



BSE Limited  
First Floor, New Trading Ring  
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Dalal Street, Fort  
Mumbai 400 001

National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No.C/1, G Block  
Bandra-Kurla Complex  
Bandra (East), Mumbai 400 051

November 12, 2025  
Sc no.- 18821

Dear Sir/Madam,

**Sub: Apportionment of cost of acquisition of Equity Shares of Tata Motors Passenger Vehicles Limited (formerly Tata Motors Limited) (“the Company”) and Tata Motors Limited (formerly TML Commercial Vehicles Limited)**

We had, vide our earlier letter bearing reference no. 18799 dated October 15, 2025, intimated about the allotment of equity shares of TMCV pursuant to the Composite Scheme of Arrangement, as sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its Orders dated August 25, 2025 and September 10, 2025 (“the Scheme”).

Please find enclosed communication for the attention of the shareholders of the Company for apportionment of cost of acquisition of equity shares of the Company and Tata Motors Limited (formerly TML Commercial Vehicles Limited) pursuant to the demerger as per the Scheme.

Kindly note that this communication is merely for the general guidance of the shareholders and should not be considered as a substitute for any independent opinion that the shareholders may obtain. The concerned regulatory, statutory or judicial authority, including any assessing officer/appropriate appellate authority, could take a different view. The Company takes no express or implied liability in relation to this guidance.

You are requested to take the above information on record.

Yours faithfully,  
For Tata Motors Passenger Vehicles Limited  
(formerly Tata Motors Limited)

Maloy Kumar Gupta  
Company Secretary

**TATA MOTORS PASSENGER VEHICLES LIMITED**

Formerly known as **Tata Motors Limited**

Bombay House 24 Homi Mody Street Fort Mumbai 400001

Tel 91 22 6665 8282 [www.cars.tatamotors.com](http://www.cars.tatamotors.com) CIN L28920MH1945PLC004520



## GENERAL GUIDANCE NOTE FOR THE SHAREHOLDERS

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble NCLT'), vide Orders dated August 25, 2025, and September 10, 2025 has sanctioned the Composite Scheme of Arrangement amongst Tata Motors Limited ('TML'), TML Commercial Vehicles Limited (TMLCVL), Tata Motors Passenger Vehicles Limited ('TMLPV') and their respective shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('Scheme') providing, inter alia, for:
  - a. Demerger, transfer and vesting of the demerged undertaking (*i.e.*, undertaking relating to Commercial Vehicles Business), from TML ('Demerged Company') into TMLCVL ('Resulting Company') on a going concern basis ('Demerger'), and issue of shares by TMLCVL to the shareholders of TML in accordance with Share Entitlement Ratio and the provisions of Section 2(19AA) of the Income-tax Act, 1961 ('the Act'), and
  - b. Amalgamation of TMLPV with TML with an objective of consolidating the Passenger Vehicles Business with TML and consequent dissolution of TMLPV without being wound up.
  - c. TML has been renamed as 'Tata Motors Passenger Vehicles Limited' and TML CV has been renamed as 'Tata Motors Limited'.

The Scheme has come into effect on October 1, 2025, being the Effective Date as defined under the Scheme.

2. The Scheme complies with the provisions of Section 2(19AA) of the Act. Therefore, the Demerger is not treated as a transfer in the hands of the shareholders.
3. In accordance with the provisions of the Scheme, each shareholder of Demerged Company whose name is recorded in the register of members and records of the depository as a shareholder of the Demerged Company as on the Record Date (*ie.* October 14, 2025) shall be issued and allotted 1 (one) share of the Resulting Company (face value of INR 2/- each fully paid up), for every 1 (one) share of the Demerged Company (face value of INR 2/- each fully paid up) of the same class of shares outstanding and as held by such shareholder in the Demerged Company, without any further application, act or deed ('Share Entitlement Ratio').
4. As per the provisions for Section 49(2C) of the Act, the cost of acquisition of the shares in the resulting company shall be the amount which bears to the cost of acquisition of shares held by shareholder in the demerged company the same proportion as the net book value of the assets transferred in a demerger bears to the net worth of the demerged company immediately before such demerger. Further, as per the provisions of Section 49(2D) of the Act the cost of acquisition of the original shares held by the shareholder in the demerged company shall be deemed to have been reduced by the amount as so arrived at under Section 49(2C).
5. Accordingly, for the purpose of determining cost of acquisition of the equity shares of the Resulting and the Demerged Company post demerger, shareholders shall apportion their total cost of acquisition of equity shares of the Demerged Company in the following manner:

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Sl. No.	Name of Entity	% of Total Cost of Acquisition of Ordinary Shares
1	Tata Motors Limited (formerly TML Commercial Vehicles Limited)	31.15
2	Tata Motors Passenger Vehicles Limited (formerly Tata Motors Limited)	68.85

*Note: The shareholders are requested to note that the name of Tata Motors Limited has changed to Tata Motors Passenger Vehicles Limited and the name of TML Commercial Vehicles Limited has been changed to Tata Motors Limited.*

For example, if 1,000 Ordinary Shares of TML were purchased at INR 400/- per share by a shareholder, the total cost of acquisition would amount to INR 4,00,000/- before the Demerger. Based on the Share Entitlement Ratio, 1000 shares of TMLCVL would be allotted to the said shareholder. The total cost of acquisition of INR 4,00,000/- would be apportioned in the aforesaid ratio - INR 1,24,600/- (31.15% of INR 4,00,000/-) being the total cost of acquisition of 1,000 Resulting Company shares and INR 2,75,400/- (INR 4,00,000/- less INR 1,24,600) being the total cost of acquisition of 1000 original shares of Demerged Company.

6. It may be noted that as per Section 47(vii) of the Act, the aforesaid issue of Equity Shares by Resulting Company pursuant to the Scheme will not be regarded as transfer; further, in terms of Explanation 1(i)(g) to Section 2(42A) of the Act, the date of acquisition of the equity shares of Resulting Company will be deemed to be the date of acquisition for the Equity Shares of Demerged Company.

Please note that this communication is merely for general guidance to the shareholders and should not be construed as a substitute for any independent opinion that shareholders may obtain. Shareholders are advised to consult their own consultants / tax advisors to understand specific tax implications in their respective cases. The Demerged Company, Resulting Company or TMLPV take no express or implied responsibility/ liability in relation to this guidance.

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