

# NOTICE

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

Dear Member,

NOTICE IS HEREBY GIVEN THAT THE SEVENTY THIRD ANNUAL GENERAL MEETING OF TATA MOTORS LIMITED will be held on Friday, August 3, 2018 at 3:00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020 to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 together with the Report of the Auditors thereon.
3. To appoint a Director in place of Mr Guenter Butschek (DIN: 07427375) who, retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS

### 4. Appointment of Ms Hanne Birgitte Sorensen (DIN: 08035439) as a Director and as an Independent Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that Ms Hanne Birgitte Sorensen (DIN: 08035439), who was appointed as an Additional Director of the Company with effect from January 3, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ("the Act") and Article 132 of the Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company."

"RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the appointment of Ms Hanne Birgitte Sorensen (DIN: 08035439), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from January 3, 2018 upto January 2, 2023, be and is hereby approved."

### 5. Ratification of Cost Auditor's Remuneration

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹5,00,000/- (Rupees Five Lakh Only) plus applicable taxes, travel and out-of-pocket expenses incurred in connection with the audit, as approved by the Board of Directors, payable to M/s Mani & Co., Cost Accountants (Firm Registration No. 000004) who are appointed as Cost Auditors to conduct the audit of the relevant cost records of the Company for the financial year ending March 31, 2019."

### 6. Private placement of Non-Convertible Debentures/Bonds

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 23, 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, both as amended from time to time, the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and such other regulations prescribed by SEBI ("SEBI Regulations"), as may be amended from time to time, other applicable laws and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board or executives, as permitted under the Act or the Rules thereunder, constituted to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to cumulative/non-cumulative, listed/unlisted, secured/unsecured, redeemable non-convertible debentures/bonds ("NCDs") on private placement basis, in one or more series/tranches during a period of one year from the date of passing this Resolution, upto an amount not exceeding ₹2,500 crores (Rupees Two Thousand and Five Hundred Crores Only) on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilization of issue proceeds and all matters connected with or incidental thereto and that such borrowing is within the overall borrowing limits of the Company."

“RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to finalise, settle and execute such documents, deeds, writings, papers or agreements as may be required and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary proper and desirable and to resolve any question, difficulty or doubt that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company.”

#### 7. **Tata Motors Limited Employees Stock Option Scheme 2018 and grant of stock options to the Eligible Employees under the Scheme**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Share Capital and Debentures) Rules, 2014, the Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SBEB Regulations”), the provisions of Foreign Exchange Management Act, 1999, the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India (“FEMA”), the provisions of any regulations/guidelines prescribed by the Securities and Exchange Board of India (“SEBI”) and other applicable laws for the time being in force (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time) and subject to any applicable approval(s), consent(s), permission(s) and sanction(s) of any authority(ies) and also any condition(s) and modification(s) as may be prescribed or imposed by such authority(ies) while granting such approval(s), consent(s), permission(s) and sanction(s), and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include Nomination and Remuneration Committee (“NRC”) or their delegated authority to exercise its powers, including the powers conferred by this Resolution), consent of the members be and is hereby accorded to the Board to adopt and implement “Tata Motors Limited Employees Stock Option Scheme 2018” (“TML ESOP Scheme 2018”/“the Scheme”) and to create, offer and grant such number of options and to issue and allot such number of Ordinary Shares not exceeding 1,38,00,000 (One Crore Thirty Eight Lakh Only) options (representing 0.406% of the issued share capital of the Company), from time to time, to the permanent employees of the Company, whether working in India or out of India, present or future, as may be decided by the Board and permitted under the SBEB Regulations but does not include an employee who is a promoter or a person belonging to the promoter group (“Eligible Employees”), with each option giving a right, but not an obligation, to the Eligible Employees to subscribe to one fully paidup Ordinary Share of the face value of ₹2/- (Rupees Two Only) each in the Company, (a) at a price of ₹345/- (Rupees Three Hundred and Forty Five Only) each per Ordinary Share in respect of Eligible Employees as on this date; and (b) at a price based on the average market price of the Ordinary Shares quoted on the stock exchange of India having the highest

trading volumes for the Company’s Ordinary Shares during the period of 90 days preceding the date of grant by the NRC in respect of the new joiners who would become Eligible Employees hereinafter, and that the grant of options, vesting and exercise thereof shall be in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Scheme, the accounting policies, SBEB Regulations and in due compliance with the applicable laws and regulations in force.”

“RESOLVED FURTHER that the Ordinary Shares to be issued pursuant to the Scheme shall rank *pari passu* in all respects with the existing Ordinary Shares of the Company.”

“RESOLVED FURTHER that in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, change in capital structure, merger, sale of division/undertaking or other re-organization, the outstanding options to be granted under the Scheme shall be suitably adjusted for the number of options as well as the exercise price, as applicable and that the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the Scheme are passed on to the Eligible Employees.”

“RESOLVED FURTHER that the Board be and is hereby authorized to approve the Grant Letter, Application Form, ESOP agreement and other related documents, to grant options to the Eligible Employees (including deciding the number of options to be granted to Eligible Employees at same work level), to allot Ordinary Shares upon exercise of options by the Eligible Employees, to take necessary steps for listing of the Ordinary Shares allotted under the Scheme on the stock exchanges, to make any modifications/changes/variations/alterations/revisions in the Scheme or suspend/withdraw/revive the Scheme from time to time, unless such change is detrimental to the interest of the Eligible Employees, as may be required in case of any change in applicable laws or as specified by any statutory authority, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to the implementation, administration and evolution of the Scheme.”

“RESOLVED FURTHER that the Company shall conform to the accounting policies prescribed from time to time under SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the TML ESOP Scheme 2018.”

By Order of the Board of Directors

**H K SETHNA**  
Company Secretary  
FCS No: 3507

Mumbai, May 23, 2018

#### **Registered Office:**

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

Tel: +91 22 6665 8282; Fax: +91 22 6665 7799

Email: [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com); Website: [www.tatamotors.com](http://www.tatamotors.com)

CIN: L28920MH1945PLC004520

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the business under item nos. 4 to 7 set out above and details of Directors seeking appointment/re-appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India in respect of directors seeking appointment / re-appointment at this Annual General Meeting ("AGM"/ "the meeting") are annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER.**

The duly completed and signed instrument appointing proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than forty-eight hours before the time for holding the AGM. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

3. Corporate members intending to send their authorised representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the AGM.
4. Only registered members (including the holders of 'A' Ordinary Shares) of the Company may attend and vote at the AGM. The holders of the American Depositary Receipts (the "ADR") of the Company shall not be entitled to attend the said AGM. However, the ADR holders are entitled to give instructions for exercise of voting rights at the said meeting through the Depository, to give or withhold such consent, to receive such notice or to otherwise take action to exercise their rights with respect to such underlying shares represented by each such ADR. A brief statement, as to the manner in which such voting instructions may be given, is being sent to the ADR holders by the Depository.
5. In case of joint holders attending the AGM, only such a joint holder who is senior by the order in which the name stands in the register of members will be entitled to vote.
6. The Register of Directors and Key Managerial Personnel and their shareholding as maintained under Section 170 of the Act, the Register of Contracts or Arrangement in which the Directors are interested as maintained under Section 189 of the Act and relevant documents referred to in the Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the meeting and also at the venue during the meeting.
7. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the

shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrar and Transfer Agent ("RTA") in case the shares are held by them in physical form.

8. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.
9. Non-Resident Indian members are requested to inform the Company's RTA immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
10. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details/NECS/mandates, nominations, power of attorney, change of address/name, PAN details, etc. to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the members.

In case of members holding shares in physical form, such information is required to be provided to the Company's RTA.

A form for capturing the above details is annexed hereto for use by the members.

Members' Referencer giving guidance on securities related matters is put on the Company's website and can be accessed at link: <https://www.tatamotors.com/investors/>

11. **SEBI HAS MANDATED SUBMISSION OF PERMANENT ACCOUNT NUMBER (PAN) BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**
12. **SECURITIES OF LISTED COMPANIES WOULD BE TRANSFERRED IN DEMATERIALIZED FORM ONLY, FROM A CUT-OFF DATE, TO BE NOTIFIED BY SEBI. IN VIEW OF THE SAME MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONSIDER CONVERTING THEIR HOLDINGS TO DEMATERIALIZED FORM TO ELIMINATE ALL RISKS ASSOCIATED WITH PHYSICAL SHARES AND FOR EASE OF PORTFOLIO MANAGEMENT. MEMBERS CAN CONTACT THE COMPANY'S RTA FOR ASSISTANCE IN THIS REGARD.**
13. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer

to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline. The members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to Corporate Governance Report which is a part of this Annual Report.

14. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
15. To support the "Green Initiative" announced by the Government of India, electronic copies of the Annual Report and this Notice inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent by e-mail to those members whose e-mail addresses have been made available to the Company / Depository Participants unless the member has specifically requested for a hard copy of the same. In other cases, hard copy of the Abridged Annual Report is being sent to the members by the permitted mode. The members who are desirous of receiving the full Annual Report may write to the Company's RTA for a copy of the same.  
**MEMBERS WHO HAVE NOT REGISTERED THEIR EMAIL ADDRESSES WITH COMPANY'S RTA /DEPOSITORIES ARE REQUESTED TO CONTRIBUTE TO THE GREEN INITIATIVE BY REGISTERING THEIR EMAIL ADDRESS, FOR RECEIVING ALL FUTURE COMMUNICATIONS THROUGH E-MAIL.**
16. Attendance Slip, Proxy Form and the route map showing directions to reach the venue of the AGM are annexed hereto.
17. Members may note that the Notice and Annual Report 2017-18 will also be available on the Company's website viz. [www.tatamotors.com](http://www.tatamotors.com).

#### 18. VOTING BY MEMBERS:

- A. In compliance with the provisions of Section 108 of the Act, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means either by (a) remote e-voting (by using the electronic voting system provided by NSDL as explained at 'para F' herein below) or (b) Electronic/Physical Ballot at the AGM venue (as provided at 'para G' herein below). Resolution(s) passed by members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
- B. The voting rights of the Ordinary Shareholders shall be in the same proportion to the paid up Ordinary share capital and in case of voting rights on the 'A' Ordinary shares, the holder shall be entitled to one vote for every ten 'A' Ordinary shares held.
- C. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on July 27, 2018 ("the cut-off date"), shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting / voting through electronic ballot at the meeting. Any person who is not a member as on the cut-off date should treat this Notice for information purposes only.

- D. The members can opt for only one mode of voting i.e. either by remote e-voting or electronic ballot at the meeting. The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through electronic ballot. The members who have cast their vote by remote e-voting are eligible to attend the meeting but shall not be entitled to cast their vote again.
- E. The Board of Directors has appointed Mr P N Parikh (Membership No. FCS 327) and failing him Mr Mitesh Dhabliwala (Membership No. FCS 8331) of M/s Parikh & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting and voting process at the venue, in a fair and transparent manner.

#### F. INSTRUCTIONS FOR REMOTE E-VOTING:

Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

The remote e-voting period starts on Tuesday, July 31, 2018 (9.00 a.m. IST) and ends on Thursday, August 2, 2018 (5.00 p.m. IST). Remote e-voting shall be disabled by NSDL at 5:00 p.m. on August 2, 2018 and members shall not be allowed to vote through remote e-voting thereafter.

The procedure to login to e-voting website consists of two steps as detailed hereunder.

##### Step 1 : Log-in to NSDL e-voting system

- i. Visit the e-voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log in to NSDL eservices after using your log in credentials, click on e-voting and you can proceed to step 2 i.e. Cast your vote electronically.
- iv. Your User ID details will be as per details given below :
  - a) **For members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
  - b) **For members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - c) **For members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example, for members holding Ordinary Shares, if folio number is 001\*\*\* and EVEN is 108491 then user ID is 108491001\*\*\*. For members holding 'A' Ordinary Shares, if folio number is 001\*\*\* and EVEN is 108492 then user ID is 108492001\*\*\*).



- v. Your password details are given below:
  - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
- vi. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) (If you are holding shares in your demat account with NSDL or CDSL).
  - b) Click on "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) (If you are holding shares in physical mode).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- vii. After entering your password, tick on "I here by agree to all Terms and Conditions".
- viii. Click on "Login" button.
- ix. After you click on the "Login" button, Home page of e-voting will open.

#### **Step 2: Cast your vote electronically on NSDL e-voting system**

- i. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting.
- ii. Click on Active Voting Cycles. You will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- iii. Select "EVEN" of the Company for casting your vote:
  - a. EVEN for Ordinary Shares is 108491
  - b. EVEN for 'A' Ordinary Shares is 108492
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

- vi. Upon confirmation, the message "Vote cast successfully" will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

- Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to [tml.scrutinizer@gmail.com](mailto:tml.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the "Downloads" section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### **G. VOTING AT AGM:**

Members who are present at the AGM, but have not casted their votes by availing the remote e-voting facility, would be entitled to vote at the end of the discussion on the resolutions on which voting is to be held, by way of electronic/physical ballot.

#### **19. DECLARATION OF RESULTS ON THE RESOLUTIONS:**

- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution, invalid votes, if any, and whether the Resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing who shall countersign the same.
- The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.tatamotors.com](http://www.tatamotors.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Ltd., where the securities of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.
- Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting i.e. August 3, 2018.

## EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 4 to 7 of the accompanying Notice dated May 23, 2018.

### Item No. 4

The Board of Directors ("the Board"), based on recommendation of the Nomination and Remuneration Committee ("NRC"), appointed Ms Hanne Birgitte Sorensen as an Additional Director as also an Independent Director of the Company on January 3, 2018 and she holds office as a Director up to the date of this AGM, pursuant to the provisions of Section 161(1) of the Act.

Ms. Sorensen (52) is a Danish national and holds an MSc. in Economics and Management from the University of Aarhus. She is on the Boards and Committees of various international companies. Previously, she has held various positions in finance business within the A.P. Moller – Maersk A/S Group in Denmark between 1994 and 2016, including as the CEO of Damco, the CEO of Maersk Tankers, and the Senior Vice-President and Chief Commercial Officer of Maersk Line.

Ms Sorensen has given her declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director.

Ms Sorensen, being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director of the Company for a term of five consecutive years from January 3, 2018 up to January 2, 2023 in compliance with Section 149 of the Act read with Schedule IV to the Act. Pursuant to the provisions of Section 160 (1) of the Act, the Company has received notice from a member signifying his intention to propose the appointment of Ms Sorensen as a Director.

In the opinion of the Board, Ms Sorensen is a person of integrity, possesses the relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as Independent Director and she is independent of the management.

Given her global experience and the Company's adherence to policy on diversity, gender and geographical, the Board considers it desirable and in the interest of the Company to have Ms Sorensen on the Board of the Company and accordingly the Board recommends the appointment of Ms Sorensen as an Independent Director as proposed in the resolution set out at Item No. 4 for approval by the members.

The terms and conditions of appointment of Independent Director shall be open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the meeting and also at the venue during the meeting.

Except for Ms Sorensen and/or her relatives, no other Director, Key Managerial Personnel or their relatives are, in any way, concerned

or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

### Item No. 5

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records for specified products conducted by a Cost Accountant. Based on the recommendation of the Audit Committee, the Board had on May 23, 2018, approved the appointment and remuneration of M/s Mani & Co., the Cost Auditors (Firm Registration No. 000004) to conduct the audit of the Cost records maintained by the Company, pertaining to the relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014, for the financial year ending March 31, 2019 at a remuneration of ₹5,00,000/- (Rupees Five Lakh Only).

It may be noted that the records of the activities under Cost Audit is no longer prescribed for "Motor Vehicles and certain parts and accessories thereof". However, based on the recommendations of the Audit Committee, the Board has also approved the appointment of M/s Mani & Co. for submission of reports to the Company on cost records pertaining to these activities for a remuneration of ₹20,00,000/- (Rupees Twenty Lakh Only) for the said financial year.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, ratification for the remuneration payable to the Cost Auditors to audit the cost records of the Company for the said financial year by way of an Ordinary Resolution is being sought from the members as set out at Item No. 5 of the Notice.

M/s Mani & Co. have furnished a certificate dated May 14, 2018 regarding their eligibility for appointment as Cost Auditors of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

### Item No. 6

The Company had obtained members' approval for borrowing up to ₹3,000 crores by way of Non-Convertible Debentures ("NCDs") at the Annual General Meeting ("AGM") held on August 22, 2017, which is valid for a period of one year from date of the said approval. The Company has borrowed ₹1,500 crores by way of unsecured NCDs up to May 2018 in accordance with the aforesaid members' approval.

As per the provisions of Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company making a private placement of its securities is required to obtain approval of the members by way of a Special Resolution for each offer or invitation before making such offer. However, in

case of offer for NCDs, it shall be sufficient if the Company passes a previous Special Resolution only once in a year for all the offers or invitation for such debentures during the year.

The NCDs issued on private placement basis is one of the cost effective sources of long term borrowings raised by the Company. The Company had obtained members' approval vide Postal Ballot on June 27, 2014 to borrow from time to time any sum(s) of monies which, together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) upto an amount not exceeding ₹30,000 crores. The borrowings of the Company (on standalone basis excluding joint operations) as at March 31, 2018 aggregate approximately ₹17,494 crores, of which outstanding NCDs aggregate to ₹8,097 crores. The Company's Net Debt-Equity ratio (on standalone basis excluding joint operations) as at March 31, 2018 is 1.13:1 and the Company believes that the aggregate borrowings would be well within acceptable levels.

In continuation of its efforts to strengthen its capital structure, the Company intends to augment the resources through a mix of internal accruals and long-term borrowings to ensure that they are aligned in terms of quantum, risk, maturity and cost with its earning profile. Accordingly, it is proposed to issue NCDs on a private placement basis aggregating upto ₹2,500 crores, in one or more series/tranches during the period of one year from the date of passing of this Resolution, with an intention to finance, *inter-alia*, the repayment of certain NCDs/term loans from Banks, to fund part of the ongoing capital expenditure and for general corporate purposes. The Company intends to raise NCDs for tenures ranging between 2 to 10 years and expects the borrowing cost of NCDs to be lower than 1 year MCLR rate of State Bank of India (prevailing at 8.15% p.a. as on March 31, 2018) plus a spread of 100 bps, considering the current credit rating of the Company of AA by ICRA and AA+ by CARE.

It is therefore proposed to pass an enabling resolution authorizing the Board of Directors to make specific issuances based on the Company's requirements, market liquidity and appetite at the opportune time.

In the opinion of the Board, the above proposal as set out in Item No. 6 of the Notice is in the interest of the Company and accordingly the Board recommends the same for approval by the members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

#### Item No. 7:

Stock options in the hands of the employees have since long been recognised as an effective instrument to align the interests of the employees with that of the Company. With a view to ring fence and incentivize key talent to drive long term objectives of the Company, to ensure that employee payoff match the long gestation period of certain key initiatives, to drive ownership behavior and collaboration amongst employees, it is proposed to approve and adopt Tata Motors Limited Employees Stock Option Scheme 2018 ("TML ESOP Scheme 2018" / "the Scheme").

The Nomination and Remuneration Committee ("NRC") at its meeting held on May 23, 2018 formulated the detailed terms and

conditions of the Scheme which was duly approved by the Board of Directors at its meeting held on the even date, subject to approval of the members.

Jaguar land Rover ("JLR") currently has a long term incentive plan, which provides cash payment to certain employees based on the JLR's performance against long-term metrics related to performance and strategic priorities (over a period of three years).

The Board believes that the above two initiatives to link the employees performance in Tata Motors and JLR together with other initiatives taken in the Tata Motors group would assist in improving the financials of the Company, both standalone and consolidated.

The Scheme has been formulated in accordance with the provisions of the Act and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations"). The salient features of the Scheme are as under:

#### a. Brief description of the Scheme :

The Scheme is intended to reward, retain and motivate the Eligible Employees of the Company for their performance and participation in the growth and profitability of the Company. The Eligible Employees shall be granted all the stock options in one tranche, as determined by the NRC, which will vest on particular dates and could be exercisable into Ordinary Shares, on the terms and conditions as provided hereunder, in accordance with the provisions of the applicable laws and regulations for the time being in force.

#### b. Total number of options to be granted:

Not exceeding 1,38,00,000 (One Crore Thirty Eight Lakh Only) options may, in aggregate, be granted that would entitle the grantees to acquire, in one or more tranches, not exceeding 1,38,00,000 (One Crore Thirty Eight Lakh Only) Ordinary Shares of the Company of the face value of ₹2/- (Rupees Two Only) each fully paid up (representing 0.406% of the issued share capital of the Company as on date). The total aggregate limit of 1,38,00,000 (One Crore Thirty Eight Lakh Only) options may be adjusted for any corporate action(s), as may be decided by the Board.

#### c. Identification of classes of employees entitled to participate in the Scheme:

The following Eligible Employees, as may be decided by the NRC, shall be granted options under the Scheme:

- Employees of the Company in the levels of LC, L1, L2 and select L3 (around 200 employees forming 2% of the white collar population).
- Employees falling in the above level by way of new appointments or promotions over the next 3 years, i.e. by July 1, 2021, shall be granted options on a pro-rata basis for the period from the date of his/her joining/promotion upto the remaining time to vest.
- Expatriates and existing Whole-Time Directors would be excluded in terms of their individually negotiated contracts.

As per SBEB Regulations, the following category of employees/directors shall not be eligible to participate in

the Scheme:

- An employee of the Company who is a promoter or belongs to the promoter group;
- A director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company; and
- Independent Directors of the Company.

**d. Requirements of vesting and period of vesting:**

The options shall vest in employees subject to continuing employment with the Company or any Tata Company (as defined in the Scheme) on the Company achieving certain performance matrices (such as market share, EBITDA and positive cash flows as per the Company's standalone financials). NRC would determine the said matrices, detailed terms and conditions relating to such vesting including the proportion in which options granted would vest.

The Options would vest in three tranches i.e. June 2021, June 2022 and June 2023 where after the grantees would have the right to subscribe to the Ordinary Shares during the Exercise Period.

Where an Eligible Employee discontinues to be in the permanent employment of the Company due to:

- **Resignation or Termination of services:** All the options which are granted and yet not vested as on that day shall expire and the vested options should be exercised on or before the date of such discontinuation. For employees whose office has been terminated due to misconduct during the period, the number of options vested as on that day would lapse in accordance with the terms and conditions detailed in the Scheme.
- **Retirement:** The number of options granted would be pro-rated to the employee's remaining years of service as on the date of the grant. The vesting and exercise period would be as per the Scheme.
- **Transfer to a Tata Company:** Options would vest on pro-rata basis for the period served with the Company, subject to the employee continuing to serve a Tata Company on the date of vesting. The vesting and exercise period would be as per the Scheme.
- **Death:** All the options granted to the employee till such date shall vest in his/her legal heirs or nominees.
- **Permanent incapacity:** All the options granted to the employee as on the date of permanent incapacitation, shall vest in him/her on that day.

An employee can be granted long leave (defined as a period of not more than one year in line with the Company's Sabbatical Policy). Where an Eligible Employee is on long leave at any time during the period of grant of options up till the vesting date, the options would be granted or vested on pro-rata basis for the period (after adjusting the period of long leave).

**e. Maximum period within which the options shall be vested:**

Options granted under TML ESOP Scheme 2018 would vest within a maximum period of 5 (five) years from the date of grant of such options.

**f. Exercise Price or pricing formula:**

The Exercise Price shall be ₹345/- (Rupees Three Hundred and Forty Five Only) per option, which is based on the 90 days average market price of the Company's Ordinary Shares as of May 23, 2018 (the date of approval of the Scheme by NRC and Board). In case of new appointments or promotions, the Exercise Price would be based on the average market price of the Ordinary Shares quoted on the stock exchange of India having the highest trading volumes for the Company's Ordinary Shares during the period of 90 days preceding the date of grant by the NRC.

The Exercise Price may be adjusted for any corporate action(s), as may be decided by the Board.

**g. Exercise Period and the process of Exercise:**

The Exercise Period would commence from the date of vesting of options and will expire at the end of one year from the date of vesting of options. NRC may extend the Exercise Period by a further period of two years, as it may deem fit.

The options will be exercisable by the employees by a written application to the Company accompanied by payment of the Exercise Price in such manner and on execution of such documents, as may be prescribed by the NRC from time to time.

The options will lapse if not exercised within the specified Exercise Period. Lapsed options cannot be re-issued by the Company.

**h. Appraisal process for determining the eligibility of employees:**

The appraisal process for determining the eligibility of the employees to the options at the time of grant and to the number of Ordinary Shares at the time of vesting will be decided by the NRC from time to time.

**i. Maximum number of options to be issued per employee and in aggregate:**

The number of options that may be granted to an Eligible Employee under the Scheme in any one year would not exceed 3,35,000 options and in aggregate the maximum number of options would not exceed 1,38,00,000 options (representing 0.406% of the total issued share capital of the Company). The options granted and the Exercise Price shall be adjusted for any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, change in capital structure, merger, sale of division/undertaking or other re-organization, as applicable under the terms and conditions detailed in the Scheme and the decision of the Board shall be final in respect of such adjustment.

**j. Maximum Quantum of benefits to be provided per employee:**

The maximum quantum of benefits underlying the options issued to an Eligible Employee shall depend upon the number of options held by him/her and the market price of the Ordinary Shares as on the date of sale.



**k. Route of Scheme implementation:**

The Scheme shall be implemented and administered directly by the Company.

**l. Source of Shares:**

The Scheme contemplates issue of new Ordinary Shares by the Company.

**m. The amount of loan provided for implementation of the Scheme by the Company to the Trust, its tenure, utilisation, repayment terms, etc.:**

Not applicable. Company would not provide any loan for implementation of the Scheme.

**n. Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase under the scheme:**

This is not applicable under the present Scheme.

**o. Accounting and Disclosure Policies:**

The Company shall follow Ind AS 102 'Employee Share-based Payments', the Guidance Note on Accounting for Employee Share based Payments, as applicable, and/or any relevant Accounting Standards/Guidance Note as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

**p. Method of Valuation:**

The Company will determine the fair value of the options using the Black-Scholes model when the same are issued to the employees. The fair value will be recognized as employee costs over the vesting period, with a corresponding increase in equity.

**q. The following statement, if applicable:**

In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Board's Report and the impact of this difference on profits

and on earnings per share ('EPS') of the Company shall also be disclosed in the Board's Report.

The said Statement is not applicable to the Company since the Company is opting for the Fair Value Method.

Regulation 6(1) of SBEB Regulations and Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 requires that every employee stock option scheme shall be approved by the members of the Company by passing a special resolution in a general meeting. Further, as the Scheme would entail further issue of shares, consent of the members is required by way of a special resolution pursuant to Section 62(1)(b) of the Act.

Issue of the said Ordinary Shares would be well within the Authorised Share Capital of the Company.

The Board recommends the special resolution set out at Item No. 7 of the Notice for approval by the members.

The draft TML ESOP Scheme 2018 shall be open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, up to the date of the meeting and also at the venue during the meeting.

None of the Directors of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice. Key Managerial Personnel of the Company or their relatives may be deemed concerned or interested, financially or otherwise, in the said resolution only to the extent of any stock options that may be granted to them and the resultant Ordinary Shares issued, as applicable.

By Order of the Board of Directors

**H K SETHNA**

Company Secretary  
FCS No: 3507

Mumbai, May 23, 2018

**Registered Office:**

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Tel: +91 22 6665 8282; Fax: +91 22 6665 7799

Email: [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com); Website: [www.tatamotors.com](http://www.tatamotors.com)

CIN: L28920MH1945PLC004520

**Details of Directors seeking appointment / re-appointment at the Annual General Meeting**  
**[Pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings]**

Particulars	Mr Guenter Butschek	Ms Hanne Birgitte Sorensen
Director Identification Number (DIN)	07427375	08035439
Date of Birth / Age	October 21, 1960 57 years	September 18, 1965 52 years
Date of first appointment on the Board	February 15, 2016	January 3, 2018
Educational Qualification	Mr Butschek graduated in Business Administration and Economics with a diploma from the University of Cooperative Education Stuttgart, Germany.	Ms Sorensen holds an MSc in Economics and Management from the University of Aarhus.
Experience (including expertise in specific functional areas) / Brief Resume	Mr Butschek is the Chief Executive Officer and Managing Director of the Company. Mr. Butschek has 25+ years of global experience in international automotive management across multiple functions such as production, industrialisation and procurement. Besides Daimler AG, he has worked in the Airbus Group as its Chief Operating Officer (COO) and a member of the Group Executive Committee.	Ms Sorensen, a Danish national, is on the Boards and Committees of various international companies. Previously, she has held various positions in finance business within the A.P. Moller – Maersk A/S Group in Denmark between 1994 and 2016, including as the CEO of Damco, the CEO of Maersk Tankers, and the Senior Vice-President and Chief Commercial Officer of Maersk Line.
Directorships held in other companies	<ul style="list-style-type: none"> <li>• Tata Cummins Private Ltd.</li> <li>• Tata Daewoo Commercial Vehicle Co. Ltd.</li> <li>• Tata Motors European Technical Center Plc.</li> <li>• Tata Technologies Ltd.</li> <li>• TMF Holdings Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• Delhivery Private Ltd.</li> <li>• Ferrovial S.A</li> <li>• LafargeHolcim Ltd.</li> <li>• Sulzer Ltd.</li> </ul>
Memberships/ Chairmanships of committees across companies	<ul style="list-style-type: none"> <li>• <b>Tata Motors Ltd.</b> - Member of Stakeholders' Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and Safety, Health and Sustainability Committee.</li> <li>• <b>Tata Motors European Technical Center, PLC.</b> - Member of Remuneration Committee.</li> <li>• <b>TMF Holdings Ltd.</b> - Member of Nomination and Remuneration Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Tata Motors Ltd.</b> - Member of Stakeholders' Relationship Committee and Chairperson of Risk Management Committee.</li> <li>• <b>Ferrovial S.A</b> - Member of Nomination and Remuneration Committee.</li> <li>• <b>LafargeHolcim Ltd.</b> - Member of Health, Safety and Sustainability Committee and Nomination and Governance Committee.</li> <li>• <b>Sulzer Ltd.</b> - Chairperson of Audit Committee and Member of Nomination and Remuneration Committee.</li> </ul>
Relationship with other Directors/Key Managerial Personnel	Not related to any Director / Key Managerial Personnel of the Company.	Not related to any Director / Key Managerial Personnel of the Company.
No. of shares held in the Company either by self or on a beneficial basis for any other person	Nil	Nil

For details regarding the number of meetings of the Board/Committees attended by the above Directors during the year and remuneration drawn/sitting fees received, please refer to the Boards' Report and the Corporate Governance Report forming part of the Annual Report.

In terms of the provisions of Section 152(6) of the Act, Mr Guenter Butschek (DIN: 07427375), retires by rotation at the meeting. The Board of Directors recommends his re-appointment.