGERS, THE LEAD MANAGERS AND THE CO-LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, GLOBAL CO-ORDINATORS AND SENIOR LEAD MANAGERS, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED, DSP MERRILL LYNCH LIMITED, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED, J. P. MORGAN INDIA PRIVATE LIMITED AND THE LEAD MANAGERS, ICICI SECURITIES LIMITED, KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND SBI CAPITAL MARKETS LIMITED AND THE CO-LEAD MANAGER, HDFC BANK LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2015 WHICH READS AS FOLLOWS:

- (1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE LETTER OF OFFER PERTAINING TO THE ISSUE;
- (2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH OUR COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY OUR COMPANY, WE CONFIRM THAT:
  - (a) THE LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - (b) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - (c) THE DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AND THE COMPANIES

ACT, 2013, TO THE EXTENT APPLICABLE, SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

- (3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- (4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – COMPLIED WITH.
- (5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF HIS SPECIFIED SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE LETTER OF OFFER – NOT APPLICABLE
- (6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE LETTER OF OFFER – NOT APPLICABLE
- (7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO OUR COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE – NOT APPLICABLE
- (8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF OUR COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN

THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF OUR COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

- (9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND OUR COMPANY SPECIFICALLY CONTAINS THIS CONDITION - NOT APPLICABLE FOR A RIGHTS ISSUE. TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO OUR COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 56 OF THE SEBI REGULATIONS.
- (10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SECURITIES IN DEMAT OR PHYSICAL MODE.
- (11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- (12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER:
  - (a) AN UNDERTAKING FROM OUR COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE ORDINARY SHARES AND 'A' ORDINARY SHARES OF OUR COMPANY; AND
  - (b) AN UNDERTAKING FROM OUR COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
- (13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE - NOTED FOR COMPLIANCE.
- (14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED

BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.

- (15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
- (16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY GLOBAL CO-ORDINATORS AND SENIOR LEAD MANAGERS, THE LEAD MANAGERS AND THE CO-LEAD MANAGER BELOW (WHO IS RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR DATED SEPTEMBER 27, 2011. NOT APPLICABLE
- (17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF OUR COMPANY INCLUDED IN The Letter of Offer.
- (18) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (19) WE CONFIRM THAT THE COMPANY IS ELIGIBLE TO MAKE FAST TRACK ISSUE IN TERMS OF REGULATION 10 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. THE FULFILMENT OF THE ELIGIBILITY CRITERIA AS SPECIFIED IN THAT REGULATION, BY THE COMPANY, HAS ALSO BEEN DISCLOSED IN THE LETTER OF OFFER.
- (20) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN THE LETTER OF OFFER AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE ISSUE, UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH THE PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. - COMPLIED WITH AND NOTED FOR COMPLIANCE.
- (21) WE CONFIRM THAT THE ABRIDGED LETTER OF OFFER CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. COMPLIED WITH

- (22) **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALIZATION OF THE SPECIFIED SECURITIES OF THE COMPANY.**
- (23) **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUBREGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE LETTER OF OFFER. – NOT APPLICABLE.**

THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE GLOBAL CO-ORDINATORS AND SENIOR LEAD MANAGERS, THE LEAD MANAGERS AND THE CO-LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

**Disclaimer clauses from our Company, the GCSLMs, the Lead Managers and Co-Lead Manager**

Our Company, the GCSLMs, the Lead Managers and the Co-Lead Manager accept no responsibility for statements made otherwise than in the Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to our Company, the GCSLMs, the Lead Managers, the Co-Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Securities, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

**CAUTION**

Our Company, the GCSLMs, the Lead Managers and the Co-Lead Manager shall make all information available to the Eligible Shareholders and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of the Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in the Letter of Offer. You must not rely on any unauthorized information or representations. The Letter of Offer is an offer to sell only the Securities and rights to purchase the Securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in the Letter of Offer is current only as of its date.

**Disclaimer with respect to jurisdiction**

The Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

**Designated Stock Exchange**

The Designated Stock Exchange for the purpose of the Issue will be BSE.

**Disclaimer Clause of the BSE**

As required, a copy of the Letter of Offer has been submitted to the BSE. BSE has, through its letter No. DCS/PREF/PS/IP-RT/832/14-15 dated March 27, 2015, permitted our Company to use BSE's name in the Letter of Offer as one of the stock exchanges on which our Company's securities are listed. BSE has scrutinized the Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. It is to be distinctly understood that the Letter of Offer has not been cleared or approved by the BSE. BSE does not in any manner:

- (i) warrant, certify or endorse the correctness or completeness of any of the contents of the Letter of Offer; or
- (ii) warrant that the Company's securities will be listed or will continue to be listed on the BSE; or
- (iii) take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company; and it should not for any reason be deemed to be construed that the Letter of Offer has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**Selling Restrictions**

The distribution of the Letter of Offer and the issue of Securities on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Shareholders of our Company and will dispatch the Letter of Offer/ Abridged Letter of Offer and CAF only to Eligible Shareholders. No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other material relating to our Company, the Securities or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI.

Accordingly, the Securities and Rights Entitlement may not be offered or sold, directly or indirectly, and none of the Letter of Offer or any offering materials or advertisements in connection with the Securities or Rights Entitlement may be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

**The Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.**

If the Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Securities or the Rights Entitlement referred to in the Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Securities or accepting any provisional allotment of Securities,

or making any offer, sale, resale, pledge or other transfer of the Securities or Rights Entitlement.

Neither the delivery of the Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Please also see "Selling Restrictions" on page 194 of the Letter of Offer.

#### **Filing**

The Letter of Offer is being filed with the Designated Stock Exchange as per the provisions of the SEBI Regulations. Further, in terms of Regulation 6(4) of the SEBI Regulations, our Company will simultaneously while filing the Letter of Offer with the Designated Stock Exchange, file a copy of the Letter of Offer with SEBI.

#### **Issue Related Expenses**

The expenses of the Issue payable by our Company include brokerage, fees and reimbursement to the GCSLMs, Lead Managers, the Co-Lead Manager, Auditor, legal advisors, Registrar, printing and distribution expenses, publicity, listing fees, stamp duty and other expenses and will be met out of the Issue Proceeds. For further details, see "Objects of the Issue – Issue Expenses" on page 70 of the Letter of Offer.

#### **Investor Grievances and Redressal System**

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the Listing Agreement.

Our Company has a Stakeholder Relationship Committee which currently comprises of Vinesh K Jairath and Falguni Nayar. The broad terms of reference include redressal of investors' complaints pertaining to share / debenture transfers, non-receipt of annual reports, interest / dividend payments, issue of duplicate certificates etc. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

The Investor complaints received by our Company are disposed off within 15 days from the date of receipt of the complaint.

#### **Status of outstanding investor complaints in relation to our Company**

As on the date of the Letter of Offer, there were no outstanding investor complaints.

#### **Investor Grievances arising out of the Issue**

Our Company's investor grievances arising out of the Issue will be handled by Link Intime India Private Limited, the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post-Issue correspondence.

The agreement between our Company and the Registrar will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice/ demat credit/ refund order to enable the Registrar to redress grievances of Investors.

All grievances relating to the Issue may be addressed to the Registrar or the SCSB in case of ASBA Applicants giving full details such as folio no., name and address, contact telephone / cell numbers, e-mail id of the first Applicant, number and type of Securities applied for, CAF serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7 to 10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the investor grievances in a time bound manner.

#### **Registrar to the Issue**

##### **Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound, L.B.S. Marg

Bhandup (West), Mumbai 400 078

Tel: (91 22) 6171 5400 / 9167779196 /97 /98/ 99

Fax: (91 22) 2596 0329

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

Email: [tatamotors.rights@linkintime.co.in](mailto:tatamotors.rights@linkintime.co.in)

Contact Person: Sachin Achar

SEBI Registration No: INR000004058

**Investors may contact the Compliance Officer or the Registrar in case of any pre-Issue/ post -Issue related problems such as non-receipt of Allotment advice/ demat credit/refund orders etc. The contact details of the Compliance Officer are as follows:**

##### **H K Sethna**

Bombay House, 24, Homi Mody Street, Mumbai 400 001

Tel: (91 22) 6665 8282, Fax: (91 22) 6665 7799

E-mail: [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com)

#### **TERMS OF THE ISSUE**

The Securities proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Letter of Offer, the Abridged Letter of Offer, the CAF, the SAF, the Memorandum of Association and Articles of Association of our Company, and the provisions of the Companies Act, FEMA, the guidelines and regulations issued by SEBI, the guidelines, notifications and regulations for the issue of capital and for listing of securities issued by the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of listing agreements entered into by our Company with the Stock Exchanges and terms and conditions as stipulated in the allotment advice or security certificate.

**Please note that in accordance with the provisions of the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs and Non-Institutional Investors and Non Retail Individual Investors complying with the eligibility conditions prescribed under the SEBI circular no. SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the conditions prescribed under the SEBI circular dated December 30, 2009 may optionally apply through the ASBA process. Investors who are not (i) QIBs, (ii) Non-Institutional Investors, or (iii) Investors whose Application Money is more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process. Eligible Shareholders holding Ordinary Shares or 'A' Ordinary Shares in physical form and Renouncees are not eligible ASBA Investors and must only apply for Securities through the non-ASBA process, irrespective of the Application Money. All non-retail Investors are encouraged to make use of ASBA process wherever such facility is available.**

ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure

applicable to non-ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. For details, see “Terms of the Issue - Procedure for Application through the ASBA Process” on page 171 of the Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular no. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in their own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in their own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights/obligations of the Eligible Shareholders in relation to application and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

#### **Authority for the Issue**

The Issue has been authorised by a resolution of our Board passed at its meetings held on (a) January 27, 2015 pursuant to Section 62 of the Companies Act, 2013; and (b) March 25, 2015. Further, the issue of ‘A’ Ordinary Shares has also been authorised by a resolution dated March 3, 2015 of the shareholders of our Company passed through postal ballot in terms of Rule 4(1)(b) of the Companies (Share Capital and Debentures) Rules, 2014.

#### **Approval in relation to the Issue**

For details of the RBI approval obtained by our Company in relation to the Issue, see “Other Regulatory and Statutory Disclosures – RBI Approval for Renunciation” on page 148 of the Letter of Offer.

#### **Basis for the Issue**

The Ordinary Shares and/or ‘A’ Ordinary Shares are being offered for subscription for cash to the existing Eligible Ordinary Shareholders and Eligible ‘A’ Ordinary Shareholders, respectively, whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Securities held in the electronic form and on the register of members of our Company in respect of the Securities held in physical form at the close of business hours on the Book Closure Date, i.e. April 8, 2015, fixed in consultation with the Designated Stock Exchange.

#### **Rights Entitlement**

As your name appears as a beneficial owner in respect of the Ordinary Shares and / or ‘A’ Ordinary Shares held in the electronic form or appears in the register of members as an Ordinary Shareholder and / or ‘A’ Ordinary Shareholder of our Company in respect of the Ordinary Shares and / or ‘A’ Ordinary Shares held in physical form as on the Book Closure Date, i.e., April 8, 2015, you are entitled to the number of Ordinary Shares and / or ‘A’ Ordinary Shares as set out in Part A of the Ordinary Shares CAF or ‘A’ Ordinary Shares CAF, as the case may be.

☐ **Company is making this Issue on a rights basis to the Eligible Shareholders of our Company and will dispatch the Letter of Offer/ Abridged Letter of Offer and CAF only to Eligible Shareholders who have provided an**

**Indian address to our Company. The distribution of the Letter of Offer/Abridged Letter of Offer and the issue of Securities on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Any person who acquires Rights Entitlements or Securities will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer/ Abridged Letter of Offer/CAF, that such person is not and that at the time of subscribing for the Securities or the Rights Entitlements, will not be, in any restricted jurisdiction.**

### **PRINCIPAL TERMS OF THE SECURITIES**

#### **Face Value**

Each Ordinary Share will have the face value of ₹ 2 and each ‘A’ Ordinary Share will have the face value of ₹ 2.

#### **Issue Price**

Each Ordinary Share shall be offered at an Issue Price of ₹ 450 for cash at a premium of ₹ 448 per Ordinary Share. Each ‘A’ Ordinary Share shall be offered at an Issue Price of ₹ 271 for cash at a premium of ₹ 269 per ‘A’ Ordinary Share. The Issue Price for Ordinary Shares and ‘A’ Ordinary Shares has been arrived at after consultation between our Company, the GCSLMs, the Lead Managers and the Co-Lead Manager and has been decided prior to the determination of the Book Closure Date.

#### **Rights Entitlement Ratio**

The Ordinary Shares are being offered on a rights basis to the Eligible Ordinary Shareholders in the ratio of six Ordinary Share(s) for every 109 Ordinary Share(s) held on the Book Closure Date and the ‘A’ Ordinary Shares are being offered on a rights basis to the Eligible ‘A’ Ordinary Shareholders in the ratio of six ‘A’ Ordinary Share(s) for every 109 ‘A’ Ordinary Share(s) held on the Book Closure Date.

#### **Terms of Payment**

Full amount of ₹ 450 per Ordinary Share and ₹ 271 per ‘A’ Ordinary Share, as applicable, is payable on application.

#### **Fractional Entitlements**

The Ordinary Shares are being offered on a rights basis to the Eligible Ordinary Shareholders in the ratio of six

Ordinary Share(s) for every 109 Ordinary Share(s) held on the Book Closure Date and the ‘A’ Ordinary Shares are being offered on a rights basis to the Eligible ‘A’ Ordinary Shareholders in the ratio of six ‘A’ Ordinary Share(s) for every 109 ‘A’ Ordinary Share(s) held on the Book Closure Date. For Securities being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Shareholders is less than 109 Ordinary Shares or 109 ‘A’ Ordinary Shares, as applicable, or not in the multiple of 109, the fractional entitlement of such Eligible Shareholders shall be ignored in the computation of the Rights Entitlement. However, Eligible Shareholders whose fractional entitlements are being ignored as above would be given preferential consideration for the Allotment of one additional Ordinary Share or ‘A’ Ordinary Share, as applicable, each if they apply for additional Securities over and above their Rights Entitlement, if any.

For example, if an Eligible Ordinary Shareholder holds between 109 and 120 Ordinary Shares, he will be entitled to six Ordinary Shares on a rights basis. He will also be given a preferential consideration for the Allotment of one additional Ordinary Share if he has applied for the same. Similarly, if an Eligible ‘A’ Ordinary Shareholder holds between 109 and 120 ‘A’ Ordinary Shares, he will be entitled to six ‘A’ Ordinary Shares on a rights basis. He will also be given a preferential consideration for the Allotment of one additional ‘A’ Ordinary Share if he has applied for the same.

Those Eligible Shareholders holding less than 19 Ordinary Shares and less than 19 'A' Ordinary Shares and therefore entitled to 'zero' Securities under this Issue shall be dispatched a CAF with 'zero' entitlement. Such Eligible Shareholders are entitled to apply for additional Securities and would be given preference in the allotment of one additional Ordinary Share or 'A' Ordinary Share, as applicable, if, such Eligible Shareholders have applied for the additional Securities. However, they cannot renounce the same in favour of third parties. CAFs with zero entitlement will be non-negotiable/non-renounceable.

For example, if an Eligible Ordinary Shareholder holds between one and 19 Ordinary Shares, he will be entitled to zero Ordinary Shares on a rights basis. He will be given a preference for Allotment of one additional Ordinary Share if he has applied for the same. Similarly, if an Eligible 'A' Ordinary Shareholder holds between one and 19 'A' Ordinary Shares, he will be entitled to zero 'A' Ordinary Shares on a rights basis. He will be given a preference for Allotment of one additional 'A' Ordinary Share if he has applied for the same.

#### **Ranking**

The Securities of our Company Allotted in the Issue shall be subject to the provisions of the Memorandum of Association and the Articles of Association. The Ordinary Shares of our Company Allotted in the Issue shall rank *pari passu* with the existing Ordinary Shares of our Company. The 'A' Ordinary Shares of our Company Allotted in the Issue shall rank *pari passu* with the existing 'A' Ordinary Shares of our Company.

#### **Mode of payment of dividend**

In the event of declaration of dividend, we shall pay dividend to the Ordinary Shareholders and 'A' Ordinary Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

#### **Listing and trading of the Securities issued pursuant to the Issue**

Our Company's existing Ordinary Shares are currently traded on the BSE and NSE under the ISIN INE155A01022 and our Company's existing 'A' Ordinary Shares are currently traded on the BSE and NSE under the ISIN IN9155A01020. American Depositary Shares representing Ordinary Shares have been listed on the New York Stock Exchange since September 24, 2004. The Company does not intend to list the 'A' Ordinary Shares on the New York Stock Exchange.

The Securities proposed to be issued pursuant to the Issue shall, in terms of the SEBI circular no. CIR/MRD/DP/21/2012 dated August 2, 2012, be Allotted under a temporary ISIN shall be frozen till the time final listing/ trading approval is granted by the Stock Exchanges. Upon receipt of such listing and trading approval, the Securities proposed to be issued on a rights basis shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading.

The Securities allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading of the Securities shall be taken within 12 Working Days of the Issue Closing Date. Our Company has received approval under Clause 24(a) of the Listing Agreement from the BSE through letter no. DCS/PREF/PS/IP-RT/832/14-15 dated March 27, 2015 and from the NSE through letter no. NSE/LIST/20284 dated March 27, 2015.

If permissions to list, deal in and for an official quotation of the Ordinary Shares and 'A' Ordinary Shares are not granted by any of the Stock Exchanges on the expiry of 15 days from the Issue Closing Date, our Company will forthwith repay, without interest, all Application Moneys received from the Investors in

pursuance of the Letter of Offer. If such money is not repaid beyond eight days after our Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of 15 days from the Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as per applicable laws.

The listing and trading of the Securities issued pursuant to the Issue shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

#### **Rights of holders of Securities of our Company**

Subject to applicable laws, the Ordinary Shareholders shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to attend general meetings and exercise voting powers, unless prohibited by law;
3. Right to vote in person or by proxy;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation;
6. Right to free transferability of Ordinary Shares; and
7. Such other rights as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum of Association and the Articles of Association.

The 'A' Ordinary Shareholders will *mutatis mutandis* enjoy all rights, and privileges that are enjoyed by the Ordinary Shareholders in law and under the Articles of Association, except as to voting and dividend as aforesaid or as provided in the Articles of Association or as may be permitted under applicable law from time to time. Particularly, the 'A' Ordinary Shareholders shall have the following rights:

1. The outstanding 'A' Ordinary Shares carry such voting rights as determined by the terms of issue of such 'A' Ordinary Shares. Presently, the 'A' Ordinary Shares have a voting right of one vote per 10 'A' Ordinary Shares held in case of voting by poll. In case of voting by show of hands, 'A' Ordinary Shares have the same number of votes available as Ordinary Shares in accordance with Article 111(1) i.e. every member is entitled to vote and present in person or by attorney shall have one vote;
2. In addition to normal dividend as may be recommended and declared for Ordinary Shares, the 'A' Ordinary Shares shall be entitled to an additional 5% dividend. If no dividend is recommended for Ordinary Shares, 'A' Ordinary Shares would also not receive any dividend.

#### **General Terms and Conditions of the Issue for ASBA and Non-ASBA Investors**

##### **Market Lot**

The Securities of our Company are tradable only in dematerialized form. The market lot for Securities in dematerialised mode is one Security. In case an Eligible Shareholder holds Securities in physical form, our Company would issue one certificate for the Ordinary Shares or the 'A' Ordinary Shares, as the case may be, allotted to each folio (the "Consolidated Certificate"). Such Consolidated Certificates may be split into smaller denominations at the request of the respective Eligible Shareholder.

##### **Joint Holders**

Where two or more persons are registered as the holders of any Security, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association.

### ***Nomination***

Nomination facility is available in respect of the Securities in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. An Investor can nominate any person by filling the relevant details in the CAF in the space provided for this purpose. In case of Eligible Shareholders who are individuals, a sole Eligible Shareholder or the first named Eligible Shareholder, along with other joint Eligible Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole Eligible Shareholder or all the joint Eligible Shareholders, as the case may be, shall become entitled to the Securities offered in the Issue. A person, being a nominee, becoming entitled to the Securities by reason of death of the original Eligible Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered Eligible Shareholder. Where the nominee is a minor, the Eligible Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Securities, in the event of death of the said Eligible Shareholder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Securities by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. Where the Securities are held by more than one person jointly, the nominee shall become entitled to all the rights in the Securities only in the event of death of all the joint holders. Fresh nominations can be made only in the prescribed form available on request at the Registered Office of our Company or such other person at such addresses as may be notified by our Company. In terms of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014, any person who becomes a nominee shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Securities; or
2. to make such transfer of the Securities, as the deceased holder could have made.

If the person being a nominee, so becoming entitled, elects to be registered as holders of the Securities himself, he shall deliver to our Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased holder.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Securities, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Securities, until the requirements of the notice have been complied with.

Only one nomination would be applicable for one folio. Hence, in case the Investor(s) has already registered the nomination with our Company, no further nomination needs to be made for Securities that may be allotted in this Issue under the same folio.

**In case the Allotment of Securities is in dematerialised form, there is no need to make a separate nomination for the Securities to be Allotted in this Issue. Nominations registered with respective DP of the Investor would prevail. Any investor desirous of changing the existing nomination is requested to inform its respective DP.**

### ***Notices***

All notices to the Eligible Shareholder(s) required to be given

by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation and/or, will be sent by post to the Indian address of the Eligible Shareholders provided to our Company. However, the distribution of the Letter of Offer/Abridged Letter of Offer and the issue of Securities on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions.

### ***Procedure for Application***

The CAF for the Securities offered as part of the Issue would be printed for all Eligible Shareholders. In case the original CAF is not received by the Eligible Shareholder or is misplaced by the Eligible Shareholder, the Eligible Shareholder may request the Registrar, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID, Client ID and their full name and Indian address. In case the signature of the Investor(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit.

**Please note that in accordance with the provisions of the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs, Non-Institutional Investors and Non Retail Individual Investors complying with the eligibility conditions prescribed under the SEBI circular no. SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the conditions prescribed under the SEBI circular dated December 30, 2009 may optionally apply through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors, or (iii) Investors whose Application Money is more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process. Renounees and Eligible Shareholders holding Ordinary Shares or 'A' Ordinary Shares in physical form are not eligible ASBA Investors and must only apply for Securities through the non-ASBA process, irrespective of the Application Money.**

**Please also note that by virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Eligible Shareholder being an OCB is required to obtain prior approval from RBI for applying to this Issue.**

### ***CAF***

The Registrar to the Issue will dispatch separate Ordinary Shares CAF to Eligible Ordinary Shareholders and 'A' Ordinary Shares CAF to Eligible 'A' Ordinary Shareholders as per their Rights Entitlement on the Book Closure Date. The Ordinary Shares CAF will clearly indicate the number of Ordinary Shares that the Eligible Ordinary Shareholder is entitled to and the 'A' Ordinary Shares CAF will clearly indicate the number of 'A' Ordinary Shares that the Eligible 'A' Ordinary Shareholder is entitled to. Applicants may also choose to accept the offer to participate in the Issue by making plain paper Applications. For more information, see "Terms of the Issue – Application on Plain Paper (Non-ASBA Process)" on page 168 of the Letter of Offer.

The prescribed colour of CAFs for the Eligible Ordinary Shareholders and the Eligible 'A' Ordinary Shareholders is as follows:

| <b>Eligible Shareholders</b>      | <b>Colour of the CAF</b> |
|-----------------------------------|--------------------------|
| Eligible Ordinary Shareholders    | White                    |
| Eligible 'A' Ordinary Shareholder | Yellow                   |

Each of the Ordinary Shares CAF and the 'A' Ordinary Shares CAF consists of four parts:

Part A: Form for accepting the Securities (Ordinary Shares or 'A' Ordinary Shares, as the case may be) offered as a part of this Issue, in full or in part, and for applying for additional Ordinary Shares or 'A' Ordinary Shares, as applicable;

Part B: Form for renunciation of Securities (Ordinary Shares or 'A' Ordinary Shares, as the case may be);

Part C: Form for application of Securities (Ordinary Shares or 'A' Ordinary Shares, as the case may be) by Renouncee(s);

Part D: Form for request for split application forms.

**Please note that Eligible Shareholders can apply for Ordinary Shares only through an Ordinary Shares CAF (or plain paper) and for 'A' Ordinary Shares only through 'A' Ordinary Shares CAF (or plain paper). Please also note that Renouncees can apply for Ordinary Shares only through Ordinary Shares CAF and for 'A' Ordinary Shares only through 'A' Ordinary Shares CAF.**

***Option available to the Eligible Shareholders***

Ordinary Shares CAFs will be issued to Eligible Ordinary Shareholders.

The Ordinary Shares CAFs will clearly indicate the number of Ordinary Shares that the Eligible Ordinary Shareholder is entitled to.

An Eligible Ordinary Shareholder can:

1. Apply for his Rights Entitlement of Ordinary Shares in full;
2. Apply for his Rights Entitlement of Ordinary Shares in part;
3. Apply for his Rights Entitlement of Ordinary Shares in part and renounce the other part of the Ordinary Shares;
4. Apply for his Rights Entitlement in full and apply for additional Ordinary Shares;
5. Renounce his Rights Entitlement in full.

'A' Ordinary Shares CAFs will be issued to Eligible 'A' Ordinary Shareholders.

The 'A' Ordinary Shares CAF will clearly indicate the number of 'A' Ordinary Shares that the Eligible 'A' Ordinary Shareholder is entitled to.

An Eligible 'A' Ordinary Shareholder can:

1. Apply for his Rights Entitlement of 'A' Ordinary Shares in full;
2. Apply for his Rights Entitlement of 'A' Ordinary Shares in part;
3. Apply for his Rights Entitlement of 'A' Ordinary Shares in part and renounce the other part of the 'A' Ordinary Shares;
4. Apply for his Rights Entitlement in full and apply for additional 'A' Ordinary Shares;
5. Renounce his Rights Entitlement in full.

***Acceptance of the Issue***

You may accept the offer to participate and apply for the Ordinary Shares or 'A' Ordinary Shares, as applicable, offered,

either in full or in part, by filling Part A of the Ordinary Shares CAF or 'A' Ordinary Shares CAF, as applicable and submit the same along with the application money payable to the Bankers to the Issue or any of the collection centers as mentioned on the reverse of the Ordinary Shares CAF and 'A' Ordinary Shares CAF, as the case may be, before close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board in this regard. Investors at centres not covered by the collection branches of the Bankers to the Issue can send the Ordinary Shares CAF or 'A' Ordinary Shares CAF, as applicable, together with the cheque drawn at par on a local bank at Mumbai or a demand draft payable at Mumbai to the Registrar by registered post so as to reach the Registrar prior to the Issue Closing Date. Please note that neither our Company nor the GCSLMs nor the Lead Managers nor the Co-Lead Manager nor the Registrar shall be responsible for delay in the receipt of the Ordinary Shares CAF or the 'A' Ordinary Shares CAF, as the case may be, attributable to postal delays or if the Ordinary Shares CAF or the 'A' Ordinary Shares CAF, as the case may be, is misplaced in the transit. Applications sent to anyone other than the Registrar are liable to be rejected. For further details on the mode of payment, see "Terms of the Issue - Mode of Payment for Resident Investors" and "Terms of the Issue - Mode of Payment for Non-Resident Investors" on pages 169 of the Letter of Offer, respectively.

***Additional Securities***

You are eligible to apply for additional Ordinary Shares and 'A' Ordinary Shares, as applicable, over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Ordinary Shares and 'A' Ordinary Shares, as applicable, offered to you without renouncing them in whole or in part in favour of any other person(s). Applications for additional Ordinary Shares and 'A' Ordinary Shares, as applicable, shall be considered and Allotment shall be made at the sole discretion of the Board, subject to aggregate shareholding of FIIs and FPIs not exceeding 35% of the Ordinary Share paid-up capital and 75% of the 'A' Ordinary Share paid-up capital and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under "Terms of the Issue - Basis of Allotment" on page 181 of the Letter of Offer.

If you desire to apply for additional Ordinary Shares or 'A' Ordinary Shares, please indicate your requirement in the place provided for additional Securities in Part A of the respective CAF. Renouncee(s) applying for all the Ordinary Shares or 'A' Ordinary Shares, as the case may be, renounced in their favour may also apply for additional Ordinary Shares or 'A' Ordinary Shares, as the case may be.

Where the number of additional Ordinary Shares or 'A' Ordinary Shares applied for exceeds the number of Ordinary Shares or 'A' Ordinary Shares, as the case may be, available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

***Renunciation***

The Issue includes a right exercisable by you to renounce the Ordinary Shares or 'A' Ordinary Shares, as the case may be, offered to you either in full or in part in favour of any other person or persons. Please note that the Rights Entitlement can be traded on the floor at the BSE. Your attention is drawn to the fact that our Company shall not Allot and/or register the Ordinary Shares or 'A' Ordinary Shares, as the case may be, in favour of the following Renouncees: (i) more than three persons (including joint holders); (ii) partnership firm(s) or their nominee(s); (iii) minors; (iv) HUF; or (v) any trust or society

(unless the same is registered under the Societies Registration Act, 1860, as amended or the Indian Trust Act, 1882, as amended or any other applicable law relating to societies or trusts and is authorized under its constitution or bye-laws to hold Ordinary Shares or 'A' Ordinary Shares, as the case may be). Additionally, the Eligible Shareholders may not renounce in favour of persons or entities which would otherwise be prohibited from being offered or subscribing for Securities or Rights Entitlement under applicable securities or other laws.

**RBI Approval for Renunciation**

The RBI has, pursuant to a letter dated March 30, 2015, conveyed its no-objection to renunciation of Rights Entitlement by the following:

1. resident shareholder to a non-resident. The offer price to NR should not be less than at which the offer is made to a resident shareholder in terms of Regulation 6 of Notification No. FEMA.20/2000-RB dated May 3, 2000, as amended from time to time. Further the renunciation of the Rights Entitlement should be on the floor of the Stock Exchanges;
2. non-resident shareholder to a resident on the floor of the Stock Exchanges; and
3. non-resident shareholder to a non-resident on the floor of the Stock Exchanges. However the offer price to NR should not be less than at which the offer is made to a resident shareholder. If the non-resident shareholder renouncing the Rights Entitlement includes FIIs, the individual limit and the over all limits (as applicable) would have to be complied with; subject to the condition that: (a) the Company complies with all the documentation and reporting requirements; (b) if any transaction involves an erstwhile OCB, the bank should approach with full details for prior approval; (c) the NRI Shareholders holding non-repatriable shares may renounce the Rights Entitlement in favour of residents or other NRIs only; and (d) in terms of Regulation 6 of Notification No. FEMA 20/2000-RB dated May 3, 2000 as amended from time to time, only the existing non-resident Shareholders may subscribe for additional Securities over and above the Securities offered on the rights basis by the Company.

Accordingly, only the following may apply for additional Securities in the Issue:

- (i) resident Ordinary Shareholders and 'A' Ordinary Shareholders of our Company;
- (ii) non-resident Ordinary Shareholders and 'A' Ordinary Shareholders of our Company subject to the sectoral cap; and
- (iii) resident Renouncees.

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, OCBs have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, the Eligible Shareholders of our Company who do not wish to subscribe to the Securities being offered but wish to renounce the same shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has, however, clarified in its circular, A.P. (DIR Series) Circular no. 44 dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under the FDI Scheme with the prior approval of Government if the investment is through

Government Route and with the prior approval of the RBI if the investment is through the automatic route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such approval to us at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Part 'A' of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the CAF to the Bankers to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be the conclusive evidence for our Company of the fact of renouncement to the person(s) applying for Securities in Part 'C' of the CAF for the purpose of Allotment of such Securities. The Renouncees applying for all the Securities renounced in their favour may also apply for additional Securities. Part 'A' of the CAF must not be used by the Renouncee(s) as this will render the application invalid. Renouncee(s) will have no right to further renounce any Securities in favour of any other person.

***Procedure for renunciation***

The following procedure applies to renunciation of the Ordinary Shares and 'A' Ordinary Shares, as the case may be:

*To renounce all the Securities offered to an Eligible Shareholder in favour of one Renouncee*

If you wish to renounce the offer indicated in Part 'A', in whole, please complete Part 'B' of the CAF. In case of joint holding, all joint holders must sign Part 'B' of the CAF. The person in whose favour renunciation has been made should complete and sign Part 'C' of the CAF. In case of joint Renouncees, all joint Renouncees must sign Part 'C' of the CAF.

*To renounce in part/or renounce the whole to more than one person(s)*

If you wish to either (i) accept the offer in part and renounce the balance, or (ii) renounce the entire offer under this Issue in favour of two or more Renouncees, the CAF must be first split into requisite number of forms. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs as provided herein. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Eligible Shareholder(s), who has renounced the Securities, does not match with the specimen registered with our Company/ Depositories, the application is liable to be rejected.

***Renouncee(s)***

The person(s) in whose favour the Ordinary Shares or 'A' Ordinary Shares, as the case may be, are renounced should fill in and sign Part 'C' of the Ordinary Shares CAF or 'A' Ordinary Shares CAF, as the case may be, and submit the entire Ordinary Shares CAF or 'A' Ordinary Shares CAF, as the case may be, to the Bankers to the Issue or any of the collection branches as mentioned on the reverse of the Ordinary Shares CAF or 'A' Ordinary Shares CAF, as the case may be, on or before the Issue Closing Date along with the application money in full.

***Change and/or introduction of additional holders***

If you wish to apply for Ordinary Shares or 'A' Ordinary Shares, as the case may be, jointly with any other person(s), not more than three including you, who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that our Board shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

### Instructions for Options

The summary of options available to the Eligible Ordinary Shareholder and Eligible 'A' Ordinary Shareholder is presented below. You may exercise any of the following options with regard to the Securities offered, using the Ordinary Shares CAF or 'A' Ordinary Shares CAF, as the case may be. If you are both an Eligible Ordinary Shareholder and an Eligible 'A' Ordinary Shareholder, you may exercise the same or a different option with regard to the Ordinary Shares offered and the 'A' Ordinary Shares offered, using the corresponding CAF received from the Registrar:

| Sr. No. | Option Available                                                                                                                                                                                                                                         | Action Required                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Accept whole or part of your Rights Entitlement without renouncing the balance.                                                                                                                                                                          | Fill in and sign Part A ( <i>All joint holders must sign in the same sequence</i> )                                                                                                                                                                                                                                                                                                                                                                    |
| 2.      | Accept your Rights Entitlement in full and apply for additional Ordinary Shares or 'A' Ordinary Shares, as the case may be.                                                                                                                              | Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Ordinary Shares or 'A' Ordinary Shares, as the case may be ( <i>All joint holders must sign in the same sequence</i> )                                                                                                                                                                                                       |
| 3.      | Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s)<br>OR<br>Renounce your Rights Entitlement to all the Ordinary Shares or 'A' Ordinary Shares, as the case may be, offered to you to more than one Renouncee | Fill in and sign Part D ( <i>all joint holders must sign in the same sequence</i> ) requesting for SAFs. Send the CAF to the Registrar so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once.<br>On receipt of the SAF take action as indicated below.<br>(i) For the Ordinary Shares or 'A' Ordinary Shares, as the case may be, you wish to accept, if any, fill in and sign Part A. |

| Sr. No. | Option Available                                                                                          | Action Required                                                                                                                                                                                                                                                                                                                                                                                        |
|---------|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                           | (ii) For the Ordinary Shares or 'A' Ordinary Shares, as the case may be, you wish to renounce, fill in and sign Part B indicating the number of Ordinary Shares or 'A' Ordinary Shares, as the case may be, renounced and hand it over to the Renouncees.<br>(iii) Each Renouncee should fill in and sign Part C for the Ordinary Shares or 'A' Ordinary Shares, as the case may be, accepted by them. |
| 4.      | Renounce your Rights Entitlement in full to one person ( <i>Joint Renouncees are considered as one</i> ). | Fill in and sign Part B ( <i>all joint holders must sign in the same sequence</i> ) indicating the number of Ordinary Shares or 'A' Ordinary Shares, as the case may be, renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C ( <i>all joint Renouncees must sign</i> )                                                                                             |
| 5.      | Introduce a joint holder or change the sequence of joint holders                                          | This will be treated as renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.                                                                                                                                                                                                                                                                                          |

### Please note that:

- Ordinary Shares CAF will be issued for Ordinary Shares and 'A' Ordinary Shares CAF will be issued for 'A' Ordinary Shares offered through this Issue.
- Part 'A' of the Ordinary Shares CAF and the 'A' Ordinary Shares CAF, must not be used by any person(s) other than the Eligible Ordinary Shareholder or the Eligible 'A' Ordinary Shareholder, as the case may be, to whom the Letter of Offer has been addressed. If used, this will render the application invalid.
- Applicants must provide the information in the Ordinary Shares CAF or 'A' Ordinary Shares CAF, as the case may be, as to their account number and the name of the bank, to enable Registrar to print the information on the refund orders where Ordinary Shares and 'A' Ordinary Shares are held in physical form.
- Request for each Ordinary Shares SAF or 'A' Ordinary Shares SAF, as the case may be, should be made for a minimum of one Ordinary Shares or 'A' Ordinary Shares, as the case may be, in each case, in multiples thereof and one Ordinary Shares SAF or 'A' Ordinary Shares SAF for the balance corresponding Ordinary Shares and 'A' Ordinary Shares, if any.

5. Request by the Investor for the Ordinary Shares SAFs and the 'A' Ordinary Shares SAF should reach the Registrar on or before April 24, 2015.
6. Only the Eligible Shareholder to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for Ordinary Shares SAF or 'A' Ordinary Shares SAF, as the case may be. Forms once split cannot be split further.
7. Ordinary Shares SAFs and 'A' Ordinary Shares SAFs, as the case may be, will be sent to the Investor(s) by post at the Applicant's risk.
8. Eligible Ordinary Shareholders and Eligible 'A' Ordinary Shareholders may not renounce in favour of persons or entities who would otherwise be prohibited from being offered or subscribing for corresponding Ordinary Shares or 'A' Ordinary Shares or Rights Entitlement under applicable securities laws.
9. While applying for or renouncing their Rights Entitlement, all joint Eligible Ordinary Shareholders and Eligible 'A' Ordinary Shareholders, as the case may be, must sign the corresponding CAF and in the same order and as per specimen signatures recorded with our Company/ Depositories.
10. *Non-resident Eligible Shareholders:* Application(s) received from Non-Residents or NRIs, or persons of Indian origin residing abroad for allotment of Securities allotted as a part of this Issue shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of Securities, export of share certificates, etc. In case a Non-Resident or NRI Eligible Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF.
11. The RBI has mandated that CTS 2010 standard non-compliant cheques can be presented in clearing only in reduced frequency, specifically once a week, on Mondays of every week from November 1, 2014 onwards. This would have an impact on timelines for the issuance of final certificates, hence the CAFs accompanied by non-CTS cheques could get rejected.

#### **Availability of duplicate CAF**

In case the original CAF is not received, or is misplaced by the Eligible Shareholder, the Registrar will issue a duplicate CAF on the request of the Investor who should furnish the registered folio number/ DP and Client ID number and his/ her full name and Indian address to the Registrar. Please note that the request for duplicate CAF should reach the Registrar at least seven days prior to the Issue Closing Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the Investor violates such requirements, he/ she shall face the risk of rejection of either original CAF or both the applications. Our Company or the Registrar will not be responsible for postal delays or loss of duplicate CAF in transit, if any.

#### **Application on Plain Paper (Non-ASBA Process)**

An Eligible Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with an account payee cheque/ demand draft, net of bank and postal charges payable at Mumbai and the Investor should send the same by registered post directly to the Registrar. For details of the mode of payment, see "Terms of the Issue - Modes of

Payment" on page 169 of the Letter of Offer. Applications on plain paper from any address outside India will not be accepted. Please note that separate applications on plain paper will be required to be made by the Investors for the purposes of Ordinary Shares and 'A' Ordinary Shares.

The envelope should be super-scribed "Tata Motors Limited – Rights Issue" and should be postmarked in India. The application on plain paper, duly signed by the Eligible Shareholder including joint holders, in the same sequence and as per specimen recorded with our Company/ Depositories, must reach the office of the Registrar before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Tata Motors Limited;
2. Name and address of the Eligible Shareholder including joint holders;
3. Registered Folio Number/ DP and Client ID No.;
4. Number of Ordinary Shares and / or 'A' Ordinary Shares held as on Book Closure Date;
5. Share certificate numbers and distinctive numbers of Ordinary Shares and / or 'A' Ordinary Shares, if held in physical form;
6. Allotment option preferred - physical or demat form, if held in physical form;
7. Number of Ordinary Shares and / or 'A' Ordinary Shares entitled to;
8. Number of Ordinary Shares and / or 'A' Ordinary Shares applied for;
9. Number of additional Ordinary Shares and / or 'A' Ordinary Shares applied for, if any;
10. Total number of Ordinary Shares and / or 'A' Ordinary Shares applied for;
11. Total amount paid at the rate of ₹ 450 per Ordinary Share and ₹ 271 per 'A' Ordinary Share, as applicable;
12. Particulars of cheque/ demand draft;
13. Savings/ current account number and name and address of the bank where the Eligible Shareholder will be depositing the refund order. In case of Securities held in dematerialized form, the Registrar shall obtain the bank account details from the information available with the Depositories;
14. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Shareholder and for each Eligible Shareholder in case of joint names, irrespective of the total value of the Securities applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
15. If the payment is made by a draft purchased from NRE/ FCNR/NRO account, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR/NRO account;
16. Signature of the Applicant (in case of joint holders, to appear in the same sequence and order as they appear in the records of our Company/Depositories);
17. For ASBA Investors, application on plain paper should have details of their ASBA Account; and
18. Additionally, all such Applicants are deemed to have accepted the following:

*I/ We will not offer, sell or otherwise transfer any of the Securities which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale*

*or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We acknowledge that we, the GCSLMs, the Lead Managers, the Co-Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”*

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Eligible Shareholder violates such requirements, he/ she shall face the risk of rejection of both the applications. Our Company shall refund Application Money to the Eligible Shareholder without any interest thereon and no liability shall arise on part of our Company and its Directors.

***Last date for submission of Application***

The last date for submission of the duly filled in CAF is May 2, 2015. The Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date.

If the CAF together with the amount payable is not received by the Bankers to the Issue/ Registrar on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/ Committee of Directors, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and the Board/ Committee of Directors shall be at liberty to dispose off the Securities hereby offered, as provided under “Terms of the Issue - Basis of Allotment” on page 181 of the Letter of Offer.

***Modes of Payment***

Investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that CAFs accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.

***Mode of payment for Resident Investors***

1. All cheques / demand drafts accompanying the CAF should be drawn in favour of “Tata Motors Limited – Rights Issue – Ordinary Shares” or “Tata Motors Limited – Rights Issue – ‘A’ Ordinary Shares”, as the case may be, crossed ‘A/c Payee only’ and should be submitted along with the CAF to the Bankers to the Issue/ Collecting Bank or to the Registrar on or before Issue Closing Date;
2. Investors residing at places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with an account payee cheque/ demand draft for the full Application Money, net of bank and postal charges drawn in favour of “Tata Motors Limited – Rights Issue – Ordinary Shares” or “Tata Motors Limited – Rights Issue – ‘A’ Ordinary Shares”, as the case may be, crossed ‘A/c Payee only’ and payable at Mumbai directly to the Registrar by registered post so as to reach them on or before the Issue Closing Date. The envelope should be super-scribed “Tata Motors Limited – Rights Issue”. Our Company or the Registrar will not be responsible for postal delays or loss of applications in transit, if any.

***Mode of payment for Non-Resident Investors***

As regards the applications by non-resident Investor, the following conditions shall apply:

1. Individual non-resident Indian Applicants who are permitted to subscribe for Securities by applicable local securities laws can obtain application forms from the following address:

**Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound, L.B.S. Marg

Bhandup (West), Mumbai 400 078

Tel: (91 22) 6171 5400, Fax: (91 22) 2596 0329

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

Email: [tatamotors.rights@linkintime.co.in](mailto:tatamotors.rights@linkintime.co.in)

Contact Person: Sachin Achar

SEBI Registration No: INR000004058

*Note: The Letter of Offer/ Abridged Letter of Offer and CAFs to NRIs shall be sent only to their Indian address, if provided.*

2. Applications will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Securities may be restricted by applicable securities laws.
3. Non-resident investors applying from places other than places where the bank collection centres have been opened by our Company for collecting applications (as specified in the CAF), are requested to send their CAFs together with Demand Draft for the full Application Money, net of bank and postal charges drawn in favour of: (i) “Tata Motors Limited – Rights Issue – Ordinary Shares – NR” or “Tata Motors Limited – Rights Issue – ‘A’ Ordinary Shares – NR”, as the case may be, in case of application with repatriation benefits; or (ii) in favour of “Tata Motors Limited – Rights Issue – Ordinary Shares” or “Tata Motors Limited – Rights Issue – ‘A’ Ordinary Shares”, as the case may be, in case of application without repatriation benefits, crossed ‘A/c Payee only’ payable at Mumbai directly to the Registrar by registered post so as to reach them on or before the Issue Closing Date. The envelope should be super-scribed “Tata Motors Limited – Rights Issue”. Our Company or the Registrar will not be responsible for postal delays or loss of applications in transit, if any.
4. Payment by non-residents must be made by demand draft payable at Mumbai/ cheque drawn on a bank account maintained with the Bankers to the Issue or funds remitted from abroad in any of the following ways:

***Application with repatriation benefits***

1. By Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate); or
2. By cheque / bank drafts remitted through normal banking channel or out of funds in Non-Resident External Account (NRE) or FCNR Account maintained with banks authorised to deal in foreign currency in India, along with documentary evidence in support of remittance;
3. By Rupee draft purchased by debit to NRE/FCNR Account maintained elsewhere in India and payable at Mumbai;
4. FIIs registered with SEBI must utilise funds from special non-resident rupee account;
5. Non-resident investors with repatriation benefits should draw the cheques/ demand drafts in favour of “Tata Motors Limited – Rights Issue – Ordinary Shares – NR” or “Tata Motors Limited – Rights Issue – ‘A’ Ordinary Shares – NR”, as the case may be, crossed “A/c Payee only” for the full Application Money, net of bank and postal charges and which should be submitted along with the CAF to the Bankers to the Issue/collection centres or to the Registrar;

6. Applicants should note that where payment is made through drafts purchased from NRE/ FCNR/ NRO account as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. In the absence of such an account debit certificate, the application shall be considered incomplete and is liable to be rejected.

***Application without repatriation benefits***

1. As far as non-residents holding Securities on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained in Mumbai or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. In such cases, the Allotment of Securities will be on non-repatriation basis.
2. Non-resident investors without repatriation benefits should draw the cheques/demand drafts in favour of “Tata Motors Limited – Rights Issue – Ordinary Shares” or “Tata Motors Limited – Rights Issue – ‘A’ Ordinary Shares”, as the case may be, crossed “A/c Payee only” for the full Application Money, net of bank and postal charges and which should be submitted along with the CAF to the Bankers to the Issue/ collection centres or to the Registrar;
3. Applicants should note that where payment is made through drafts purchased from NRE/ FCNR/ NRO accounts, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. In the absence of such an account debit certificate, the application shall be considered incomplete and is liable to be rejected.
4. An Eligible Shareholder whose status has changed from resident to non-resident should open a new demat account reflecting the changed status. Any application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company, GCSLMs, the Lead Managers and the Co-Lead Manager.

**Notes:**

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Securities can be remitted outside India, subject to tax, as applicable according to the IT Act.
2. In case Securities are allotted on a non-repatriation basis, the dividend and sale proceeds of the Securities cannot be remitted outside India.
3. The CAF duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
4. In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

**Procedure for Application through the ASBA Process**

*This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. Our Company, the GCSLMs, the Lead Managers and the Co-Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations,*

*which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up.*

*The GCSLMs, the Lead Managers, the Co-Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to applications accepted by SCSBs, Applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.*

**Please note that in accordance with the provisions of the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs, Non-Institutional Investors and Non-Retail Individual Investors complying with the eligibility conditions prescribed under the SEBI circular no. SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the conditions prescribed under the SEBI circular dated December 30, 2009 may optionally apply through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors, or (iii) Investors whose Application Money is more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process. Renounees and Eligible Shareholders holding Ordinary Shares or ‘A’ Ordinary Shares in physical form are not eligible ASBA Investors and must only apply for Securities through the non-ASBA process, irrespective of the Application Money. All non-retail Investors are encouraged to make use of ASBA process wherever such facilities is available.**

**Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.**

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>. For details on Designated Branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link.

***Eligible Shareholders who are eligible to apply under the ASBA Process***

The option of applying for Securities in the Issue through the ASBA Process is only available to the Eligible Shareholders of our Company on the Book Closure Date and who:

1. hold the Securities in dematerialised form as on the Book Closure Date and have applied towards his/her Rights

- Entitlements or additional Securities in the Issue in dematerialised form;
2. have not renounced his/her Rights Entitlements in full or in part;
  3. are not a Renouncee;
  4. are applying through a bank account maintained with SCSBs; and
  5. are eligible under applicable securities laws to subscribe for the Rights Entitlement and the Securities in the Issue.

#### **CAF**

The Registrar will dispatch the Ordinary Shares CAF to all Eligible Ordinary Shareholders and 'A' Ordinary Shares CAF to all Eligible 'A' Ordinary Shareholders as per their Rights Entitlement on the Book Closure Date for the Issue. Those Investors who wish to apply through the ASBA payment mechanism will have to select for this mechanism in Part A of the CAF and provide necessary details.

Investors desiring to use the ASBA Process are required to submit their applications by selecting the ASBA Option in Part A of the CAF only. Application in electronic mode will only be available with such SCSBs who provide such facility. The Investors shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

More than one ASBA Investor may apply using the same ASBA Account, provided that the SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Account.

#### **Acceptance of the Issue**

You may accept the Issue and apply for the Securities either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA process option in Part A of the CAF and submit the same to the Designated Branch of the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board in this regard.

#### **Additional Securities**

You are eligible to apply for additional Securities over and above your Rights Entitlement, provided that you are eligible to apply for Securities under applicable law and you have applied for all the Securities offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Securities shall be considered and Allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under "Terms of the Issue-Basis of Allotment" on page 181 of the Letter of Offer.

If you desire to apply for additional Securities, please indicate your requirement in the place provided for additional Securities in Part A of the CAF.

#### **Renunciation under the ASBA Process**

ASBA Investors can neither be Renouncees, nor can renounce their Rights Entitlement.

#### **Mode of payment**

The Investor applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in an ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions

from the Registrar. Upon receipt of intimation from the Registrar, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account. This amount will be transferred in terms of the SEBI Regulations, into a separate bank account maintained by our Company for the purpose of the Issue. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar, the GCSLMs, the Co-Lead Manager and the Lead Managers to the respective SCSB.

The Investor applying under the ASBA Process would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the ASBA Account, details of which have been provided by the Investor in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application only on technical grounds.

Please note that in accordance with the provisions of the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, all QIBs and Non-Institutional Investors complying with the eligibility conditions prescribed under SEBI circular no. SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 must mandatorily invest through the ASBA process.

#### **Options available to the Eligible Shareholders applying under the ASBA Process**

The summary of options available to the Eligible Ordinary Shareholders and Eligible 'A' Ordinary Shareholders is presented below. You may exercise any of the following options with regard to the Ordinary Shares and / or 'A' Ordinary Shares, using the respective CAFs received from Registrar:

|    | <b>Option Available</b>                                                                                       | <b>Action Required</b>                                                                                                                                                                                                                                                      |
|----|---------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Accept whole or part of your Rights Entitlement without renouncing the balance.                               | Fill in and sign Part A of the Ordinary Shares CAF or 'A' Ordinary Shares CAF, as the case may be ( <i>All joint holders must sign in the same sequence</i> )                                                                                                               |
| 2. | Accept your Rights Entitlement in full and apply for additional Ordinary Shares and / or 'A' Ordinary Shares. | Fill in and sign Part A of the Ordinary Shares CAF or 'A' Ordinary Shares CAF, as the case may be, including Block III relating to the acceptance of entitlement and Block IV relating to additional Securities ( <i>All joint holders must sign in the same sequence</i> ) |

**The Investors applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the Designated Branch of the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAFs would be treated as if the Investor has selected to apply through the ASBA process option.**

#### **Application on Plain Paper (ASBA Process)**

An Eligible Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. Eligible Shareholders shall

submit the plain paper application to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper from any address outside India will not be accepted. Please note that separate applications on plain paper will be required to be made by the Investors for the purposes of Ordinary Shares and 'A' Ordinary Shares.

The envelope should be super-scribed "Tata Motors Limited – Rights Issue" and should be postmarked in India. The application on plain paper, duly signed by the Eligible Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/ Depositories, must reach the office of the Registrar before the Issue Closing Date and should contain the following particulars:

1. Name of Issuer, being Tata Motors Limited;
2. Name and address of the Eligible Shareholder including joint holders;
3. Registered Folio Number/ DP and Client ID No.;
4. Certificate numbers and distinctive numbers of Ordinary Shares and / or 'A' Ordinary Shares, if held in physical form;
5. Number of Ordinary Shares and / or 'A' Ordinary Shares held as on Book Closure Date;
6. Number of Ordinary Shares and / or 'A' Ordinary Shares entitled to;
7. Number of Ordinary Shares and / or 'A' Ordinary Shares applied for;
8. Number of additional Ordinary Shares and / or 'A' Ordinary Shares applied for, if any;
9. Total number of Ordinary Shares and / or 'A' Ordinary Shares applied for;
10. Total amount paid at the rate of ₹ 450 per Ordinary Share and ₹ 271 per 'A' Ordinary Share, as applicable;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of non-resident investors, details of the NRE/ FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for applications on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Shareholder and for each Eligible Shareholder in case of joint names, irrespective of the total value of the Securities applied for pursuant to the Issue;
14. Signature of the Eligible Shareholders to appear in the same sequence and order as they appear in our records; and
15. Additionally, all such Eligible Shareholders applying through ASBA are deemed to have accepted the following:

*"I/ We will not offer, sell or otherwise transfer any of the Securities which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We acknowledge that we, the GCSLMs, the Lead Managers, the Co-Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."*

#### **Option to receive Securities in Dematerialized Form**

**ELIGIBLE SHAREHOLDERS UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE SECURITIES UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE SECURITIES ARE HELD BY SUCH ASBA APPLICANT ON THE BOOK CLOSURE DATE.**

#### **General instructions for Eligible Shareholders applying under the ASBA Process**

1. Please read the instructions printed on the respective CAF carefully.
2. Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, Abridged Letter of Offer are liable to be rejected. The CAF must be filled in English.
3. The CAF in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to the Bankers to the Issue (assuming that such Banker is not a SCSB), to our Company or the Registrar or the GCSLMs or the Lead Managers or the Co-Lead Manager to the Issue.
4. All Eligible Shareholders, and in the case of application in joint names, each of the joint Applicants, should mention his/her PAN allotted under the IT Act, irrespective of the amount of the application. Except for applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **CAFs without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Eligible Shareholders for which PAN details have not been verified shall be "suspended for credit" and no allotment and credit of Securities pursuant to the Issue shall be made into the accounts of such Eligible Shareholders.**
5. All payments will be made by blocking the amount in the ASBA Account. Cash payment or payment by cheque/ demand draft/ pay order is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
6. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Eligible Shareholders must sign the CAF as per the specimen signature recorded with our Company/ or Depositories.
7. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same sequence and as per the specimen signature(s) recorded with our Company/ Depositories. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
8. All communication in connection with application for the Securities, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the Allotment Date in this Issue quoting the name of the first/sole Applicant, folio numbers and CAF number.
9. Only the person or persons to whom the Securities have been offered and not renouncee(s) shall be eligible to participate under the ASBA process.

10. Only persons outside the restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Securities under applicable securities laws are eligible to participate.
11. Only the Eligible Shareholders holding securities in demat are eligible to participate through the ASBA process.
12. Eligible Shareholders who have renounced their entitlement in part/ full are not entitled to apply using the ASBA process.
13. Please note that in accordance with the provisions of the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs, Non-Institutional Investors and Non-Retail Individual Investors complying with the eligibility conditions prescribed under the SEBI circular no. SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the conditions prescribed under the SEBI circular dated December 30, 2009 may optionally apply through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors, or (iii) Investors whose Application Money is more than ₹ 2,00,000, can participate in the Issue either through the ASBA process or the non ASBA process.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

14. In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under “Terms of the Issue - Application on Plain Paper” on page 174 of the Letter of Offer.

**Do's:**

1. Ensure compliance with the eligibility conditions prescribed under the SEBI circular no. SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009.
2. Ensure that the ASBA Process option is selected in Part A of the CAF and necessary details are filled in.
3. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Securities will be allotted in the dematerialized form only.
4. Ensure that the CAFs are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the CAF.
5. Ensure that there are sufficient funds (equal to {number of Securities as the case may be applied for} X {Issue Price of Securities, as the case may be}) available in the ASBA Account mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.

6. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the ASBA Account, of which details are provided in the CAF and have signed the same.
7. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the CAF in physical form.
8. Except for CAFs submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Eligible Shareholder should mention their PAN allotted under the IT Act.
9. Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
10. Ensure that the Demographic Details are updated, true and correct, in all respects.
11. Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.

**Don'ts:**

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
2. Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.
3. Do not pay the amount payable on application in cash, by money order, pay order or by postal order.
4. Do not send your physical CAFs to the GCSLMs / Lead Managers /Co-Lead Manager / Registrar / Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB) / to a branch of the SCSB which is not a Designated Branch of the SCSB / Company; instead submit the same to a Designated Branch of the SCSB only.
5. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
6. Do not apply if the ASBA account has been used for five Eligible Shareholders.
7. Do not apply through the ASBA Process if you are not an ASBA Eligible Shareholder.
8. Do not instruct the SCSBs to release the funds blocked under the ASBA Process.
9. Do not submit CAF having the colour of ink specified for another class of Eligible Shareholders.

**Grounds for Technical Rejection under the ASBA Process**

In addition to the grounds listed under “Grounds for Technical Rejections for non-ASBA Investors” on page 187 of the Letter of Offer, applications under the ASBA Process are liable to be rejected on the following grounds:

1. Application on a SAF (unless all the SAFs are used by the original shareholder).
2. Application for allotment of Rights Entitlements or additional Securities which are in physical form.
3. DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
4. Sending an ASBA application on plain paper to person other than SCSB.
5. Sending CAF to the GCSLMs / the Lead Managers / the Co-Lead Manager / Registrar / Collecting Bank (assuming that such Collecting Bank is not a SCSB) / to a branch of a SCSB which is not a Designated Branch of the SCSB / Company.

6. Renouncee applying under the ASBA Process.
7. Submission of more than five CAFs per ASBA Account.
8. Insufficient funds are available with the SCSB for blocking the amount.
9. Funds in the ASBA Account whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.
10. Account holder not signing the CAF or declaration mentioned therein.
11. CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in any restricted jurisdiction and is authorized to acquire the rights and the Securities in compliance with all applicable laws and regulations.
12. CAFs which have evidence of being executed in/dispatched from any restricted jurisdiction.
13. QIBs, Non-Institutional Investors and other Eligible Shareholders applying for Securities in this Issue for value of more than ₹ 2,00,000 who hold Securities in dematerialised form and is not a Renouncer or a Renouncee not applying through the ASBA process.
14. Application by an Eligible Shareholder whose cumulative value of Securities applied for is more than ₹ 2,00,000 but has applied separately through split CAFs of less than ₹ 2,00,000 and has not done so through the ASBA process.
15. Multiple CAFs, including cases where an Eligible Shareholder submits CAFs along with a plain paper application.
16. Submitting the GIR instead of the PAN.
17. An Eligible Shareholder, who is not complying with any or all of the conditions for being an ASBA Investor, applies under the ASBA process.
18. Applications by persons not competent to contract under the Indian Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
19. ASBA Bids by SCSB on own account applying through ASBA process, other than through an ASBA Account in its own name with any other SCSB.
20. Applications by Eligible Shareholders ineligible to make applications through the ASBA process, made through the ASBA process.
21. Non-Institutional Investors who have a bank account with an SCSB providing ASBA facility in the location of the Non-Institutional Investors and the application by the Non-Institutional Investors is not made through that SCSB providing ASBA facility in such location.

**Depository account and bank details for Eligible Shareholders applying under the ASBA Process**

**IT IS MANDATORY FOR ALL THE ELIGIBLE SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR SECURITIES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE SECURITIES ARE HELD BY THE ELIGIBLE SHAREHOLDERS AS ON THE BOOK CLOSURE DATE. ALL ELIGIBLE SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. ELIGIBLE SHAREHOLDERS APPLYING UNDER THE ASBA**

**PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF/PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Eligible Shareholders applying under the ASBA Process should note that on the basis of name of these Eligible Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF/plain paper applications, as the case may be, the Registrar to the Issue will obtain from the Depository, demographic details of these Eligible Shareholders such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Eligible Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.**

These Demographic Details would be used for all correspondence with such Eligible Shareholders including mailing of the letters intimating unblocking of bank account of the respective Eligible Shareholder. The Demographic Details given by the Eligible Shareholders in the CAF would not be used for any other purposes by the Registrar. Hence, Eligible Shareholders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Eligible Shareholders applying under the ASBA Process would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**Letters intimating Allotment and unblocking or refund (if any) would be mailed at the address of the Eligible Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Securities are not allotted to such Eligible Shareholder. Eligible Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of the funds may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Eligible Shareholder in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.**

**Note that any such delay shall be at the sole risk of the Eligible Shareholders applying under the ASBA Process and none of our Company, the SCSBs or the GCSLMs or the Lead Managers or the Co-Lead Manager shall be liable to compensate the Eligible Shareholder applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Eligible Shareholders (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such applications are liable to be rejected.

#### **Underwriting**

The Company has entered into the Underwriting Agreement with the Underwriters. In terms of the Underwriting Agreement, the Underwriters at the request of the Company have agreed to underwrite the Ordinary Shares and 'A' Ordinary Shares offered

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

through this Issue up to a maximum of ₹ 4,500 crore as given in the table below. In terms of the Underwriting Agreement, the Underwriters, shall and subject to the Assured Subscription being brought in by the Promoter be responsible for bringing in any shortfalls at the Issue Price

| Underwriter                                                 | Underwriter's Commitments<br>(In ₹ crore) |                     |                 | Under-writing fees (%) |
|-------------------------------------------------------------|-------------------------------------------|---------------------|-----------------|------------------------|
|                                                             | Ordinary Shares                           | 'A' Ordinary Shares | Total           |                        |
| Citigroup Global Markets India Private Limited              | 615                                       | 75                  | 690             | 0.75                   |
| Credit Suisse Securities India Private Limited              | 615                                       | 75                  | 690             | 0.75                   |
| DSP Merrill Lynch Limited                                   | 615                                       | 75                  | 690             | 0.75                   |
| HSBC Securities and Capital Markets (India) Private Limited | 615                                       | 75                  | 690             | 0.75                   |
| J.P Morgan India Private Limited                            | 615                                       | 75                  | 690             | 0.75                   |
| ICICI Securities Limited                                    | 310                                       | 40                  | 350             | 0.50                   |
| Kotak Mahindra Capital Company Limited                      | 310                                       | 40                  | 350             | 0.50                   |
| SBI Capital Markets Limited                                 | 310                                       | 40                  | 350             | 0.50                   |
| HDFC Bank Limited                                           | 0.22                                      | 0.03                | 0.25            | 0.50                   |
| <b>TOTAL</b>                                                | <b>4,005.22</b>                           | <b>495.03</b>       | <b>4,500.25</b> |                        |

*Note: The obligations of each Underwriter mentioned above are several and not joint.*

The Underwriting Agreement also provides that if an Underwriter defaults, then the purchase amounts of non-defaulting Underwriters may be increased or the offering may be terminated.

In the opinion of the Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their underwriting obligations in full.

Our Company has agreed that, for a period of 90 days from the date of listing of the Securities, our Company will not, without the prior written consent of the Underwriters, issue any Securities or any securities convertible into or exercisable or exchangeable for the Securities or publicly announce any intention to do so during the aforesaid period. However, our Company may, issue securities on account of conversion of financial instruments outstanding as of March 30, 2015 in connection with the Issue.

The Promoter has also agreed that, in case of devolvement on the Underwriter in excess of 40% of the Securities offered in the Issue, it shall not, for a period of 90 days from the date of listing of the Securities offered in the Issue, without the prior written consent of the Underwriters, (a) directly or indirectly, sell or otherwise transfer or dispose of any Ordinary Shares or 'A' Ordinary Shares held by the Promoter as of the date of the listing of the Securities (the "Locked-in Shares") or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any

of the economic consequences of ownership of the Locked-in Shares or publicly announce an intention to enter into any such transaction, whether any such swap or transaction described in (a) or (b) hereof is to be settled by delivery of Locked-in Shares in cash or otherwise.

Our Company has agreed to indemnify the Underwriters against certain liabilities. The Underwriters have agreed not to sell the devolved Ordinary Shares and 'A' Ordinary Shares subscribed for by the Underwriters as part of the Rights Offering outside of India.

The Underwriters have also agreed not to enter into any hedge, short-sale or similar transaction with respect to Ordinary Shares, the 'A' Ordinary Shares, the ADSs or any related rights, during the period from March 26, 2015 until the Allotment Date.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services.

Certain of the Underwriters or their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, investment banking, commercial banking of other services for us, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters or their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to our assets, securities and / or instruments (directly, as collateral securing other obligations or otherwise) and / or persons and entities with relationships with us. The underwriters or their respective affiliates may also communicate independent investment recommendations, market colour or trading ideas and / or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and / or short positions in such assets, securities and instruments.

### Issue Schedule

|                                                   |                |
|---------------------------------------------------|----------------|
| <b>Issue Opening Date:</b>                        | April 17, 2015 |
| <b>Last date for receiving requests for SAFs:</b> | April 24, 2015 |
| <b>Issue Closing Date:</b>                        | May 2, 2015    |

The Board may however decide to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

### Basis of Allotment

Subject to the provisions contained in the Letter of Offer, the Articles of Association of our Company and the approval of the Designated Stock Exchange, the Board will proceed to Allot the Ordinary Shares and 'A' Ordinary Shares in the following order of priority reckoned separately for Ordinary Shares and 'A' Ordinary Shares:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/ have applied for Securities renounced in their favour, in full or in part. Allotment to NR Renouncees shall be subject to the permissible foreign investment limits application to our Company under FEMA.

2. Investors whose fractional entitlements are being ignored would be given preference in allotment of one additional Security each if they apply for additional Securities. Allotment under this head shall be considered if there are any unsubscribed Securities after allotment under (1) above. If number of Securities required for Allotment under this head are more than the number of Securities available after Allotment under (1) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Shareholders who having applied for all the Securities offered to them as part of the Issue, have also applied for additional Securities. The Allotment of such additional Securities will be made as far as possible on an equitable basis having due regard to the number of Securities held by them on the Book Closure Date, provided there are any unsubscribed Securities after making full Allotment in (1) and (2) above. The Allotment of such Securities will be at the sole discretion of the Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
4. Allotment to Renouncees who having applied for all the Securities renounced in their favour, have applied for additional Securities provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Securities will be at the sole discretion of the Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
5. Allotment to any other person that our Board as it may deem fit provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of the Board in this regard shall be final and binding.  
After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of regulation 3(1)(b) of the Takeover Regulations.  
Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Securities in the Issue, along with:
  1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
  2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
  3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

#### **Allotment Advices / Refund Orders**

Our Company will issue and dispatch Allotment advice/ demat credit and/or letters of regret along with refund order or credit the allotted Securities to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Electronic Clearing Service ("NECS") except where Investors have not provided the details required to send electronic refunds.

In case of those Investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the

Securities shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In case of those Investors who have opted to receive their Rights Entitlement in physical form and our Company issues letter of allotment, the corresponding share certificates will be kept ready within two months from the date of Allotment thereof or such extended time as may be approved under Section 56 of the Companies Act, 2013 or other applicable provisions, if any. Investors are required to preserve such letters of allotment, which would be exchanged later for the share certificate.

The letter of allotment/ refund order would be sent by registered post/ speed post to the sole/ first Investor's Indian address provided by the Eligible Shareholders to our Company. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

In the case of non-resident shareholders or Investors who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicable laws and other approvals, in case of Non-resident shareholders or Investors who remit their application money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in U.S. dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into U.S. dollars. The letter of allotment will be sent by registered post / speed post to the Indian address of the Non Resident shareholders or Investors as provided to our Company.

#### **Payment of Refund**

##### *Mode of making refunds*

The payment of refund, if any, would be done through any of the following modes:

1. NECS – Payment of refund would be done through NECS for Investors having an account at any of the 68 centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories/ the records of the Registrar. The payment of refunds is mandatory for Investors having a bank account at any centre where NECS facility has been made available (subject to availability of all information for crediting the refund through NECS).
2. National Electronic Fund Transfer ("NEFT") – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("IFSC Code"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

3. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
4. RTGS – If the refund amount exceeds ₹ 200,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the CAF. In the event the same is not provided, refund shall be made through NECS or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
5. For all other Investors the refund orders will be dispatched through speed post/ registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
6. Credit of refunds to Investors in any other electronic manner which is, permissible under the banking laws that are in force and is permitted by SEBI from time to time.

***Refund payment to Non-residents***

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian rupees based on the U.S. dollars equivalent which ought to be refunded. Indian rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned Applicant and our Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

**Printing of Bank Particulars on Refund Orders**

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/refund warrants which can then be deposited only in the account specified. Our Company will, in no way, be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

***Allotment advice / Share Certificates/ Demat Credit***

Allotment advice / share certificates / demat credit or letters of regret will be dispatched to the registered address of the first named Investor or respective beneficiary accounts will be credited within 15 days, from the Issue Closing Date. In case our Company issues Allotment advice, the respective share certificates will be dispatched within one month from the date of the Allotment. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for share certificates.

***Option to receive Securities in Dematerialized Form***

Investors shall be allotted the Securities in dematerialized (electronic) form at the option of the Investor. Our Company has signed a tripartite agreement with NSDL on December 9, 1997 which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Securities in the form of physical certificates. Our Company has also signed a tripartite agreement with CDSL on September 27, 1999 which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Securities in the form of physical certificates.

In this Issue, the Allottees who have opted for Securities in dematerialized form will receive their Securities in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Securities to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Securities in physical form. No separate CAFs for Securities in physical and/or dematerialized form should be made. If such CAFs are made, the CAFs for physical Securities will be treated as multiple CAFs and is liable to be rejected. In case of partial Allotment, Allotment will be done in demat option for the Securities sought in demat and balance, if any, will be allotted in physical Securities. Eligible Shareholders of our Company holding Securities in physical form may opt to receive Securities in the Issue in dematerialized form.

**INVESTORS MAY PLEASE NOTE THAT THE SECURITIES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Securities in this Issue in the electronic form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. *Those Investors who have already opened such beneficiary account(s) need not adhere to this step.*
2. For Eligible Shareholders already holding Securities in dematerialized form as on the Book Closure Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Securities pursuant to this Issue by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Securities arising out of this Issue may be made in dematerialized form even if the Securities are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company/ Depositories.
3. The responsibility for correctness of information (including Investor's age and other details) filled in the CAF vis-à-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in CAF should be the same as registered with the Investor's depository participant.
4. If incomplete / incorrect beneficiary account details are given in the CAF, the Investor will get Securities in physical form.
5. The Securities allotted to Applicants opting for issue in dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the Applicant by the Registrar but the Applicant's

depository participant will provide to him the confirmation of the credit of such Securities to the Applicant's depository account.

6. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Securities in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.

#### General instructions for non-ASBA Investors

1. Please read the instructions printed on the CAF carefully.
2. Applicants that are not QIBs or are not Non – Institutional Investor or those whose Application money does not exceed ₹ 200,000 may participate in the Issue either through ASBA or the non-ASBA process. Eligible Shareholders who have renounced their entitlement (in full or in part), Renouncees and Applicants holding Securities in physical form and/ or subscribing in the Issue for Allotment in physical form may participate in the Issue only through the non ASBA process.
3. Application should be made on the printed CAF, provided by our Company except as mentioned under the head "Terms of the Issue - Application on Plain Paper" from page 168 to 171 of the Letter of Offer and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of the Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father's / husband's name must be filled in block letters.

The CAF together with the cheque/demand draft should be sent to the Bankers to the Issue/ Escrow Collection Bank or to the Registrar and not to our Company or the GCSLMs, the Lead Managers and Co-Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Bankers to the Issue have been authorised by our Company for collecting applications, will have to make payment by demand draft payable at Mumbai of an amount net of bank and postal charges and send their CAFs to the Registrar by registered post. If any portion of the CAF is/are detached or separated, such application is liable to be rejected.

**Applications where separate cheques/demand drafts are not attached for amounts to be paid for the Securities are liable to be rejected. Applications accompanied by cash, postal order or stock invest are liable to be rejected.**

4. Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN allotted under the IT Act, irrespective of the amount of the application. CAFs without PAN will be considered incomplete and are liable to be rejected.
5. Investors, holding Securities in physical form, are advised that it is mandatory to provide information as to their savings/current account number, the nine digit MICR number and the name of the bank with whom such account is held in the CAF to enable the Registrar to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected.

6. All payment should be made by cheque or demand draft only. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
7. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Investors must sign the CAF as per the specimen signature recorded with our Company.
8. In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum of Association and Articles of Association and / or bye laws of such body corporate or society must be lodged with the Registrar giving reference of the serial number of the CAF. In case the above referred documents are already registered with our Company, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Bankers to the Issue.
9. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company/ Depositories. Further, in case of joint Investors who are Renouncees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.
10. Application(s) received from NRs/NRIs, or persons of Indian origin residing abroad for Allotment of Ordinary Shares and / or 'A' Ordinary Shares, as the case may be, shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA, in the matter of refund of application money, Allotment of Securities, interest, export of share certificates, etc. In case an NR or NRI Investor has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/NRIs in any jurisdiction where the offer or sale of the Rights Entitlements and issue of Securities of our Company may be restricted by applicable securities laws.
11. All communication in connection with application for the Securities, including any change in address of the Investors should be addressed to the Registrar prior to the Allotment Date in this Issue quoting the name of the first/sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Investors, after the Allotment Date, should be sent to the Registrar and transfer agents of our Company, in the case of Securities held in physical form and to the respective depository participant, in case of Securities held in dematerialized form.
12. SAFs cannot be re-split.
13. Only the person or persons to whom Securities have been offered and not Renouncee(s) shall be entitled to obtain SAFs.
14. Investors must write their CAF number at the back of the cheque /demand draft.

15. Only one mode of payment per application should be used. The payment must be by cheque / demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the bankers clearing house located at the centre indicated on the reverse of the CAF where the application is to be submitted.
16. A separate cheque / draft must accompany each CAF. Outstation cheques / demand drafts or post-dated cheques and postal / money orders will not be accepted and applications accompanied by such cheques / demand drafts / money orders or postal orders will be rejected. The Registrar will not accept payment against application if made in cash.
17. No receipt will be issued for application money received. The Bankers to the Issue / Escrow Collection Banks/ Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.
18. The distribution of the Letter of Offer and issue of Securities to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in such jurisdictions are instructed to disregard the Letter of Offer and not to attempt to subscribe for Securities.
19. Investors shall be given an option to get the Securities in demat or physical form.
20. Investors are requested to ensure that the number of Securities applied for by them do not exceed the prescribed limits under the applicable law.

***Do's for non-ASBA Investors:***

1. Check if you are eligible to apply i.e. you are an Eligible Shareholder on the Book Closure Date.
2. Read all the instructions carefully and ensure that the cheque/ draft option is selected in Part A of the CAF and necessary details are filled in.
3. In the event you hold Securities in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Securities will be allotted in the dematerialized form only.
4. Ensure that your Indian address is available to us and the Registrar and transfer agent, in case you hold the Securities in physical form or the depository participant, in case you hold Securities in dematerialised form.
5. Ensure that the value of the cheque/ draft submitted by you is equal to the (number of Securities applied for) X (Issue Price of Securities, as the case may be) before submission of the CAF.
6. Ensure that you receive an acknowledgement from the collection branch of the Bankers to the Issue for your submission of the CAF in physical form.
7. Ensure that you mention your PAN allotted under the IT Act with the CAF, except for Applications on behalf of the Central and the State Governments, residents of the state of Sikkim and officials appointed by the courts.
8. Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
9. Ensure that the demographic details are updated, true and correct, in all respects.

***Don'ts for non-ASBA Investors:***

1. Do not apply if you are not eligible to participate in the Issue the securities laws applicable to your jurisdiction.
2. Do not apply on duplicate CAF after you have submitted a CAF to a collection branch of the Bankers to the Issue.
3. Do not pay the amount payable on application in cash, by money order or by postal order.
4. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
5. Do not submit Application accompanied with stock invest.
6. Do not submit CAF having the colour of ink specified for another class of Eligible Shareholders.

**Grounds for Technical Rejections for non-ASBA Investors**

Investors are advised to note that applications are liable to be rejected on technical grounds, including the following:

1. Amount paid does not tally with the amount payable.
2. Bank account details (for refund) are not given and the same are not available with the DP (in the case of dematerialized holdings) or the Registrar and transfer agent (in the case of physical holdings).
3. Age of Investor(s) not given (in case of Renouncees).
4. Except for CAFs on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, PAN not given for application of any value.
5. In case of CAF under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted.
6. If the signature of the Investor does not match with the one given on the CAF and for renounce(s) if the signature does not match with the records available with their depositories.
7. CAFs are not submitted by the Investors within the time prescribed as per the CAF and the Letter of Offer.
8. CAFs not duly signed by the sole/joint Investors.
9. CAFs/ SAFs by OCBs not accompanied by a copy of an RBI approval to apply in this Issue.
10. Submission of the CAFs to SCSBs.
11. Submission of plain paper Application to person other than Registrar.
12. CAFs accompanied by stock invest/ outstation cheques/ post-dated cheques/ money order/ postal order/ outstation demand drafts.
13. In case no corresponding record is available with the depositories that match three parameters, namely, names of the Investors (including the order of names of joint holders), DP ID and Client ID.
14. CAFs that do not include the certifications set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in any restricted jurisdictions and is authorised to acquire the Rights Entitlements and Securities in compliance with all applicable laws and regulations.
15. CAFs which have evidence of being executed in/dispatched from restricted jurisdictions.
16. CAFs by ineligible Non-Residents (including on account of restriction or prohibition under applicable local laws) and where an Indian address has not been provided.
17. CAFs where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements.
18. In case the GIR number is submitted instead of the PAN.

19. Applications by Renouncees who are persons not competent to contract under the Indian Contract Act, 1872, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
20. Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.
21. Applications from QIBs, Non-Institutional Investors or Investors applying in this Issue for Securities for an amount exceeding ₹ 200,000, not through ASBA process.
22. Application by an Eligible Shareholder whose cumulative value of Securities applied for is more than ₹ 200,000 but has applied separately through SAFs of less than ₹ 200,000 and has not been undertaken through the ASBA process.

Please read the Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are an integral part of the Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in the Letter of Offer or the CAF.

#### **Investments by FPIs and FIIs**

In terms of the SEBI FPI Regulations, the issue of Securities to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board followed by a special resolution passed by the shareholders of our Company. In this regard, total permitted holding of FIIs in the Ordinary Share paid up capital has been increased to 35% by a resolution passed by our shareholders on January 22, 2004 and to 75% of the 'A' Ordinary Share paid-up capital approved by the Reserve Bank of India pursuant to their letter dated October 31, 2013.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

An FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account (other than a sub-account which is a foreign corporate or a foreign individual) may participate in the Issue, until the expiry of its registration as an FII or sub-account or until it obtains a certificate of registration as an FPI, whichever is earlier. If the registration of an FII or sub-account has expired or is about to expire, such FII or sub-account may subject to payment of conversion fees as applicable under the SEBI FPI Regulations, participate in the Issue. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

#### **Investment by NRIs**

Investments by NRIs are governed by the portfolio investment scheme under Regulation 5(3)(i) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended. Applications will not be accepted from NRIs in restricted jurisdictions.

**Please note that pursuant to the applicability of the directions issued by SEBI vide its circular no. CIR/ CFD/**

**DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Securities for an amount exceeding ₹ 200,000 shall mandatorily make use of ASBA facility.**

#### **Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Application made by asset management companies or custodian of a mutual fund shall clearly indicate the name of the concerned scheme for which Application is being made.

**Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/ CFD/ DIL/ 1/ 2011 dated April 29, 2011, all Applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Securities for an amount exceeding ₹ 200,000 shall mandatorily make use of ASBA facility.**

#### **Impersonation**

**As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:**

*"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

#### **Dematerialized dealing**

Our Company has entered into agreements, dated December 9, 1997 and September 27, 1999 with NSDL and CDSL, respectively, and the Ordinary Shares bear the ISIN INE155A01022 and the 'A' Ordinary Shares bear ISIN IN9155A01020.

#### **Payment by stock invest**

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### **Disposal of application and application money**

No acknowledgment will be issued for the application moneys received by our Company. However, the Bankers to the Issue / Registrar / Designated Branch of the SCSBs receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Securities allotted, will be refunded to the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the CAF carefully.

### **Utilisation of Issue Proceeds**

Our Board declares that:

1. All monies received out of the Issue shall be transferred to a separate bank account;
2. Details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
3. Details of all unutilised monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested; and
4. Our Company may utilize the funds collected in the Issue only after the basis of Allotment is finalised.

### **Undertakings by our Company**

Our Company undertakes the following:

1. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Securities are to be listed will be taken within seven working days of finalization of basis of allotment.
3. The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. Except as disclosed in section titled "Capital Structure" in the Letter of Offer, no further issue of securities affecting our Company's equity capital shall be made till the Securities issued/ offered in the Issue are listed or till the application money are refunded on account of non-listing, under-subscription etc.
6. Our Company accepts full responsibility for the accuracy of information given in the Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in the Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.
7. Adequate arrangements shall be made to collect all ASBA applications and to consider then similar to non-ASBA applications while finalising the basis of Allotment.
8. At any given time there shall be only one denomination for the Securities of our Company.
9. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

### **Minimum Subscription**

If our Company does not receive the minimum subscription of 90% of the Issue of the Ordinary Shares and 'A' Ordinary Shares, on an aggregate basis, including the devolvment obligation of the Underwriters, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in the refund of the

subscription amount by more than eight days after our Company becomes liable to pay the subscription amount (i.e. 15 days after the Issue Closing Date), our Company shall pay interest for the delayed period, as prescribed under applicable laws.

### **Important**

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the CAF are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer or CAF and requests for SAFs must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the first Eligible Shareholder as mentioned on the CAF and super-scribed "Tata Motors Limited - Rights Issue" on the envelope and postmarked in India) to the Registrar at the following address:

#### **Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound, L.B.S. Marg  
Bhandup (West), Mumbai 400 078

Tel: (91 22) 6171 5400

Fax: (91 22) 2596 0329

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

Email: [tatamotors.rights@linkintime.co.in](mailto:tatamotors.rights@linkintime.co.in)

Contact Person: Sachin Achar

SEBI Registration No: INR000004058

The Issue will remain open for a minimum 15 days. However, the Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all working days from the date of the Letter of Offer until the Issue Closing Date.

#### **A. Material Contracts for the Issue**

1. Issue Agreement dated March 30, 2015 between our Company and the GCSLMs, the Lead Managers and the Co-Lead Manager.
2. Registrar Agreement dated March 25, 2015 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated March 30, 2015 amongst our Company, the GCSLMs, the Lead Managers, the Co-Lead Manager, the Registrar to the Issue and the Bankers to the Issue.
4. Monitoring Agency Agreement dated March 30, 2015 between our Company and the Monitoring Agency.
5. Underwriting Agreement dated March 26, 2015 between our Company and the Underwriters.

#### **B. Material Documents**

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended.
2. Certificate of incorporation of our Company.
3. Resolution of our Board dated January 27, 2015 in relation to this Issue and other related matters.

4. Resolution of our shareholders dated March 3, 2015 authorising the issue of 'A' Ordinary Shares in terms of Rule 4(1)(b) of the Companies (Share Capital and Debentures) Rules, 2014.
5. Resolution passed by our Board dated March 25, 2015 finalizing the terms of the Issue including Issue Price, Book Closure Date and the Rights Entitlement Ratio.
6. Letter of offer dated September 18, 2008 filed with the Stock Exchanges by our Company.
7. Letter (FED.CO.FID.No.15434/10.21.341/2014-15) dated March 30, 2015 issued by RBI in relation to renunciation of Rights Entitlement.
8. Consents of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, GCSLMs, the Lead Managers, the Co-Lead Manager, Bankers to the Issue, Legal Advisor to the Issue, the Registrar to the Issue and the Monitoring Agency for inclusion of their names in the Letter of Offer to act in their respective capacities.
9. Consent of Deloitte Haskins & Sells LLP, Chartered Accountants, to be named as an "expert" under Sections 2(38) and 26 of the Companies Act, 2013, in relation to their (i) audit reports dated May 29, 2014 on the audited standalone and audited consolidated financial statements of our Company for Fiscal 2014, (ii) reports each dated February 5, 2015 on the audited standalone financial statements of our Company for the nine months ended December 31, 2014 and limited reviewed consolidated financial statements for the nine months ended December 31, 2014, and (iii) the tax benefit statement dated March 30, 2015.
10. The (i) audit reports each dated May 29, 2014 on the audited standalone financial statements and audited consolidated financial statements of our Company for Fiscal 2014, and (ii) reports each dated February 5, 2015 on the audited standalone financial statements for the nine months ended December 31, 2014 and limited reviewed consolidated financial statements for the nine months ended December 31, 2014.
11. Annual Reports of our Company for Fiscal 2014, 2013, 2012, 2011 and 2010 taken on a standalone and consolidated basis.
12. The tax benefits statement dated March 30, 2015 from the Statutory Auditor.
13. Approvals dated March 27, 2015 issued by BSE and NSE, respectively under Clause 24(a) of the Listing Agreement.
14. Due Diligence Certificate dated March 30, 2015 addressed to SEBI from the GCSLMs, the Lead Managers and the Co-Lead Manager.
15. Tripartite Agreement dated December 9, 1997 between our Company, the Registrar to the Issue and NSDL.
16. Tripartite Agreement dated September 27, 1999 between our Company, the Registrar to the Issue and CDSL.

Any of the contracts or documents mentioned in the Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Eligible Shareholders, subject to compliance with applicable law.

#### **ADDITIONAL INFORMATION**

For certain additional information included in the Letter of Offer, refer "Additional Information" on page 198 of the Letter of Offer.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

### DECLARATION

We hereby certify that no statement made in the Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

We further certify that all disclosures made in the Letter of Offer are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

| Name                                                                  | Signature |
|-----------------------------------------------------------------------|-----------|
| Cyrus P Mistry<br><i>Chairman and Nominee Director</i>                |           |
| Nusli N Wadia<br><i>Independent Director</i>                          |           |
| Dr. Raghunath A Mashelkar<br><i>Independent Director</i>              |           |
| Nasser Munjee<br><i>Independent Director</i>                          |           |
| Subodh Bhargava<br><i>Independent Director</i>                        |           |
| Vinesh K Jairath<br><i>Independent Director</i>                       |           |
| Dr. Ralf Speth<br><i>Non-Executive Director</i>                       |           |
| Falguni S Nayar<br><i>Independent Director</i>                        |           |
| Ravindra Pisharody<br><i>Executive Director (Commercial Vehicles)</i> |           |
| Satish B Borwankar<br><i>Executive Director (Quality)</i>             |           |

Date: March 30, 2015  
Place: Mumbai

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C. Ramakrishnan  
*Chief Financial Officer*

FOR FURTHER DETAILS PLEASE REFER TO THE LETTER OF OFFER