



Securities and Exchange Board of India

SEBI Bhavan Plot No. C-4A, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051

Kind Attention: Mrs. Usha Narayanan, Executive Director

September 17, 2009
Sc- 15765

Dear Sir,

Sub: Request for Interpretive letter under the Securities and Exchange Board of India (Informal Guidance) Scheme 2003 ("**SEBI Informal Guidance Scheme**"). Regarding Tata Motors Limited (the "**Company**") in relation to the clause 28A of the listing agreement (the "**Listing Agreement**") and the Company's 'A' ordinary shares (the "**A' Shares**") issued pursuant to the rights issue of the Company (the "**Issue**").

1. Background

- 1.1. Section 86 of the Companies Act vide the Companies (Amendment) Act, 2000 permits the issuance of equity shares with differential rights as to dividend, voting or otherwise in accordance with such rules as may be prescribed. Subsequently the Companies (Issue of Share Capital with Differential Voting Rights) Rules, 2001 were issued which laid down the conditions under which a company is permitted to issue equity shares with differential voting rights ✓
- 1.2. The Company as on the record date for the Issue had a paid up capital of 385,656,979 equity shares ("**Ordinary Shares**") of Rs.10/- each fully paid up. These Ordinary Shares are listed on the Exchanges. ✓
- 1.3. The Company made an Issue of 64,276,164 'A' Shares of face value of Rs.10/- each vide its letter of offer dated September 18, 2009 in accordance with Companies (Issue of Share Capital with Differential Voting Rights) Rules, 2001 (the "**DVR Rules**"), as amended from time to time. Additionally the Company amended its Memorandum of Association and Articles of Association to provide clarity on certain issues. Thereby it issued the 'A' Shares pursuant to article 7A (Issue of 'A' Ordinary Shares) and article 67A (Provisions in case of 'A' Ordinary Shares) of the articles of association ("**AoA**") of the Company. ✓
- 1.4. The 'A' Shares are listed on the Bombay Stock Exchange (the "**BSE**") and the National Stock Exchange (the "**NSE**" and together the "**Exchanges**"). ✓
- 1.5. As per the terms of the Issue, the 'A' Shares issued vide the rights issue are of the same class as the Ordinary Shares of the Company and shall enjoy all the rights and privileges that are attached to the Ordinary Shares in law and under Articles of Association, except as to voting and dividends as provided below or as provided in

Page 1 of 7

28

TATA MOTORS LIMITED

Bombay House 24 Homi Mody Street Mumbai 400 001

Tel 91 22 6665 8282 Fax 91 22 6665 7799

www.tatamotors.com

Direct. No.



Articles of Association or as may be permitted under the applicable law from time to time.

"Dividends:

The 'A' Ordinary Shareholders will receive dividends for any financial year at five percentage points more than the aggregate rate of dividend declared on Ordinary Shares for that financial year (i.e. the aggregate dividend paid on each 'A' Ordinary Share in any financial year will be Re 0.50 more than the aggregate dividend paid on each Ordinary Share.)"

"Voting Rights:

If a resolution at any meetings is put to vote by a show of hands, each 'A' Ordinary Shareholder shall be entitled to one vote, i.e. the same number of votes as available to holders of Ordinary Shares.

If any resolution at any such meeting is put to vote on a poll, or if any resolution is put to vote by postal ballot, each 'A' Ordinary Shareholder shall be entitled to one vote for every ten 'A' Ordinary Shares held. Fractional voting rights of 'A' Ordinary Shareholders shall be ignored."

Thus, it provided inferior voting rights as compared to holders of Ordinary Shares but additional dividends to holders of 'A' Shares.

- 1.6. Further the terms of Issue provide for rights available to the 'A' Share holders in the event the Company any time in the future makes a rights or bonus issuance which are provided

"Future rights issues of the Company:

Where the Company proposes to make a rights issue of Ordinary Shares or any other securities convertible into Ordinary Shares, the Company shall simultaneously make an offer to the holders of 'A' Ordinary Shares in the same proportion of 'A' Ordinary Shares to Ordinary Shares prior to the issue. The holders of 'A' Ordinary Shares shall receive further 'A' Ordinary Shares whereas holders of Ordinary Shares shall receive further Ordinary Shares."

"Future bonus issues of the Company:

Where the Company proposes to make a bonus issue of Ordinary Shares, the holders of 'A' Ordinary Shares shall, subject to the terms of such issue, receive further 'A' Ordinary Shares whereas the holders of Ordinary Shares shall receive further Ordinary Shares to the end and intent that the proportion of Ordinary Shares to 'A' Ordinary Shares after such offer, shall, as far as possible remain unaffected."

- 1.7. The terms of issue provide for rights available to the 'A' Share holders in the event the Company enters into a scheme of arrangement or amalgamation, open offers in accordance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, delisting in accordance with Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and buybacks in accordance with SEBI (Buy-Back of Securities) Regulations, 1998, as amended from time to time.



The detailed terms of the issue of the 'A' Shares and the extracts of the AoA are provided as **Annexure I**

- 1.8. As of June 30, 2009 the total number of 'A' Share holders was seven thousand six hundred and seventy three 7673

The shareholding pattern of the 'A' Shares issued by the Company as on June 30, 2009 is as under

Particulars	No. of 'A' Shares	Shareholding (%)
Promoter and Promoter group	54,081,722	84.27
FIs/Banks	8,196,838	12.77
FIIIs	55,050	0.09
Bodies Corporate	1,453,627	2.27
Others	388,418	0.60
Total	64,175,655	100.00

Source: BSE Website

- 1.9. Further the Company has certain outstanding Foreign Currency Convertible Bonds namely, Convertible Alternative Reference Securities (CARS) which allow the Company to give the holder an option to convert the CARS, *inter alia*, into 'A' Shares subject to the 'A' Shares meeting certain qualifying criteria for investor base and number of shares. The outstanding 'A' Shares issued by the Company meet the said qualifying criteria.

- 1.10. The provisions of Section 86 are provided below for immediate reference

"The share capital of a company limited by shares shall be of two kinds only, namely:-

(a) equity share capital-

- (i) with voting rights
- (ii) with differential rights as to dividend, voting or otherwise in accordance with such rules and subject to such conditions as may be prescribed

(b) preference share capital"

- 1.11. SEBI vide its circular SEBI/CFD/DIL/LA/2/2009/21/7 dated July 21, 2009 amended the Listing Agreement and introduced clause 28A. Clause 28A states that

"The company agrees that it shall not issue shares in any manner which may confer on any person, superior rights as to voting or dividends vis-à-vis the rights on equity shares that are already listed."

- 1.12. The above amendment applied only to issue of shares and does not affect issued and listed equity shares (including listed shares with differential voting and dividend



rights). Further it restricts issuance of shares with superior voting rights or dividends than to those already listed and hence it permits issuance of shares similar to those already listed.

2. Guidance sought

The Company being a listed entity is seeking interpretive guidance on clause 28A of the Listing Agreement with reference to the 'A' Shares on the following whether:

- (i) the existing holder of 'A' Shares continue to have all their existing rights and more specifically be entitled to receive superior dividends as compared to the Ordinary Shares of the Company in the accordance with the terms of the Issue?
 - (ii) the Company can make a fresh issue of 'A' Shares on the same terms as the existing listed 'A' Shares by way of a bonus or rights issue in accordance with the terms of the Issue to existing holders of 'A' Shares?
 - (iii) the Company can make a fresh issue of 'A' Shares on the same terms as the existing 'A' Shares by way of a follow on public issue, preferential issue or under the QIP route to increase liquidity in these 'A' Shares?
 - (iv) the Company can issue 'A' Shares on exercise of conversion option by holders of Convertible Alternative Reference Securities (CARS) in case the Company identifies 'A' Shares as the Qualifying Securities for such conversion?
 - (v) the Company can issue employee stock options ("ESOPs") in accordance with the SEBI (Employee Stock Option and Employee Stock Purchase Scheme) Guidelines, 1999 where the options can be converted into 'A' Shares on same terms as the existing 'A' Shares?
3. In view of the foregoing, Tata Motors Limited, being a listed entity, seeks an interpretive letter on clause 28A of the Listing Agreement with regards to the rights of the existing 'A' Share holders and the rights of the Company covered under paragraph 2 above .
4. Please find attached a demand draft in favor of "Securities and Exchange Board of India" for Rs.25, 000/- (DD No. 446623 dated September 16, 2009) along with the Letter, in terms of clause 6 of the SEBI Informal Guidance Scheme.

Yours faithfully
For Tata Motors Limited


H K Sethna
Company Secretary

B:\Shruti\AOS Informal guidance note - (2) final.doc





Annexure I

Article 7A

- (i) The Board may issue Ordinary Shares with differential rights as to voting and/or dividend (hereinafter referred to as 'A' Ordinary Shares) up to an amount not exceeding 25% of the total issued Ordinary Share Capital of the Company or such other limit as may be prescribed by applicable laws/regulations. Such issue of 'A' Ordinary Shares shall be in accordance with the Act, other applicable laws, Article 67A and other terms and conditions that may be specified at the time of issue.
- (ii) The 'A' Ordinary Shares so issued by the Company will stand to be in the same class as the Ordinary Shares. The 'A' Ordinary Shares issued by the Company will enjoy all rights and privileges that are attached to Ordinary Shares in law and by the provisions of these presents, except as to voting and/or dividend, as provided in these Articles and as may be permitted under applicable law from time to time.
- (iii) The Board may issue 'A' Ordinary Shares of more than one series carrying differential rights as to voting and/or dividend, as the case may be.
- (iv) The Board shall have the power and authority to remove any difficulties, and do such other acts and deeds, in relation to the applicability of this Article to the rights and obligations of the holders of the 'A' Ordinary Shares, including, but not limited to the issue and deciding the stock exchanges on which the 'A' Ordinary Shares will be listed.
- (v) The Board shall follow the general principles set out under Article 7A (ii) at all times whilst making any decision in regard to 'A' Ordinary Shares.

Article 67A

Notwithstanding anything contained in these presents, the rights, powers and preferences relating to 'A' Ordinary Shares and the qualifications, limitations and restrictions thereof are as follows:

- (a) (i) The holders of 'A' Ordinary Shares shall be entitled to such rights of voting and/or dividend and such other rights as per the terms of the issue of such shares, provided always that:
 - In the case where a resolution is put to vote on a poll, such voting entitlement (excluding fractions, if any) will be applicable to holders of 'A' Ordinary Shares.
 - In the case where a resolution is put to vote in the meeting and is to be decided on a show of hands, the holders of 'A' Ordinary Shares shall be entitled to the same number of votes as available to holders of Ordinary Shares in accordance with Article 111(1).



- (ii) The holders of Ordinary Shares and the holders of 'A' Ordinary Shares shall vote as a single class with respect to all matters submitted to a vote of shareholders of the Company and shall exercise such votes in proportion to the voting rights attached to such Shares including in relation to any scheme under Sections 391 to 394 of the Act.
- (b) The holders of 'A' Ordinary Shares shall be entitled to dividend on each 'A' Ordinary Share which may be equal to or higher than the amount per Ordinary Share declared by the Board for each Ordinary Share, and as may be specified at the time of the issue. Different series of 'A' Ordinary Shares may carry different entitlements to dividend to the extent permitted under applicable law and as prescribed under the terms applicable to such issue.
- (c) (i) Where the Company proposes to make a rights issue of Ordinary Shares or any other securities convertible into Ordinary Shares, the Company shall simultaneously make an offer to the holders of 'A' Ordinary Shares in the same proportion of 'A' Ordinary Shares to Ordinary Shares prior to the issue. The holders of 'A' Ordinary Shares shall receive further 'A' Ordinary Shares whereas holders of Ordinary Shares shall receive further Ordinary Shares.
- (ii) Where the Company proposes to make a bonus issue of Ordinary Shares, the holders of 'A' Ordinary Shares shall, subject to the terms of such issue, receive further 'A' Ordinary Shares whereas the holders of Ordinary Shares shall receive further Ordinary Shares to the end and intent that the proportion of Ordinary Shares to 'A' Ordinary Shares after such offer, shall, as far as possible remain unaffected.
- (d) The 'A' Ordinary Shares issued in accordance with these presents will not be convertible into Ordinary Shares at any time.
- (e) In the event of any scheme, arrangement or amalgamation in accordance with the Act, and subject to other approvals and other applicable laws and these presents for amalgamation of the Company with or into any other entity and which results in a share swap or exchange, the holders of the 'A' Ordinary Shares shall receive allotment as per the terms of the scheme and as far as possible, unless specified to the Company in such scheme, the said holders shall receive Ordinary Shares with differential rights to voting or dividend of such entity.
- (f) (i) Where an offer is made to purchase the outstanding Ordinary Shares or voting rights or equity capital or share capital or voting capital of the Company in accordance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and other applicable laws, the applicability of such regulation on 'A' Ordinary Shares will result in an offer also being made to purchase 'A' Ordinary Shares in the same proportion as the offer to purchase Ordinary Shares.

Illustration: In accordance with the said Regulations where an offer is made to purchase twenty (20) percent of the outstanding Ordinary Shares or voting rights or equity capital or share capital or voting capital of the Company, such offer shall be deemed to include an offer for twenty (20) percent of the outstanding Ordinary

7



Shares and also an offer for twenty (20) percent of the outstanding 'A' Ordinary Shares.

- (ii) The pricing guidelines and other provisions as specified in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 shall mutatis mutandis apply to an offer for 'A' Ordinary Shares and the percentage premium offered for the 'A' Ordinary Shares to its floor price shall be equal to the percentage premium offered for the Ordinary Shares to its floor price. All consideration to be received by holders of 'A' Ordinary Shares in accordance with any offer as stated in sub-clause (i) above shall be paid in the same form and at the same time as that received by holders of Ordinary Shares. Explanation: For the purposes of the said Regulations, the terms "shares", "voting rights", "equity capital", "share capital" or "voting capital" shall mean and include Ordinary Shares and 'A' Ordinary Shares as the case may be.
- (g) Where the promoter (as provided in the last quarterly filing with the stock exchanges prior to making the offer) or any other acquirer proposes at any time to voluntarily delist the Ordinary Shares of the Company in accordance with the SEBI (Delisting of Securities) Guidelines, 2003 from the stock exchanges on which such Ordinary Shares are listed, such promoter or acquirer shall also make a delisting offer for the 'A' Ordinary Shares and the percentage premium offered for the 'A' Ordinary Shares to its floor price shall be equal to the percentage premium offered for the Ordinary Shares to its floor price.
- (h) Subject to Article 66, Article 66A and Article 68, the Company when exercising its power under these presents to buyback the Ordinary Shares of the Company, will offer to buyback 'A' Ordinary Shares in the same proportion and on equitable pricing terms as offered to the holders of Ordinary Shares, in accordance with applicable laws including the SEBI (Buy-Back of Securities) Regulations, 1998.
- (i) (i) Any alteration proposed by the Company to this Article 67A which affects the rights pertaining to the 'A' Ordinary Shares is required to be approved by not less than threefourths of the holders of the outstanding 'A' Ordinary Shares present and voting.
(ii) For the purposes of (i) above, the Company will call a separate meeting of holders of 'A' Ordinary Shares.

8/7



Securities and Exchange Board of India
SEBI Bhavan Plot No. C-4A, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051

Kind Attention: Mrs. Usha Narayanan, Executive Director

October 23, 2009
Sc- 15973

Madam,

**Sub: Zero Coupon Convertible Alternative Reference Securities due 2012 of
US\$490,000,000**

With reference to our letter No 15765 dated September 17, 2009 and as required by you, enclosed please find an extract from the Offering Memorandum dated July 9, 2007, for the captioned securities, specifying the Terms of the Zero Coupon Convertible Alternative Reference Securities due 2012 of US\$490,000,000 issued by the Company (Annexure A). Your attention is invited to the following terms/definitions from the Offering Memorandum:

- a) Conversion of the CARS (Page No 4)
- b) Qualifying Issue (Page No 5)
- c) QSs (Page No 7)

Also enclosed please find Short Summary on the Terms of the CARS (Annexure B) for your easy reference.

As stated in our aforesaid letter, please note that that the outstanding CARS allow the Company to give the holder the option to convert the CARS *inter alia* into 'A' Shares subject to 'A' Shares meeting certain qualifying criteria for investor base and number of shares. 'A' Shares would meet these criteria.

Trust this meets your requirements. Should you require any further clarification, please contact the undersigned.

Yours faithfully,
For Tata Motors Limited

H K Sethna
Company Secretary

B:\Shruti\AOS Informal guidance note - (2) final.doc

TATA MOTORS LIMITED

Bombay House 24 Homi Mody Street Mumbai 400 001
Tel 91 22 6665 8282 Fax 91 22 6665 7799
www.tatamotors.com



Annexure B

Issue	0% CARS (DUE 2012)
ISSUED ON	July 11, 2007
Issue Amount (in INR at the time of the issue)	US\$ 490 million (Rs. 1992.71 crores)
Face Value	US\$ 100,000
Conversion Price per share at fixed exchange rate)	Rs. 907.87 US\$1=Rs. 40.59
Reset Conversion Price (Due to Rights Issue)	Rs. 907.87 US\$1=Rs. 40.59
Exercise Period	Oct 11, 2011 to June 12, 2012
Early redemption at the option of the Company subject to certain conditions	i) After Oct 11, 2011 at our option (in whole but not in part) or ii) Any time (in whole but not in part) in the event of certain changes affecting taxation in India
Redeemable on	July 12, 2012
Redemption percentage of the Principal Amount	131.820%
Amount converted	Nil
Aggregate conversion into Shares/ADRs	Nil
Aggregate Notes Redeemed	-
Aggregate Notes Bought Back	Nil
Notes outstanding at March 31, 2009	4,730
Aggregate amount of shares that could be issued on conversion of outstanding notes	2,11,47,379@

@ Increased due to Rights Issue



10

TATA MOTORS LIMITED



US\$490,000,000

**Zero Coupon Convertible Alternative Reference Securities due 2012 Convertible into
Qualifying Securities, Ordinary Shares or American Depositary Shares
Representing Ordinary Shares
Issue Price: 100%**

This is an offering of zero coupon convertible alternative reference securities due 2012 (the "CARSTM") being issued by Tata Motors Limited and offered outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The CARSTM are not being offered in the Republic of India.

The CARSTM will be the direct, unsecured and unsubordinated obligations of Tata Motors Limited and will rank at least *pari passu* in right of payment with all other unsecured and unsubordinated debt of Tata Motors Limited. Unless the CARSTM have been previously redeemed, purchased and cancelled or converted, any and all of the CARSTM may be converted (i) in the event there has been a Qualifying Issue by the time of conversion, into Qualified Securities ("QSs"), or (ii) in the event that there has not been a Qualifying Issue by the time of conversion or there has been a Qualifying Issue but we notify the holders of the CARSTM (the "Holders") that the CARSTM are no longer convertible into QSs, into newly issued ordinary shares, par value Rs. 10 per share, of Tata Motors Limited (the "Shares") or American Depositary Shares ("ADSs"), each currently representing one Share, at the option of the Holders. The conversion may be made by the Holders at any time during the period from and including October 11, 2011 to and including June 12, 2012 at an initial conversion price (the "Conversion Price") of Rs. 960.96 per Share (equivalent to US\$23.67 at a fixed rate of exchange on conversion of Rs.40.59 = US\$1.00 (the "Fixed Conversion Rate"). The Conversion Price is subject to adjustment in certain circumstances.

The CARSTM may be redeemed, in whole but not in part, at our option at any time after October 11, 2011 but prior to the Maturity Date (as defined herein) at the Early Redemption Amount (as defined herein), provided, that prior to the date on which the notice of redemption is given by us, less than 10% in aggregate principal amount of the CARSTM originally issued is outstanding. The CARSTM may also be redeemed in whole at any time at our option at the Early Redemption Amount in the event of certain changes relating to taxation in India. Unless previously converted, redeemed or purchased and cancelled, the CARSTM will be redeemed on July 12, 2012 at 131.82% of their principal amount. To the extent permitted by applicable law, we will make an offer to repurchase any outstanding CARSTM upon the occurrence of a Change of Control (as defined herein) or a Delisting (as defined herein) of the Shares from the Bombay Stock Exchange Limited (the "BSE") and the National Stock Exchange of India Limited (the "NSE") at the Early Redemption Amount. See "Description of the CARSTM".

This offering consists of US\$450,000,000 initial aggregate principal amount of CARSTM offered by us together with US\$40,000,000 additional aggregate principal amount of CARSTM being issued by us in connection with the exercise by Citigroup Global Markets Limited and J.P. Morgan Securities Ltd. (the "initial purchasers") of an option granted by us to purchase such additional CARSTM at the offering price, solely to cover over-allotments. We have notified the Singapore Exchange Securities Trading Limited (the "SGX-ST") that this over-allotment option has been exercised.

Approval in-principle has been received for the listing of the CARSTM on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Admission of the CARSTM to the Official List of the SGX-ST is not to be taken as an indication of the merits of Tata Motors Limited or the CARSTM. The offering and settlement of the CARSTM are not conditioned on obtaining listing on the SGX-ST. ADSs representing the Shares are currently listed on the New York Stock Exchange ("NYSE") and application will be made to have any ADSs deliverable upon conversion of the CARSTM listed on the NYSE. Our outstanding Shares are listed on the BSE, the NSE and one other Indian stock exchange. We have undertaken to apply to have any Shares (including those that may be represented by ADSs) issuable upon conversion of the CARSTM approved for listing on the BSE, the NSE and any other stock exchanges in India on which the Shares are listed from time to time. On July 6, 2007, the closing price of the Shares on the NSE was Rs 710.60 per Share and the closing price of our existing ADSs on the NYSE was US\$17.59 per ADS. The QSs are not presently in issue. In order to satisfy the conditions for conversion of the CARSTM into QSs, we will be required to list the QSs on a Relevant Stock Exchange (as defined herein).

Investing in the CARSTM and the QSs, Shares or ADSs deliverable upon conversion of the CARSTM involves risks. See "Risk Factors" beginning on page 11.

Delivery of the CARSTM in book-entry form only will be made on or about July 11, 2007 (the "Closing Date").

The CARSTM will be represented by one Global Security (as defined herein). Except as otherwise described herein, beneficial interests in the Global Security will be shown in, and transfers thereof will be effected only through, book-entry records. See "Description of the CARSTM — CARSTM: Denomination, Delivery and Form" and "The Global Security".

The CARSTM and the QSs, Shares or ADSs deliverable upon conversion of the CARSTM have not been and will not be registered under the Securities Act. The CARSTM may not be offered or sold within the United States or to U.S. persons, except to certain persons in offshore transactions in reliance on Regulation S. The CARSTM may not be offered or sold directly or indirectly in India or to, or for the account of, any resident of India. The CARSTM are not transferable except in accordance with the restrictions described under "Transfer Restrictions on the CARSTM".

A copy of this offering memorandum ("Offering Memorandum") will be delivered to the Registrar of Companies in Mumbai, India, the Reserve Bank of India, the Securities and Exchange Board of India, the BSE and the NSE for record purposes only.

Sole Global Coordinator

Citi

Joint Bookrunners

Citi

JPMorgan

July 9, 2007



THE OFFERING

Issuer	Tata Motors Limited, a public company incorporated in the Republic of India with limited liability.
The CARS™	Zero Coupon Convertible Alternative Reference Securities due 2012.
The Offering	US\$450,000,000 initial aggregate principal amount of the CARS™ are being offered outside the United States in reliance on Regulation S under the Securities Act and other applicable laws. The CARS™ are not being offered in India. We granted to the initial purchasers an option to purchase up to US\$40,000,000 additional aggregate principal amount of CARS™ at the offering price, solely for the purpose of covering over-allotments. This option has been exercised in full and we have so notified the SGX-ST.
Issue Price of the CARS™	100%
Issue Date	July 11, 2007
Maturity Date and Final Redemption	Unless the CARS™ have been previously redeemed, repurchased and cancelled or converted, the Issuer will redeem the CARS™ on July 12, 2012 (the "Maturity Date") at a price equal to 131.82% of the outstanding principal amount thereof.
Interest	The CARS™ will not bear any interest.
Status of the CARS™	The CARS™ will be direct, unsecured and unsubordinated obligations of the Issuer, ranking at least <i>pari passu</i> in right of payment with all other unsecured and unsubordinated debt of the Issuer.
Ratings	The CARS™ are not rated by any rating agency and the Issuer does not intend to seek a rating for the CARS™.
Indian Taxation	Payments by the Issuer in respect of the CARS™ and all deliveries of Shares or ADSs made upon conversion of the CARS™ will be made free and clear of, and without deduction or withholding in respect of Indian taxation save to the extent required by law. Where tax is required to be deducted or withheld, the Issuer will gross up the taxable amount and will be required to account separately to the Indian tax authorities for any withholding taxes applicable on such amounts. The CARS™ (together with the Shares or ADSs issuable upon conversion of the CARS™ and the Shares represented by such ADSs) will have the benefit of the tax concessions available under the provisions of Section 115AC of the Income Tax Act, 1961 of India and



63

The Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme 1993 promulgated by the Government of India (the "Depository Receipt Scheme"). These tax concessions include withholding in respect of interest and premium on the CARS™ at a reduced rate of 10% plus an applicable surcharge and an education cess. Gains realized outside India on the sale or transfer of such CARS™ or ADSs (but not the Shares represented by those ADSs) by a holder who is a non-resident of India to another non-resident of India are exempt from Indian capital gains tax. See "Taxation — Indian Taxation of the CARS™".

Under current Indian laws, no tax is payable by the recipients of dividends on shares of an Indian company, including Shares deliverable upon conversion of the CARS™ and Shares represented by ADSs. However, the Issuer will be liable to pay distribution tax on dividends paid on the Shares (including Shares represented by ADSs) at a rate of approximately 17% (inclusive of surcharge and education cess).

Conversion of the CARS™

Subject to certain conditions and limitations, each Holder will have the right during the Conversion Period and the Change of Control Conversion Period (each as defined herein) (or, if the CARS™ shall have been called for redemption, until the seventh day prior to the date fixed for any redemption) to convert its CARS™ (i) in the event there has been a Qualifying Issue by the time of conversion, into Qs (ii) in the event that there has been a Qualifying Issue but we notify the Holders that the CARS™ are no longer convertible into Qs, into Shares or ADSs, each currently representing one Share, at their election, or (iii) in the event that there has not been a Qualifying Issue of Qs, at the Holder's election into Shares or ADSs; provided, however, that such right to convert the CARS™ into Qs, Shares or ADSs will be suspended during any Closed Period (as defined herein), and the Conversion Period and the Change of Control Conversion Period shall not include any such Closed Period. See "Description of the CARS™ — Conversion".

Conversion Period Commencement Date

October 11, 2011, or, if such date is not a Business Day, the next following Business Day.

Conversion Price

The initial Conversion Price will be Rs.960.96 per Share with a fixed rate of exchange on conversion of Rs.40.59 = US\$1.00. The Conversion Price will be subject to adjustment in certain circumstances. See "Description of the CARS™ — Conversion" and "— Adjustments".



Q

Conversion Price Reset Date	The Conversion Price Reset Date shall be the later of (i) the Business Day prior to the Conversion Period Commencement Date, in the event that there has been a Qualifying Issue prior to the Conversion Period Commencement Date or (ii) the date an issue and listing of QSs satisfies all conditions to become a Qualifying Issue.
Conversion Reset Pricing Period	The Conversion Reset Pricing Period is the three month period ending on the Conversion Price Reset Date.
Qualifying Issue	Qualifying Issue means the offering and listing of QSs which in aggregate complies with the rules of a Relevant Stock Exchange and the following conditions: (a) it is an offer of QSs for subscription for cash to no fewer than 20 institutional investors other than the companies which are Affiliated to us, accompanied by the grant of listing of, or permission to deal in, the QSs by the Relevant Stock Exchange and such listing is continuing; (b) the aggregate number of Shares underlying or related to the QSs listed and available for trading on the Relevant Stock Exchange or on an over-the-counter basis is equal to or greater than 75% of the number of Shares which would have been issued in the event that all of the CARS™ were converted on the day of their issue into Shares at the then current Conversion Price; and (c) the Conversion Price, if reset based on the Closing Prices of the QSs over the three month period after the issue and listing of any such QSs (see "Description of the CARS™ — Conversion — Conversion Right") and which would be applicable in the event of any conversion into QSs, would be greater than the SEBI Floor Price.
Relevant Stock Exchange	Any one of the London Stock Exchange, the Luxembourg Stock Exchange, the SGX-ST, the Tokyo Stock Exchange or any other exchange that may be approved by an Independent Financial Institution.
Restrictive Covenants	The Issuer has agreed to observe certain covenants, including, among other things, limitations on the incurrence of any Liens (as defined herein) to secure payment obligations under any Debt Instruments (as defined herein). See "Description of the CARS™ — Certain Covenants".
Repurchase of CARS™ in the Event of Delisting	To the extent permitted by applicable law, unless the CARS™ have been previously redeemed, repurchased and cancelled or converted in the event of a Delisting (as described herein) of the Shares from the BSE and the NSE, each Holder shall have the right, at such Holder's option, to require the Issuer to repurchase all (or any portion of the principal amount thereof which is US\$100,000 or any integral multiple thereof) of such Holder's CARS™ at a price equal to the Early Redemption Amount. The date for such



2

	repurchase shall be set by the Issuer, and shall not be less than 30 days nor more than 60 days following the date the Issuer informs the Holders of the Delisting. See "Description of the CARS™ — Repurchase of CARS™ in the Event of Delisting".
Repurchase of CARS™ in the Event of Change of Control	To the extent permitted by applicable law, unless the CARS™ have been previously redeemed, repurchased and cancelled or converted each Holder shall have the right, at such Holder's option, to require the Issuer to repurchase all (or any portion of the principal amount thereof which is US\$100,000 or any integral multiple thereof) of such Holder's CARS™ at a price equal to the Early Redemption Amount upon the occurrence of a Change of Control (as defined herein). See "Description of the CARS™ — Repurchase of CARS™ in the Event of Change of Control".
Redemption at the Option of the Issuer	The CARS™ may be redeemed at the option of the Issuer, and subject to relevant Indian laws and regulations, in whole but not in part, at any time after October 11, 2011 but prior to the Maturity Date, at the Early Redemption Amount, provided, that prior to the date on which the notice of redemption is given by us, less than 10% in aggregate principal amount of the CARS™ originally issued is outstanding. See "Description of the CARS™ — Redemption of CARS™ at Our Option".
Redemption at Maturity	Unless the CARS™ have been previously redeemed, repurchased and cancelled or converted, the Issuer will redeem the CARS™ at 131.82% of their principal amount on the Maturity Date.
Redemption for Taxation Reasons	The CARS™ may be redeemed at the option of the Issuer, and subject to relevant Indian laws and regulations, in whole but not in part, at the Early Redemption Amount, in the event of certain changes affecting taxes as specified in "Description of the CARS™ — Redemption for Taxation Reasons".
Reserve Bank of India Approval Required for Redemption or Repurchase	Under current Reserve Bank of India (RBI) regulations applicable to convertible alternative reference securities, we are required to obtain the prior approval of the RBI before effecting any repurchase or redemption of the CARS™ prior to the Maturity Date.
SEBI Floor Price	Rs 805.39 per Share, subject to certain adjustment. See "Description of the CARS™ — Adjustments" to the extent permitted by Indian law and regulation.



Denomination, Form and Title of CARS™	The CARS™ will be deliverable only in registered form and only in denominations of US\$100,000 or any integral multiple thereof. The CARS™ will be represented by one permanent Global Security in definitive fully registered form without interest coupons. Except as described in this Offering Memorandum, interests in the Global Security will be shown on, and transferred only through, records maintained by Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream Luxembourg"). Except in the limited circumstances described in this Offering Memorandum, individual certificates in respect of CARS™ will not be issued in exchange for interests in the Global Security.
Transfer Restrictions on the CARS™	The CARS™ represented by the Global Security will bear relevant Securities Act legends and such CARS™ (or any beneficial interest therein) may not be transferred except in compliance with the transfer restrictions set forth in such legends.
Share Ranking	Shares (including Shares represented by ADSs) issued upon conversion of the CARS™ will be fully-paid and non-assessable and will, subject to listing, rank <i>pari passu</i> with the issued and outstanding Shares on the relevant Conversion Date (as defined herein). All such Shares that are issued and outstanding on the record date for any dividend that the Issuer may declare on the Shares will be entitled to the full amount of such dividend regardless of the period of time such Shares have been issued and outstanding. These Shares will not, however, be entitled to any rights as of any record date that precedes the relevant Conversion Date.
QSs	<p>QS means a qualifying security being a validly issued and enforceable instrument which may be in the form of: (i) a <u>depository receipt issued in respect of one Share on terms similar to those applying to the ADSs but which provide that holders have no or differential voting rights (in comparison to the existing Shares) and have no right to withdraw the underlying Shares from the relevant depository facility except: (a) upon our insolvency; or (b) in order to allow holders to accept an offer for all of our shares pursuant to Indian delisting regulations; or (c) in order to allow holders to accept an offer by us to buy back Shares; or (d) otherwise as set out in the relevant depository facility; (ii) an equity share issued by us with differential rights as to dividends and/or voting (in comparison to the existing Shares),</u> provided that in the case of a share with differential rights as to dividends, the rights to receive dividends with respect to such share shall be at least as favorable as the right to receive dividends with respect to our existing Shares, and</p>



Handwritten mark or signature.

provided that we obtain an opinion from an Independent Financial Institution (as defined herein) that in their opinion, based on the terms of the relevant share, when issued it is reasonably likely to be purchased and sold at prices which are determined by reference to the Shares: or (iii) a depositary receipt issued in respect of an equity share as set forth in subsection (ii), provided that we obtain an opinion from an Independent Financial Institution that in their opinion, based on the terms of the relevant share and depositary receipt, when issued it is reasonably likely to be purchased and sold at prices which are determined by reference to the Shares.

ADSs

The Issuer currently has ADSs in issue that are listed on the New York Stock Exchange and application will be made for any ADSs issued upon conversion of the CARS™ to be listed on the New York Stock Exchange. Each ADS represents one Share of the Issuer. The ADSs to be issued upon conversion of the CARS™ will be issued pursuant to the Deposit Agreement (as defined herein).

Voting Rights of Holders of ADSs

There are limitations on redeposits of Shares that have been withdrawn from the ADS deposit facilities and on deposits of Shares acquired in the open market. See "Description of the American Depositary Shares — Issuance of ADSs upon Deposit of Shares" and "— Withdrawal of Shares Upon Cancellation of ADSs".

Holders of ADSs may exercise voting rights with respect to the Shares represented by ADSs only in accordance with the provisions of the Deposit Agreement and Indian law. Holders of ADSs are not entitled to attend or vote at shareholders meetings. A holder of ADSs may withdraw from the ADS facility the related underlying Shares and vote as a direct shareholder, but there may not be sufficient time to do so after the announcement of an upcoming vote. If requested by us, the Depositary will notify holders of ADSs of upcoming votes and arrange to deliver our voting materials to holders of ADSs. In such case, the Depositary will try, insofar as practicable, subject to Indian laws and the provisions of our Articles of Association, to vote or have its agents vote the deposited securities as instructed by holders of ADSs. The Depositary will only vote as instructed and is not entitled to exercise any voting discretion. If the Depositary does not receive timely instructions from a holder of ADSs, the holder shall be deemed to have instructed the Depositary to give a discretionary proxy to a person designated by us, subject to the conditions set forth in the Deposit Agreement. If requested by us, the Depositary is required to represent all shares underlying the outstanding



	<p>ADSs, regardless whether timely instructions have been received from the holders of such ADSs, for the sole purpose of establishing a quorum at a meeting of shareholders. There are limitations on redeposits of withdrawn Shares under the Deposit Agreement. Moreover, registration of transfers of Shares may be refused in certain circumstances. See "Description of the Shares — Voting Rights" and "— Transfer of Shares", "Description of the American Depositary Shares — Voting Rights" and "Indian Securities Market — Takeover Code".</p>
Fungibility of ADSs Issued on Conversion with Existing ADSs	<p>Except as described above under the captions "— Share Ranking" and "— ADSs", the ADSs issued on conversion of the CARS™ will be fungible (including with respect to trading and settlement) with the existing ADSs represented by the Master ADR and will trade and settle through the facilities of DTC under the same security identification numbers.</p>
Restriction on Disposition of Securities	<p>The CARS™ and the QSs, Shares or ADSs deliverable upon conversion of the CARS have not been, and will not be, registered under the Securities Act. Offers and sales of the CARS™ offered in the offering and the QSs, Shares or ADSs issuable upon conversion of the CARS™ will be subject to certain restrictions described in "Transfer Restrictions on the CARS™" and "Plan of Distribution".</p>
Trustee for the CARS™	<p>Citibank, N.A., London Branch</p>
Paying and Conversion Agent for the CARS™	<p>Citibank, N.A., London Branch</p>
Registrar	<p>Citigroup Global Markets Deutschland AG & Co., KGaA</p>
Common Depositary for the CARS™	<p>Euroclear system and Clearstream Banking, société anonyme</p>
Depositary for the ADSs	<p>Citibank, N.A.</p>
Depositary for the Global Security	<p>Citibank, N.A., as common depositary for Euroclear and Clearstream, Luxembourg.</p>
Governing Law	<p>The CARS™ and the Indenture (as defined herein) will each be governed by the laws of the State of New York. The Purchase Agreement and the Deposit Agreement are governed by New York law.</p>
Further Issues	<p>The Issuer may from time to time without the consent of the Holders create and issue further securities having the same terms and conditions as the CARS™ in all respects so that such further issue shall be consolidated and form a single series with the CARS™.</p>



BA

Listings	Approval into principle has been received for the listing of the CARS™ on the SGX-ST. If the listing is approved, the CARS™ will be traded on the SGX-ST in a minimum board lot size of US\$200,000 for so long as the CARS™ are listed on the SGX-ST. The offering and settlement of the CARS™ are not conditioned on obtaining listing on the SGX-ST. The existing ADSs are listed on the New York Stock Exchange and application will be made to have ADSs deliverable upon conversion of the CARS™ listed on the New York Stock Exchange. We have undertaken to apply to have the Shares (including those that may be represented by ADSs) issuable upon conversion of the CARS™ approved for listing on the BSE, the NSE and any other stock exchanges in India on which the Shares are listed from time to time.
Trading Market for the Shares	The only trading markets for the Shares are the BSE, the NSE and the Madhya Pradesh stock exchange. The Shares have been listed on the BSE since August 1959 and on the NSE since June 1998. We have announced our intention to pursue delisting of the Shares from the Madhya Pradesh stock exchange.
Use of Proceeds	The net proceeds from this offering, after deduction of underwriting fees, discounts and commissions but before deduction of other expenses relating to this offering, are expected to be approximately US\$486.3 million, which we intend to use for capital expenditures, overseas investments, acquisitions and other purposes, as may be permitted under Indian law.
Lock-Up Agreement	The Issuer has agreed, subject to certain exceptions, not to issue or offer, sell, contract to sell any Shares or any securities convertible, exchangeable or exercisable for Shares (including any warrants), for a period of 90 days following the Closing Date, without the prior written consent of the initial purchasers.



R



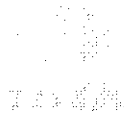
CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE EXECUTIVE COMMITTEE OF THE BOARD AT THE MEETING HELD ON JUNE 21, 2007

RESOLVED that pursuant to and in accordance with the Resolution passed by the Board of Directors on June 15, 2007, the creation, issuance and sale by the Company of Zero Coupon Foreign Currency Convertible Alternative Reference Securities due in July 2012 aggregating US\$ 490 million (hereinafter referred to as "the CARS") in the international market pursuant to Regulation S of the United States Securities Act, 1933 (the "Securities Act") substantially on the terms and conditions set forth in the Purchase Agreement and the Term Sheet be and is hereby authorised and approved.

RESOLVED FURTHER that the CARS are unsecured and unsubordinated obligations ranking *par passu* among themselves and with all other unsecured and unsubordinated indebtedness of the Company and that the CARS are issued on the following terms and conditions pursuant to the Purchase Agreement:-

Issue size	US\$ 490 million (including Green Shoe Option of US\$ 40 million)
Face Value	In denomination of US\$ 100,000 and integral multiples thereof
Interest Rate	Zero Coupon
Maturity	5 years & 1 day (July 12, 2012)
Redemption price	131.82% on the outstanding principal amount at maturity (YTM of 5.6% p.a.)
Conversion period	From October 11, 2011 to 30 days prior to maturity
Conversion Price	Initially Rs.960.06 per share (being a 40% premium to closing price on the National Stock Exchange of India Ltd. of Rs.680.40 per share on June 20, 2007). In the event that a Qualifying Event has occurred and the CARS are convertible into QS , as defined hereunder, the conversion price would be by reference to the discount to which the QSs are trading to the shares, Fixed Exchange Rate @Rs 40.59/ US\$
Qualifying Securities (QS)	Each QS may be in the form of: (i) a depository receipt issued in respect of one Share or terms similar to those applying to the ADSs but which provide that holders have no or differential voting rights (in comparison to the existing Shares) and have no right to withdraw the underlying Shares from the relevant depository facility except for withdrawal to enable: (a) upon the Company's insolvency; or (b) in order to allow holders to accept an offer for all of the Company's shares pursuant to Indian de-listing regulations; or (c) in order to allow holders to accept an offer to buy back Shares by the Company; or (d) otherwise as set out in the relevant depository facility; (ii) an Ordinary Share issued by the Company with differential rights to dividends and/or voting (in comparison to the existing Shares); (iii) a depository receipt issued in respect of an Ordinary Share as set out in the relevant depository facility

TATA



Qualifying issue	The offering and listing of Qs which in aggregate comply with the rules of a relevant stock exchange (RSE) and the following conditions: a) it is an offer of Qs for subscription for cash to atleast 20 institutional investors other than the Company's Affiliates accompanied by the grant of listing of, or permission to offer, of the Qs by the RSE and such listing is continuing; b) the aggregate number of Shares underlying or related to the Qs listed and available for trading on the RSE is equal to or greater than 75% of the number of Shares which would have been issued in the event that all of the CARSs were converted on the day of their issue into Shares at the then current Conversion Price; and c) the Conversion Price, if reset based on the Closing Prices of the Qs over the three month period after the issue and listing of any such Qs (see — Conversion — Conversion Right) and which would be applicable in the event of any conversion into Qs, would be greater than the SEBI Floor Price (being atleast Rs.805.39 per share).
Issuer Call Option	None
Listing	An application would be made to list the CARS on the Singapore Stock Exchange

"RESOLVED FURTHER that the form, terms and conditions of the Purchase Agreement (the "Purchase Agreement") presented to this meeting between the Company and the Underwriters providing for the sale of CARS by the Company to the Underwriters and for the purchase of CARS by the Underwriters from the Company upon terms and conditions contained therein, including provisions relating to indemnification of the Underwriters by the Company against certain liabilities in respect of US\$ 490 million as principal amount of the CARS is hereby authorised and approved and Mr Ratan N Tata, Chairman, Mr N A Soonawala, Director, Mr Ravi Kant, Managing Director, Mr P P Kadre, Executive Director (Finance and Corporate Affairs), any one singly, be and is hereby authorised to execute and deliver the Purchase Agreement in substantially such form and with such modifications/additions thereto as they may deem fit in the interest of the Company."

"RESOLVED FURTHER that Mr Ratan N Tata, Chairman, Mr N A Soonawala, Director, Mr Ravi Kant, Managing Director and Mr P P Kadre, Executive Director (Finance and Corporate Affairs), any two jointly, be and are hereby authorised to sign, approve the Final Offering Memorandum relating to the said CARS as also to authenticate the said document together with such modifications/additions thereto as they may deem fit in the interest of the Company."

"RESOLVED FURTHER that Mr Ratan N Tata, Chairman, Mr N A Soonawala, Director, Mr Ravi Kant, Managing Director and Mr P P Kadre, Executive Director (Finance and Corporate Affairs), any one singly, be and is hereby authorised to enter into the Memorandum to be submitted by the Company with Citicorp N.A. for the transfer of the number of Equity ADSs proposed for the issuance by the Company of the "B" and "C" mechanisms for conversion of the CARS into the requisite number of shares of the Company, the said Memorandum with such modifications/additions thereto as they may deem fit in the interest of the Company."

CREDIT
CORPORATION
TRUSTEE

document in the interest of the Company, to acknowledge the execution of the indentures and to deliver copies thereof to the Trustee.

RESOLVED FURTHER that

A. Citibank N.A. be and is hereby appointed as:-

- (i) The sole global coordinator for the said offering.
- (ii) Trustee and is hereby granted all the powers and rights and subject to all the obligations of the Trustee as set out therein.
- (iii) Agent of the Company with the title of Security Registrar for the registration of transfers and exchange of CARS when such CARS are presented to the said registrar for Registration of transfer or exchange at its office in the city of New York, US.
- (iv) Paying Agent of the Company for the payment of interest and principal on the CARS upon maturity, redemption or otherwise and the Corporate Trust Office in the City of New York be and is hereby designated as Office or Agency of the Company for such purpose.
- (v) Conversion Agent of the Company for the conversion of CARS into ADSs or Ordinary Shares, which ADSs and shares would be *pari passu* in all respect with the existing ADSs or Ordinary Shares of the Company, and the Corporate Trust Office in the City of New York be and is hereby designated as Office or Agency of the Company for such purpose.
- (vi) Depository of the Company for the holders of ADSs upon conversion of the CARS into the underlying ADSs.

B. J.P Morgan be appointed as the Joint Bookrunner alongwith the Citigroup.

RESOLVED FURTHER that the respective certificates for the CARS shall be in substantially the form thereof presented to this meeting and in accordance with the terms of the Purchase Agreement together with such modifications/additions thereto as may be deemed fit in the interest of the Company and that Mr Ravi Kant, Managing Director, Mr P P Kadle, Executive Director (Finance and Corporate Affairs), Mr R S Thakur, Vice President (Finance) and Mr H K Sethna, Company Secretary, any two jointly, be and are hereby authorised to issue global certificates in the name of Ceda & Co., Nominee for Depository Trust Company (DTC) bearing certificate no. for the CARS and deposit the certificate for the said CARS with DTC as per the terms of the Purchase Agreement."

RESOLVED FURTHER that the Company do open a Special Account with Citibank N.A. Mumbai, or any other place as may be deemed appropriate by the Company for the transfer of funds arising out of the Issue to the Company's Bank Accounts in India or abroad as may be instructed by the Company's Constituted Attorney in Mumbai.

RESOLVED FURTHER that a selling commission including a chairman's management and underwriting commission and discounts, not exceeding 2% of the net proceeds of the CARS shall be payable to the Underwriters.

RESOLVED FURTHER that all matters relating to the said Offer shall be subject to the effect of the Company prior to the date hereof with respect to the execution, delivery and other matters provided in the prospectus and that the said Offer shall be and is hereby defined, continued and approved.

TATA
MOTORS
LIMITED

"RESOLVED FURTHER that Mr Ravi Kant, Managing Director, Mr P D Kadia, Executive Director, Mr R S Thakur, Vice President (Finance) and Mr H K Sethna, Company Secretary be and are hereby authorised, jointly, to sign, execute or otherwise agree to sign, execute any other agreements, deeds, certificates, records or documents including appointment of listing agents for listing of the CARS on the Singapore Stock Exchange, the Securities (including QSSs) issued on conversion of CARS on such stock exchanges as may be deemed appropriate, structuring agent for the deal, counsels and advisors to the issue, process agent(s), letters of representations to the DTC relating to the CARS and to take such steps, actions as may be considered to be necessary or desirable or incidental in connection with and/or to carry into effect the offerings of the CARS and the intent of the foregoing resolutions."

"RESOLVED FURTHER that pending deployment of the proceeds for the objects of this issue, the proceeds be parked by the Company in permissible investments as per the existing regulations applicable to the Company."

Certified to be true
Tata Motors Limited


 H K Sethna
 Company Secretary



Securities and Exchange Board of India
 SEBI Bhavan Plot No.C-4A, G Block
 Bandra Kurla Complex
 Bandra (East)
 Mumbai 400 051

Kind Attn: Mrs. Usha Narayanan, Executive Director

April 20, 2010
 Sc-15059

Dear Sirs,

This is with reference to our application No. Sc-15765 dated September 17, 2009 and letter No.Sc-15973 dated October 23, 2009.

We thank you for the courtesy extended by you when our Chief Financial Officer, Mr C Ramakrishnan and the undersigned met you on April 15, 2010.

We seek your guidance as per our application dated September 17, 2009 with reference to the 'A' Shares (differential voting rights' shares) on the following whether:

- (i) the existing holder of 'A' Shares continue to have all their existing rights and more specifically be entitled to receive superior dividends as compared to the Ordinary Shares of the Company in the accordance with the terms of the Issue?
- (ii) the Company can make a fresh issue of 'A' Shares on the same terms as the existing listed 'A' Shares by way of a bonus or rights issue in accordance with the terms of the Issue to existing holders of 'A' Shares?
- (iii) the Company can make a fresh issue of 'A' Shares on the same terms as the existing 'A' Shares by way of a follow on public issue, preferential issue or under the QIP route to increase liquidity in these 'A' Shares?
- (iv) the Company can issue 'A' Shares on exercise of conversion option by holders of Convertible Alternative Reference Securities (CARS) incase the Company identifies 'A' Shares as the Qualifying Securities for such conversion?
- (v) the Company can issue employee stock options ("ESOPs") in accordance with the SEBI (Employee Stock Option and Employee Stock Purchase Scheme) Guidelines, 1999 where the options can be converted into 'A' Shares on same terms as the existing 'A' Shares?

Q

(Page 1 of 2)

TATA MOTORS LIMITED

Bombay House 24 Homi Mody Street Mumbai 400 001

Tel 91 22 6665 8282 Fax 91 22 6665 7799

www.tatamotors.com



As discussed with you in respect of (iv), we submit that:-

- As per the terms of the CARS offering, the Company has a right to give an option to the CARS holder to convert the CARS into 'A' Ordinary Shares.
- The approval of the shareholders under Section 81(1A) of the Companies Act for issuance of Ordinary Shares/'A' Ordinary Shares, etc in respect of the issue of CARS was obtained in July 2006.
- The issue of 'A' Ordinary Shares and changes in the Articles of Association of the Company were approved by the shareholders in June 2008.
- Should the Company desire to pursue its options to convert the CARS into 'A' Ordinary Shares, we agree that as a matter of good governance practice, we will obtain the shareholders' approval for the same, taking into consideration that the shareholders were not aware of the type of securities, pricing and other terms of 'A' Ordinary Shares at the time when they approved of the CARSs' issuance.

Thanking you,

Yours faithfully,
Tata Motors Limited

A handwritten signature in black ink, appearing to read 'H K Sethia'.

H K Sethia
Company Secretary