

TATA CAPITAL LIMITED

Registered Office: 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013
CIN:U65990MH1991PLC060670
Telephone: (022) 6606 9000 • Fax: (022) 6656 2699 • Website: www.tatacapital.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF TATA CAPITAL LIMITED will be held on Monday, July 8, 2019 at 10:00 a.m. at the Registered Office of the Company at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Report of the Auditors thereon.
3. To confirm the payment of Interim Dividend on the Cumulative Redeemable Preference Shares for the Financial Year ended March 31, 2019.
4. To appoint a Director in place of Mr. Saurabh Agrawal (DIN: 02144558), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:**5. Appointment of Ms. Varsha Purandare (DIN: 05288076) as an Independent Director**

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

“RESOLVED that Ms. Varsha Purandare (DIN: 05288076), who was appointed by the Board of Directors as an Additional Director of the Company, with effect from April 1, 2019 and who holds office up to the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 (“Act”) and Article 135 of the Articles of Association of the Company and in respect of whom the Company has received a notice, in writing, from a Member under Section 160 of the Act, proposing her candidature for the office of Director of the Company, and who is eligible for appointment as a 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 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Varsha Purandare (DIN: 05288076), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of three years commencing from April 1, 2019 up to March 31, 2022.”

6. Issue and Offer of 14,70,58,823 Equity Shares of ₹ 10 each aggregating upto ₹ 750 crore, on a Preferential Basis: Offer - 1

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

“RESOLVED that pursuant to the provisions of Sections 42, 62 and such other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Rules framed there under, as amended from time to time and subject to the Memorandum and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authority from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications, as may be considered necessary by the Board of Directors (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee thereof or persons nominated by the Board,

exercising the powers conferred on the Board by this Resolution, for the time being) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot 14,70,58,823 Equity Shares of ₹ 10/- each, on a preferential basis and / or on a private placement basis, to Tata Sons Private Limited, the holding company, at an issue price of ₹ 51 per share (including premium of ₹ 41 per share) aggregating upto ₹ 750 crore, for cash ("Offer-1"), on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting and as may be approved by the Board of Directors."

"RESOLVED FURTHER that the Equity Shares to be offered on preferential basis would rank pari passu with the existing Equity Shares of the Company."

"RESOLVED FURTHER that the Board of Directors and the Key Managerial Personnel of the Company, be and are hereby authorized to do all such acts, deeds and things and take all such steps and actions as may be necessary in the aforesaid connection and execute all such deeds, documents and writings and also give such directions and delegations, as it may in its absolute discretion deem fit, including paying such fees and incurring such expenses in relation thereto and file documents, forms, etc., as may be required, with any regulatory/statutory authority and authorise the officials of the Company for the aforesaid purpose, as may be deemed fit."

7. Issue and Offer of 14,70,58,823 Equity Shares of ₹ 10 each aggregating upto ₹ 750 crore, on a Preferential Basis: Offer - 2

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

"RESOLVED that pursuant to the provisions of Sections 42, 62 and such other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed there under, as amended from time to time and subject to the Memorandum and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authority from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications, as may be considered necessary by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof or persons nominated by the Board, exercising the powers conferred on the Board by this Resolution, for the time being) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot 14,70,58,823 Equity Shares of ₹ 10/- each, on a preferential basis and / or on a private placement basis, to Tata Sons Private Limited, the holding company, at an issue price of ₹ 51 per share (including premium of ₹ 41 per share) aggregating upto ₹ 750 crore, for cash ("Offer-2"), on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting and as may be approved by the Board of Directors."

"RESOLVED FURTHER that the Equity Shares to be offered on preferential basis would rank pari passu with the existing Equity Shares of the Company."

"RESOLVED FURTHER that the Board of Directors and the Key Managerial Personnel of the Company, be and are hereby authorized to do all such acts, deeds and things and take all such steps and actions as may be necessary in the aforesaid connection and execute all such deeds, documents and writings and also give such directions and delegations, as it may in its absolute discretion deem fit, including paying such fees and incurring such expenses in relation thereto and file documents, forms, etc., as may be required, with any regulatory/statutory authority and authorise the officials of the Company for the aforesaid purpose, as may be deemed fit."

8. Issue and Offer of 9,80,39,215 Equity Shares of ₹ 10 each aggregating upto ₹ 500 crore, on a Preferential Basis: Offer - 3

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

"RESOLVED that pursuant to the provisions of Sections 42, 62 and such other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed there under, as amended from time to time and subject to the Memorandum and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authority from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications, as may be considered necessary by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof or persons nominated by the Board,

exercising the powers conferred on the Board by this Resolution, for the time being) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot 9,80,39,215 Equity Shares of ₹ 10/- each, on a preferential basis and / or on a private placement basis, to Tata Sons Private Limited, the holding company, at an issue price of ₹ 51 per share (including premium of ₹ 41 per share) aggregating upto ₹ 500 crore, for cash ("Offer-3"), on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting and as may be approved by the Board of Directors."

"RESOLVED FURTHER that the Equity Shares to be offered on preferential basis would rank pari passu with the existing Equity Shares of the Company."

"RESOLVED FURTHER that the Board of Directors and the Key Managerial Personnel of the Company, be and are hereby authorized to do all such acts, deeds and things and take all such steps and actions as may be necessary in the aforesaid connection and execute all such deeds, documents and writings and also give such directions and delegations, as it may in its absolute discretion deem fit, including paying such fees and incurring such expenses in relation thereto and file documents, forms, etc., as may be required, with any regulatory/statutory authority and authorise the officials of the Company for the aforesaid purpose, as may be deemed fit."

9. Issue and Offer of 9,80,39,215 Equity Shares of ₹ 10 each aggregating upto ₹ 500 crore, on a Preferential Basis: Offer - 4

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

"RESOLVED that pursuant to the provisions of Sections 42, 62 and such other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed there under, as amended from time to time and subject to the Memorandum and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authority from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications, as may be considered necessary by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof or persons nominated by the Board, exercising the powers conferred on the Board by this Resolution, for the time being) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot 9,80,39,215 Equity Shares of ₹ 10/- each, on a preferential basis and / or on a private placement basis, to Tata Sons Private Limited, the holding company, at an issue price of ₹ 51 per share (including premium of ₹ 41 per share) aggregating upto ₹ 500 crore, for cash ("Offer-4"), on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting and as may be approved by the Board of Directors."

"RESOLVED FURTHER that the Equity Shares to be offered on preferential basis would rank pari passu with the existing Equity Shares of the Company."

"RESOLVED FURTHER that the Board of Directors and the Key Managerial Personnel of the Company, be and are hereby authorized to do all such acts, deeds and things and take all such steps and actions as may be necessary in the aforesaid connection and execute all such deeds, documents and writings and also give such directions and delegations, as it may in its absolute discretion deem fit, including paying such fees and incurring such expenses in relation thereto and file documents, forms, etc., as may be required, with any regulatory/statutory authority and authorise the officials of the Company for the aforesaid purpose, as may be deemed fit."

By Order of the Board of Directors
For **Tata Capital Limited**

Avan K. Doomasia
Company Secretary

Mumbai, June 12, 2019

Registered Office:

11th Floor, Tower A, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the Businesses set out at Item Nos. 5 to 9 above, is annexed hereto. Additional information, pursuant to Secretarial Standard – 2 i.e. Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Mr. Saurabh Agrawal and Ms. Varsha Purandare, the Directors seeking re-appointment / appointment, respectively, at the Annual General Meeting, is furnished as a part of this Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate, not more than ten percent of the total share capital of the Company, carrying voting rights. Provided that a Member holding more than ten percent 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 proxy for any other person or shareholder.
3. The instrument appointing the Proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 (Forty Eight) hours before the AGM. Proxies submitted on behalf of limited companies, trusts, etc., must be supported by an appropriate resolution/ authority, as applicable.
4. Members/Proxies should bring the enclosed Attendance Slip duly filled in, for attending the AGM.
5. The Notice is being sent to all the Members, whose names appeared in the Register of Members of the Company as on the close of business hours on June 7, 2019 (“Record Date”).
6. To support the “Green Initiative”, Members who have not registered their e-mail addresses are requested to register the same with the Company’s Share Registrars and Transfer Agents i.e. TSR Darashaw Consultants Private Limited (formerly known as TSR Darashaw Limited) / their Depository Participants, in respect of shares held in physical / electronic mode, respectively.
7. The Notice of the AGM is being sent by electronic mode to all the Members whose e-mail addresses are registered with the Depositories. For Members who have not registered their e-mail addresses with the Depositories, physical copies are being sent by the permitted modes. The Notice of the AGM is also posted on the website of the Company, www.tatacapital.com and that of Central Depository Services (India) Limited (“CDSL”), www.evotingindia.com.
8. The holders of Cumulative Redeemable Preference Shares (“CRPS”) are not entitled to vote on the items set out in the Notice.
9. Process and manner for Members opting for voting through Electronic means:
 - (i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means and the businesses set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of CDSL (“remote e-voting”).
 - (ii) Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut Off Date of Monday, July 1, 2019, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice who has no voting rights as on the Cut Off Date, shall treat this Notice as intimation only.
 - (iii) A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and prior to the Cut Off Date i.e. Monday, July 1, 2019, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through Poll at the AGM, by following the procedure mentioned in this part.
 - (iv) The remote e-voting will commence on Thursday, July 4, 2019 at 9:00 a.m. and will end on Sunday, July 7, 2019 at 5:00 p.m. During this period, the Members of the Company, holding shares either in physical form or in demat form as on the Cut Off Date i.e. Monday, July 1, 2019, may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

- (v) Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
- (vi) The facility for voting through electronic or physical ballot would also be made available at the AGM and the Members attending the Meeting who have not already cast their votes by remote e-voting shall be able to exercise their right of voting at the Meeting. The Members who have already cast their vote by remote e-voting prior to the Meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.
- (vii) The voting rights of the Members shall be in the proportion to their share in the paid-up equity share capital of the Company as on the Cut Off Date of July 1, 2019.
- (viii) The Company has appointed Mr. P. N. Parikh (FCS No. 327; COP No. 1228) or failing him, Mr. Mitesh Dhaliwala (FCS No. 8331; COP No. 9511) of M/s. Parikh & Associates, Practicing Company Secretaries, to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through electronic / ballot paper at the AGM, in a fair and transparent manner.
- (ix) The procedure and instructions for remote e-voting are, as follows:
 - a. Open your web browser during the voting period and log on to the e-voting website, www.evotingindia.com.
 - b. Now click on “Shareholders” to cast your votes.
 - c. Now, fill up the following details in the appropriate boxes:

User - ID	For CDSL: 16 digits Beneficiary ID For NSDL: 8 Character DP ID followed by 8 Digits Client ID Members holding shares in physical form should enter the Folio Number registered with the Company
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- d. Next, enter the Image Verification as displayed and click on Login.
- e. If you are a first time user, follow the steps given below:

For Members holding shares in demat form and physical form:	
PAN	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their Demat account number/Folio No., as the case may be, in the PAN field. In case the Folio No. is less than 8 digits, enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters e.g. If your name is Ramesh Kumar and Folio No. is 1, then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (“DOB”)	Enter the Dividend Bank Details or DOB in dd/mm/yyyy, as recorded in your Demat account or the Company records for the said folio. If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.

- f. After entering these details appropriately, click on “SUBMIT” tab.
- g. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form, will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- h. For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- i. Now, select the Electronic Voting Sequence Number (“EVSN”) along with “TATA CAPITAL LIMITED” from the drop down menu and click on “SUBMIT”.
- j. On the voting page, you will see Resolution Description and against the same, the option “YES/NO” for voting. The option “YES” implies that you assent to the Resolution and Option “NO” implies that you dissent to the Resolution. Enter the number of shares (which represents number of votes) under “YES/NO” or alternatively you may partially enter any number in “YES” and partially in “NO”, but the total number in “YES” and “NO” taken together should not exceed your total shareholding.
- k. Click on the RESOLUTION FILE LINK if you wish to view the entire Notice.
- l. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- m. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- n. You can also take out a print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- o. Note for Non-Individual Members and Custodians:
 - Non-Individual Members (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form, bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (“POA”) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (x) The Chairman shall, at the end of the discussion on the resolutions on which voting is to be held at the AGM, allow voting with the assistance of the Scrutinizer, by use of electronic or physical ballot for all those Members who are present at the AGM, but have not cast their votes by availing the remote e-voting facility.
- (xi) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and, thereafter, unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall not later than three days of the conclusion of the meeting, issue a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the Result of the voting forthwith.
- (xii) The Results declared, alongwith the Scrutinizer’s Report, will be posted immediately after the declaration of the same by the Chairman on the Company’s website, www.tatacapital.com and also on the website of CDSL, www.evotingindia.com. The Results shall also be displayed on the Notice Board at the Registered Office of the Company.
- (xiii) In case you have any queries or issues regarding remote e-voting, please contact helpdesk.evoting@cdslindia.com or Ms. Avan Doomasia, Company Secretary, at avan.doomasia@tatacapital.com or Tel. No. 022-66069140. Members can also refer to the Frequently Asked Questions available under the ‘HELP’ section at www.evotingindia.com.

EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") and the Rules framed thereunder sets out all material facts relating to the businesses mentioned under Item Nos. 5 to 9 of the accompanying Notice dated June 12, 2019.

Item No. 5:

In pursuance of the provisions of Section 161 of the Act and the Articles of Association of the Company, the Board of Directors of the Company had, at their Meeting held on March 27, 2019, based on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Varsha Purandare (DIN: 05288076) as an Additional Director of the Company, with effect from April 1, 2019 to hold office upto the date of the next Annual General Meeting of the Company.

The Board of Directors of the Company have also approved the appointment of Ms. Purandare as an Independent Director, for an initial term of three years, commencing from April 1, 2019 up to March 31, 2022, subject to the approval of the Members of the Company. As per the provisions of Section 149 of the Act and the Rules framed there under, an Independent Director shall hold office for an initial term of up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Ms. Varsha Purandare, holds a Bachelor's degree in Science (Chemistry) and has a Diploma in Business Management, having varied experience of 36 years in the areas of Credit, Forex, Risk, Treasury, Capital Markets, Investment Banking and Private Equity. Ms. Purandare was the Managing Director and Chief Executive Officer of SBI Capital Markets Limited ("SBI Caps") from November 2015 upto December 2018, where she was overall in-charge of SBI Caps and its five subsidiaries, covering investment banking and encompassing Equity Capital Markets, Debt Markets, Private Equity, Institutional & Retail Broking, Trustee & Foreign Subsidiaries. Prior to this, Ms. Purandare was the Deputy Managing Director and Chief Credit and Risk Officer of State Bank of India ("SBI"), where she headed the highest Credit Committee and was in-charge of the overall Credit function. Besides the above, Ms. Purandare has held several positions in SBI, in India and abroad.

The Company has received a notice, in writing, pursuant to Section 160 of the Act, from a Member proposing the candidature of Ms. Purandare, as a Director of the Company.

The Company has also received a declaration from Ms. Purandare in terms of Section 149 of the Act and the Rules, stating that she is qualified to be appointed as an Independent Director of the Company. In the opinion of the Board, Ms. Purandare fulfils the conditions specified in the Act and the Rules for appointment as an Independent Director and that she is independent of the Management.

A copy of the draft letter for the appointment of Ms. Purandare as an Independent Director, setting out the terms and conditions, would be available for inspection without any fee, by the Members at the Registered Office of the Company during normal business hours on any working day (except Saturday, Sunday and public holidays).

The Board considers that the association of Ms. Purandare would be of immense benefit to the Company and it is desirable to appoint her as an Independent Director. In compliance with the provisions of Sections 149 and 161 of the Act and the Rules framed there under read with Schedule IV of the Act, the appointment of Ms. Purandare as an Independent Director, is now being placed before the Members at the General Meeting, for their approval.

The Board commends the Ordinary Resolution at Item No. 5 of the accompanying Notice, for the approval of the Members of the Company.

Ms. Purandare is concerned and interested in the Resolution mentioned at Item No. 5 of the accompanying Notice.

Other than Ms. Purandare, none of her relatives or no other Director or Key Managerial Personnel or their relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

Item Nos. 6 to 9:

At the Meeting of the Board of Directors of the Company held on May 6, 2019, the Board had discussed the funding requirements of the Company for FY 2019-20 and in view of its growth plans had, *inter alia*, approved to

raise funds by way of offer, issue and allot Equity Shares, on a preferential basis and/or on a private placement basis, to Tata Sons Private Limited, the holding company, for an aggregate amount upto ₹ 2,500 crore, subject to the approval of the Members of the Company.

Pursuant to the provisions of Section 62 of the Act, whenever it is proposed to increase the subscribed capital of a company by issue of further shares, such further shares can be offered to any persons, by way of a Special Resolution, whether the person is an existing equity shareholder or not. As per Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014, the Company would also require to comply with the conditions laid down in Section 42 of the Act, relating to private placement of securities. As per Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, a company offering or making an invitation to subscribe to securities on a private placement basis, is required to obtain the prior approval of the shareholders by way of a Special Resolution, for each such offer and invitation.

Further, pursuant to the provisions of Section 62 of the Act and as laid down under Rule 13 of Companies (Share Capital and Debenture) Rules, 2014, the price at which the shares are proposed to be issued on a preferential basis, should be based on the Valuation Report provided by a Registered Valuer. Accordingly, the Valuation Report dated May 6, 2019, obtained from Registered Valuer viz. Mr. Parag S. Ved, for the purpose of issue of Equity Shares on a preferential basis, is attached as Annexure A.

In view of the above, the approval of the Members is, accordingly, being sought by way of Special Resolutions for the issue of upto 49,01,96,076 Equity Shares of the Company of the Face Value of ₹ 10 each, at an issue price of ₹ 51 per share (including premium of ₹ 41 per share), for an aggregate value not exceeding ₹ 2,500 crore, to Tata Sons Private Limited, on a preferential basis and / or on a private placement basis, on the terms and conditions set out hereunder.

Given below are the terms of issue of the Equity Shares and a Statement of disclosures as required under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time and Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, for each of the Offers mentioned in the Resolutions at Item Nos. 6 to 9:

- (i) The Offer is being made to Tata Sons Private Limited, the Promoter of the Company, who may subscribe to the Equity Shares of the Company. The Offer is not made to any Director of the Company or to their relatives. However, the Promoters or Directors of the Company may subscribe to further issues of securities, as may be made by the Company, from time to time.
- (ii) Principle terms of assets charged as securities - Not Applicable
- (iii) Other terms are:

The Objects / Purpose of the Offer and Issue	For general corporate purposes and for redemption of Preference Shares
Issue size, number and kind of securities to be offered / issued and Issue Price	<p>Offer-1: 14,70,58,823 Equity Shares of ₹ 10/- each at a premium of ₹ 41/- per share, aggregating upto ₹ 750 crore;</p> <p>Offer-2: 14,70,58,823 Equity Shares of ₹ 10/- each at a premium of ₹ 41/- per share, aggregating upto ₹ 750 crore;</p> <p>Offer-3: 9,80,39,215 Equity Shares of ₹ 10/- each at a premium of ₹ 41/- per share, aggregating upto ₹ 500 crore; and</p> <p>Offer-4: 9,80,39,215 Equity Shares of ₹ 10/- each at a premium of ₹ 41/- per share, aggregating upto ₹ 500 crore.</p>

	No fresh offer shall be made unless the allotments with respect to the Offer made earlier have been completed or the Offers have been withdrawn or abandoned by the Board of Directors.
Issue price or price band at which the allotment is proposed	The Equity Shares are proposed to be issued at a price ₹ 51/- per share (including premium of ₹ 41/- per share), based on the Valuation Report dated May 6, 2019 obtained from a Registered Valuer viz. Mr. Parag S. Ved.
The basis or justification on which the price has been arrived at, along with report of the Registered Valuer	The Equity Shares are proposed to be issued at a price of ₹ 51/- per share (including premium of ₹ 41/- per share), based on the Valuation Report dated May 6, 2019 obtained from a Registered Valuer viz. Mr. Parag S. Ved. A copy of the aforesaid Valuation Report is attached to this Explanatory Statement, as Annexure A.
Name and Address of the Valuer, who performed Valuation	Mr. Parag S. Ved SSPA & Co., Chartered Accountants, 1st Floor, Arjun Building, Plot No.6A, V.P. Road, Andheri (West), Mumbai – 400 058
Relevant Date with reference to which the price has been arrived	March 31, 2019.
Proposed time schedule	The Equity Shares are proposed to be issued within twelve months from the date of passing of the said Resolutions at Item Nos. 6 to 9.
The class or classes of persons to whom the allotment is proposed to be made	The Equity Shares are proposed to be allotted to Tata Sons Private Limited, the holding company.
The intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer	Tata Sons Private Limited intends to subscribe to the Equity Shares of the Company offered on a preferential basis and / or on a private placement basis. The Equity Shares are not offered to any Director or the Key Managerial Personnel of the Company.
The proposed time within which the allotment shall be completed	Upon the issue and offer of the Equity Shares as aforesaid, the allotment shall be completed within a period of sixty days from the date of receipt of application money. Such allotment shall not be later than one year from the date of passing the Special Resolution set out at Item Nos. 6 to 9 of the accompanying Notice.
The name of the proposed allottees and the percentage of post preferential offer capital that may be held by them	The Equity Shares are being offered to Tata Sons Private Limited, the holding company. Assuming that the entire Equity Shares shall be subscribed by Tata Sons Private Limited, the equity shareholding of Tata Sons Private Limited in the Company will be 94.97% of the paid-up Equity Share Capital of the Company, post allotment.

The change of control, if any, in the Company that would occur consequent to the preferential offer	Since the Equity Shares are proposed to be offered to the Promoter/holding company, there would be no change in control, consequential to the preferential offer. Further, post the offer and allotment, the percentage of shareholding of the Promoters will increase to 94.97%.
The number of persons to whom allotment on preferential basis have already been made during the year, in terms of the number of securities as well as price	During FY 2019-20 and till date, the Company has not issued any securities on a preferential basis
The justification for the allotment proposed to be made for consideration other than cash together with the Valuation Report of the Registered Valuer	Not Applicable.

The pre issue and post issue Equity Shareholding pattern of the Company as on May 31, 2019:

Sr. No.	Category	Pre Issue		Post Issue*	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	Promoters holding:				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate	3,12,85,05,090	94.23	3,61,87,01,166	94.97
	Sub-Total	3,12,85,05,090	94.23	3,61,87,01,166	94.97
2	Foreign Promoters	-	-	-	-
	Sub-Total (A)	3,12,85,05,090	94.23	3,61,87,01,166	94.97
B	Non Promoters holding:				
1	Institutional Investors	-	-	-	-
2	Non Institution:				
	Private Corporate Bodies	11,67,21,517	3.52	11,67,21,517	3.07
	Directors and Relatives	2,43,716	0.00	2,43,716	0.00
	Indian Public	2,28,57,959	0.69	2,28,57,959	0.60
	Others (including NRIs)	5,17,61,032	1.56	5,17,61,032	1.36
	Sub-Total (B)	19,15,84,224	5.77	19,15,84,224	5.03
	Grand Total	3,32,00,89,314	100	3,81,02,85,390	100

*assuming 100% subscription of ₹ 2,500 crore

The pre issue and post issue Preference Shareholding pattern of the Company as on May 31, 2019:

Sr. No.	Category	Pre Issue		Post Issue	
		No of shares held	% of shareholding	No of shares held	% of shareholding
A	Promoters holding:				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate	-	-	-	-
	Sub-Total	-	-	-	-
2	Foreign Promoters	-	-	-	-
	Sub-Total (A)	-	-	-	-

Sr. No.	Category	Pre Issue		Post Issue	
		No of shares held	% of shareholding	No of shares held	% of shareholding
B	Non Promoters holding:				
1	Institutional Investors	4,10,000	2.26	4,10,000	2.26
2	Non Institution:				
	Private Corporate Bodies	81,79,854	45.19	81,79,854	45.19
	Directors and Relatives	30,700	0.17	30,700	0.17
	Indian Public	86,53,954	47.80	86,53,954	47.80
	Others (including NRIs)	8,28,558	4.58	8,28,558	4.58
	Sub-Total (B)	1,81,03,066	100	1,81,03,066	100
	Grand Total	1,81,03,066	100	1,81,03,066	100

Since the offer and issue is of Equity Shares of the Company, there will be no change in the shareholding of Preference Shares issued by the Company.

The Board commends the Special Resolutions at Item Nos. 6 to 9 of the accompanying Notice, for the approval of the Members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the passing of the Resolutions at Item Nos. 6 to 9 of the accompanying Notice.

By Order of the Board of Directors
For **Tata Capital Limited**

Avan K. Doomasia
Company Secretary

Mumbai, June 12, 2019

Registered Office:

11th Floor, Tower A, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013

VALUATION REPORT**Sub: Report on fair valuation of equity shares of Tata Capital Limited.**

Dear Sir(s) / Madam(s),

I refer to our engagement letter dated April 12, 2019, whereby I, Mr. Parag Shamji Ved, have been appointed by the management of Tata Capital Limited (hereinafter referred to as 'TCL' or the 'Company') to carry out the fair valuation of equity shares of TCL for the proposed preferential allotment of equity shares of TCL under section 62 of the Companies Act, 2013.

1. SCOPE AND PURPOSE OF VALUATION

- 1.1 I have been informed by the management of TCL (hereinafter referred to as the 'Management') that the Company is considering a proposal to issue equity shares of the Company on a preferential basis. In this connection, the Management requires valuation of equity shares of TCL for complying with the requirements of section 62 (Further issue of Share Capital) of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time.
- 1.2 For this purpose, I have been appointed by the Management to carry out the fair valuation of equity shares of the Company as on March 31, 2019 ('Valuation Date').
- 1.3 For the purpose of this valuation, the bases of value is 'Fair value' and the valuation is based on 'going concern' premise. As per ICAI Valuation Standard ('ICAI VS') 101, 'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. Further, 'going concern' value is the value of a business enterprise that is expected to continue to operate in the future.

2. BACKGROUND OF TATA CAPITAL LIMITED

- 2.1 TCL, a Core Investment Company, registered with Reserve Bank of India provides financial services to retail, corporate and institutional customers through its various subsidiaries. The Company, through its subsidiaries is engaged in the business of commercial and consumer finance, housing finance, cleantech and infrastructure finance, investment manager to private equity funds, and distribution of Mutual Funds to Institutions.
- 2.2 TCL carries out business of management of private equity funds ('PE Advisory'), as permitted under the directions issued by RBI and all other operating businesses are carried out by the subsidiaries of TCL. TCL's PE Advisory business manages multiple private equity funds viz:
 - Tata Capital Growth Fund,
 - Tata Capital Innovation Fund,
 - Tata Capital Healthcare Fund I; and
 - Special Situations Fund

TCL primarily holds investments in above PE Funds.

- 2.3 The following is the brief background of operating subsidiaries of TCL:

- **Tata Capital Financial Services Limited ('TCFSL')**

TCFSL is a Systemically Important Non Deposit Accepting Non-Banking Finance Company (NBFC), and has received a certificate of registration from the Reserve Bank of India on November 04, 2011. The business of TCFSL is broadly divided into 2 segments viz. Corporate Finance and Consumer Finance.

TCL holds 100% Equity Shares and Compulsorily Convertible Cumulative Preference Shares ('CCCPS') issued by TCFSL.

- **Tata Capital Housing Finance Limited ('TCHFL')**

TCHFL is registered with National Housing Bank to carry on housing finance activities. TCHFL

offers a range of Housing Loans and Loans against Property to various segments of society viz. salaried individual and self-employed individuals, non-individual entities, etc. apart from housing loans and loans against property to the retail segment, TCHFL also provides project finance loans to developers.

TCL holds 100% equity shares and CCCPS issued by TCHFL.

- **Tata Cleantech Capital Limited ('TCCL')**

TCCL established in September 2011 is a joint venture between TCL and International Finance Corporation. TCCL, a Systemically Important Non Deposit Accepting Non-Banking Finance Company had received its certificate of registration as a 'Infrastructure Finance Company' from RBI on October 15, 2015. TCCL is engaged in the business of providing finance and advisory services in renewable energy, energy efficiency, waste management and water management projects.

TCL holds 80.50% equity stake in TCCL.

- **Tata Securities Limited ('TSL')**

The business of TSL was divided into 4 business verticals viz Retail Broking, Institutional Broking, Institutional Distribution of Mutual Funds and Investment Banking Services. I have been informed by the Management that the Retail Broking & Institutional Broking businesses, which were incurring losses for past 3 financial years ('FY') have been discontinued post FY 2017-18. Also, the Investment Banking Business is discontinued from FY 2018-19. Consequently, the business of TSL comprises only of Distribution of Mutual Funds to Institutions.

TCL holds 100% equity shares issued by TSL.

TCHFL, TCFSL, TCCL and TSL are hereinafter collectively referred to as 'Operating Subsidiaries'.

2.4 The outstanding number of equity shares of TCL as on March 31, 2019 is 3,32,00,89,314 of INR 10 each. Further, the Company has issued Cumulative Redeemable Preference Shares (CRPS). The details of outstanding CRPS as on March 31, 2019 are given below:

Name of the shareholder	shares	INR Crores
Divident rate - 12.50%**	2,071,066	207.11
Divident rate - 8.33%	5,000,000	500.00
Divident rate - 7.75%	400,000	40.00
Divident rate - 7.50%	6,500,000	650.00
Divident rate - 7.33%	1,497,500	149.75
Divident rate - 7.15%	750,000	75.00
Divident rate - 7.10%**	1,884,500	188.45
Total	18,103,066	1,810.31

** I have been informed by the Management that the CRPS are redeemable at a premium of INR 103.55 crores.

3. REGISTERED VALUER - MR. PARAG SHAMJI VED

I am a fellow member of The Institute of Chartered Accountants of India ('ICAI') practising as a partner with SSPA & Co., Chartered Accountants. I am also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV/06/2018/10092.

4. SOURCES OF INFORMATION

The valuation exercise is based on the following information received from the Management and information available in public domain:

- Management certified provisional financial statements of the Company, Operating Subsidiaries and Tata Capital Pte Limited as per Indian GAAP for the FY ended March 31, 2019 ('FY 2018-19').

- Projections of Standalone TCL (excluding income and expenses from investments in Operating Subsidiaries and other investments) comprising of balance sheet and profitability statement from FY 2019-20 to FY 2021-22.
- Projections of Operating Subsidiaries comprising of balance sheet and profitability statement from FY 2019-20 to FY 2021-22.
- Discussions with Management on various issues relevant for the valuation including the prospects and outlook for the industry, existing and expected loan book, tax related deductions, fair value of investments held by the Company and Operating Subsidiaries and other relevant information relating to future expected profitability of the business, etc.
- Such other information and explanations as I required, and which have been provided by the Management of the Company including Management Representations.

5. VALUATION APPROACHES AND METHODOLOGIES

5.1 There are various approaches/methods adopted for valuation of equity shares of the Company. Certain approaches/methods are based on asset value of a company while certain other methods are based on the earnings potential of the company. Each approach/method proceeds on different fundamental assumptions which have greater or lesser relevance and at times even no relevance, to a given situation. Thus, the approach/method to be adopted for a particular valuation exercise must be judiciously chosen.

5.2 MARKET APPROACH

Under the 'Market' approach, the valuation is based on the market price of a company in case of listed companies ('Market Price Method') and/or valuation based on market multiples (based on Revenue, EBITDA, EBIT, PAT, etc.) derived from set of comparable listed companies ('Comparable Companies Multiple Method') or from comparable transactions ('Comparable Transaction Multiple Method'). Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Market approach generally reflects the investors' perception about the worth of the company.

In the present case, the equity shares of TCL are not listed on any stock exchanges and there being no similar/identical comparable companies, Market Price Approach has not been considered.

5.3 INCOME APPROACH

Under the 'Income' approach, the equity shares of a company is valued using Discounted Cash Flow ('DCF') method. The DCF Method values the business by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are discounted by Weighted Average Cost of Capital ('WACC'). The WACC represents the returns expected by the investors of both debt and equity, weighted for their relative funding in the entity. The present value of the free cash flows during the explicit period and the perpetuity value indicate the value of the business.

5.4 COST APPROACH

Under the 'Cost' approach, the valuation is based on the value of the underlying net assets of business either on a book value basis or realizable value basis or replacement cost basis. In the present case, the business of the Company is intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets.

Taking into consideration the going concern status, the replacement cost/ reproduction cost/ book value of assets and liabilities is considered to be of limited relevance. Therefore, the Cost approach is not adopted for the present valuation exercise.

5.5 Considering the above, I have thought fit to determine the value of TCL (excluding income and expenditure from Investments in Operating Subsidiaries and Other Investments) using DCF Method. Further, Investment in Operating Subsidiaries have also been valued using DCF Method and considered separately to arrive at the value of TCL.

6. VALUATION OF TCL AS PER DCF METHOD

6.1 The Valuation under DCF method is based on the projections of TCL (excluding income and expenditure from Investments in Operating Subsidiaries and Other Investments) from FY 2019-20 to FY 2021-22 (hereinafter referred to as 'Explicit Period') provided by the Management. For the Explicit Period, Free Cash Flow to Equity (FCFE) have been arrived at as follows:

- Profits before tax as per the projections have been considered. Depreciation on fixed assets has been added to the profits before tax to arrive at the cash earnings.
- Fund requirements for capital expenditure has been reduced from the cash earnings of the respective years.
- Incremental working capital have been added/reduced from the cash earnings of the respective years.
- Estimated tax liability has been reduced to arrive at the Free Cash Flows to Equity (FCFE).
- The Free Cash Flow to Equity of respective year are then discounted with Cost of Equity which represents opportunity cost to equity shareholders to arrive at Discounted Free Cash flow to Equity.
- The Cost of Equity is worked out as follows:

Risk free rate of return + (Beta x Equity Risk Premium)

Where,

- Risk Free Return has been considered at 7%, based on yield on government securities.
- Market neutral Beta of 1 has been considered.
- Equity risk premium has been considered at 9%, based on the expected market return of the investor over and above the risk free rate considering the risk of investment in the stock/security.
- Based on the above, the Cost of Equity comes to 16%.
- After the explicit period, the business will continue to generate cash. In DCF Method, therefore, perpetuity value is also considered to arrive at the equity value. For arriving at the perpetuity value, I have considered a growth rate of 5%.
- Cash flows for perpetuity have been arrived at after considering the corporate taxes and incremental working capital requirements.
- Appropriate adjustments have been made for cash and cash equivalents, contingent liabilities, Surplus advances to Group companies, Cash Outflow on redemption of CRPS, loan funds, fair value of Operating Subsidiaries (as explained in Para 6.2 below) and value of other investments after considering the tax impact wherever applicable to arrive at the equity value of the Company.

6.2 The Operating Subsidiaries of TCL have been fair valued using DCF Method as at March 31, 2019. For determination of perpetuity value of TCFSL, TCHFL and TCCL, PE multiple (based on comparable companies) is applied to the perpetuity earnings at the end of explicit period. The following table provides, the summary of valuation of Operating Subsidiaries of TCL.

(INR crore)

No.	Name of the Subsidiary Comapny	% Stake	Fair Value	Ref.
1	Tata Capital Financial Services Limited	100.00%	13,455.57	Annexure 1A
2	Tata Capital Housing Finance Limited	100.00%	3,514.29	Annexure 1B
3	Tata Cleantech Capital Limited	80.50%	968.43	Annexure 1C
4	Tata Securities Limited	100.00%	41.02	Annexure 1D
	Total		17,979.31	

6.3 The value so arrived at is divided by the outstanding number of equity shares to arrive at the value per share. On the basis of the foregoing, the value per equity share of TCL under DCF Method works out to **INR 51.00 (rounded off)** as on the Valuation Date. The workings for the same are given in **Annexure I** to this report.

7. CONCLUSION / RECOMMENDATION

In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined in this report and based on information and explanation provided to me, in my opinion, the value of TCL as per DCF Method as on Valuation Date works out to **INR 51.00** per equity share (Face Value of INR 10 each).

8. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

8.1 This report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further my report on recommendation of fair value of equity shares of TCL is in accordance with ICAI VS 2018.

8.2 Valuation is not a precise science and the conclusions arrived at will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While I have provided an assessment of value by applying certain formulae which are based on the information available, others may place a different value.

8.3 The Management has represented that the Company has clear and valid title of assets. No investigation on the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid.

8.4 The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that information or facts stated are not erroneous and the assumptions used are reasonable.

8.5 For the purpose of this exercise, I was provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to me by the Company / auditors is that of the Company. Also, with respect to explanations and information sought from the Company, I have been given to understand by the Management that they have not omitted any relevant and material facts about the Company. The Management have indicated to me that they have understood that any omissions, inaccuracies or misstatements by the Management may materially affect my valuation analysis / conclusions. My work does not constitute an audit, due diligence or certification of these information referred to in this report including information sourced from public domain. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and consequential impact on the present exercise. However, nothing has come to my attention to indicate that the information provided / obtained was materially misstated / incorrect or would not afford reasonable grounds upon which to base the report.

8.6 Valuation analysis and results are specific to the purpose of valuation and the Valuation Date mentioned in the report and is as per agreed terms of the engagement.

8.7 A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the Management has drawn my attention to all the matters, which they are aware of concerning the financial position of the Company and any other matter, which may have an impact on my opinion, on the fair value of the shares of the Company including any significant changes that have taken place or are likely to take place in the financial position of the Company. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and I do not assume any obligation to update, revise or reaffirm this report.

8.8 My recommendation is based on the estimates of cash flows as projected by the Management, which represents their view of reasonable expectation at the point of time when they were prepared, after giving due considerations to commercial and financial aspects of the Company. But such information

and estimates are not offered as assurances and actual results achieved during the period covered by the future cash flow statements may vary from those contained in the statement and the variation may be material. The fact that I have considered the projections in this exercise of valuation should not be construed or taken as me being associated with or a party to such projections.

- 8.9 The fee for this report is not contingent upon the results reported.
- 8.10 My report is not, nor should it be construed as me opining or certifying the compliance with the provisions of any law including companies, competition, taxation and capital market related laws or as regards any legal implications or issues arising in India or abroad from the proposed issue of shares.
- 8.11 Any person/party intending to provide finance/invest in the shares/convertible instruments/ business of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 8.12 The decision to carry out the transaction (including consideration thereof) lies entirely with the Management and my work and my finding shall not constitute a recommendation as to whether or not the Management should carry out the transaction.
- 8.13 This Report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall I assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 8.14 I along with the managers, employees and partners of SSPA & Co., Chartered Accountants do not make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All the aforesaid parties expressly disclaim any and all liability for/ or based on or relating to any such information contained in the valuation.

CA Parag Shamji Ved

Registered Valuer No.: IBBI/RV/06/2018/10092

ICAI Membership Number: 102432

Date: May 6, 2019

Place: Mumbai

TATA CAPITAL LIMITED
DISCOUNTED CASH FLOW METHOD
(INR crores)

Particulars		2019-20	2020-21	2021-22
Operating Profit before Tax		(37.95)	36.09	23.44
Add:				
Depreciation		6.91	6.90	6.90
Operating PBDIT		(31.04)	42.98	30.34
Less:				
Capital expenditure		0.02	0.00	–
Incremental working capital		57.98	2.82	4.44
Tax		–	6.29	6.90
Total outflows		58.00	9.11	11.35
Net Cash Flows		(89.04)	33.88	18.99
Discounting factor	16.00%	0.86	0.74	0.64
Present Value for explicit period		(76.76)	25.18	12.17

Calculation for Perpetuity		(INR crores)
Operating PBDIT (FY 2021-22)		30.34
Growth rate		5%
Operating PBDIT for perpetuity		31.85
Less:		
Taxes	34.94%	(11.13)
Net cash flows for perpetuity		20.72
Capitalised value for perpetuity		188.39
Add: Tax benefit on depreciation on WDV at the end of explicit period		1.11
Total capitalised value		189.50
Discount factor		0.64
Present Value of perpetuity		121.40

Calculation of equity value		(INR crores)
Net present value of explicit period		(39.42)
Present value of perpetuity		121.40
Equity Value		81.98
Add/(Less): Adjustments		
Contingent Liabilities		(11.01)
Cash & Cash equivalents		582.17
Surplus Advances to Group Companies		580.44
Cash Outflow on redemption of CRPS		(1,913.86)
<u>Fair Value of investments</u>		
– Value of Operating Subsidiaries	17,979.31	
– Value of other investments	1,252.35	
– Loan towards above investments	(1,620.72)	17,610.94
Equity Value for Shareholders		16,930.67
Number of equity shares		3,320,089,314
Value per share (Rounded off) (Face Value INR 10 each)		51.00

TATA CAPITAL FINANCIAL SERVICES LIMITED
DISCOUNTED CASH FLOW METHOD

(INR crores)

Particulars		2019-20	2020-21	2021-22	Terminal value
Operating Profit before Tax		1,481.82	2,227.14	3,627.33	
Add:					
Depreciation		402.86	687.93	895.54	
Operating PBDIT		1,884.68	2,915.07	4,522.87	
Add:					
Loan taken		12,371.50	20,043.32	23,438.88	
Total inflow		14,256.18	22,958.40	27,961.76	
Less:					
Capital expenditure		824.97	1,317.40	1,690.06	
Loans given		14,397.37	23,544.70	26,878.99	
Incremental working capital		(659.07)	(986.16)	(406.34)	
Tax		532.30	830.17	1,318.09	
Total outflows		15,095.57	24,706.11	29,480.80	
Net Cash Flows		(839.39)	(1,747.71)	(1,519.04)	
PAT as at March 31, 2022					2,365.00
PE Multiple (Rounded Off)					11.10
Terminal Value					26,251.54
Discounting factor	18.00%	0.85	0.72	0.61	0.61
Present Value for explicit and terminal period		(711.35)	(1,255.18)	(924.54)	15,977.49

Calculation of equity value	(INR crores)
Net present value of explicit period	(2,891.06)
Present value of terminal period	15,977.49
Equity Value	13,086.43
Add/(less): Adjustment	
Contingent liabilities	(2.76)
Value of investments	371.90
Equity value for Shareholders	13,455.57
TCL's Stake	100%
Fair Value of TCL's Stake	13,455.57

**TATA CAPITAL HOUSING FINANCE LIMITED
DISCOUNTED CASH FLOW METHOD**

(INR crores)

Particulars		2019-20	2020-21	2021-22	Terminal value
Operating Profit before Tax		590.21	1,009.97	1,769.39	
Add:					
Depreciation		6.70	6.63	7.08	
Operating PBDIT		596.91	1,016.59	1,776.46	
Add:					
Loan taken		8,735.79	15,633.04	24,223.49	
Total inflow		9,332.69	16,649.63	25,999.95	
Less:					
Capital expenditure		16.23	12.63	17.08	
Loans given		10,559.53	17,890.38	27,100.36	
Incremental working capital		(538.51)	(668.42)	(339.62)	
Tax		206.29	352.56	617.66	
Total outflows		10,243.53	17,587.16	27,395.47	
Net Cash Flows		(910.84)	(937.52)	(1,395.52)	
PAT as at March 31, 2022					1,151.09
PE Multiple (Rounded Off)					8.40
Terminal Value					9,669.17
Discounting factor	18.70%	0.84	0.71	0.60	0.60
Present Value for explicit and terminal period		(767.34)	(665.40)	(834.42)	5,781.45

Calculation of equity value	(INR crores)
Net present value of explicit period	(2,267.16)
Present value of terminal period	5,781.45
Equity Value for Shareholders	3,514.29
TCL's Stake	100%
Fair Value of TCL's Stake	3,514.29

**TATA CLEANTECH CAPITAL LIMITED
DISCOUNTED CASH FLOW METHOD**

(INR crores)

Particulars		2019-20	2020-21	2021-22	Terminal value
Operating Profit befor tax		247.96	349.00	493.02	
Add:					
Depreciation		0.27	2.86	2.98	
Operating PBDIT		248.23	351.86	496.00	
Add:					
Loan taken		1,991.21	3,300.76	2,906.13	
Total inflow		2,239.44	3,652.62	3,402.13	
Less:					
Capital expenditure		0.38	52.86	2.98	
Loans given		2,589.40	3,899.82	3,250.00	
Incremental working capital		(331.04)	(24.84)	(27.30)	
Tax		86.53	120.01	169.89	
Total outflows		2,345.27	4,047.86	3,395.57	
Net Cash Flows		(105.83)	(395.24)	6.57	
PAT as at March 31, 2022					320.74
PE Multiple (Rounded Off)					8.10
Terminal Value					2,597.97
Discounting factor	18.25%	0.85	0.72	0.60	0.60
Present Value for explicit and terminal period		(89.50)	(282.65)	3.97	1,571.20

Calculation of equity value	(INR crores)
Net present value of explicit period	(368.18)
Present value of perpetuity	1,571.20
Equity Value for Shareholders	1,203.02
TCL's Stake	80.50%
Fair Value of TCL's Stake	968.43

TATA SECURITIES LIMITED
DISCOUNTED CASH FLOW METHOD

(INR crores)

Particulars		2019-20	2020-21	2021-22
Operating Profit before tax		2.50	2.75	3.16
Add:				
Depreciation		0.02	0.02	0.03
Operating PBDIT		2.52	2.77	3.19
Less:				
Capital expenditure		0.02	0.02	0.03
Incremental working capital		0.04	0.24	0.30
Tax		0.51	0.57	0.65
Total outflows		0.57	0.83	0.98
Net Cash Flows		1.95	1.94	2.21
Discounting factor	16.00%	0.86	0.74	0.64
Present Value for explicit period		1.68	1.44	1.41

Calculation for Perpetuity		(INR crores)
Operating PBDIT (FY 2022-23)		3.19
Growth rate		5%
Operating PBDIT for perpetuity		3.34
Less:		
Taxes	27.82%	(0.93)
Capital expenditure	(0.03)	
Add: Tax benefit for depreciation on capex	0.00	(0.02)
Incremental Working Capital requirement		(0.15)
Net cash flows for perpetuity		2.25
Capitalised value for perpetuity		20.41
Add: Tax benefit on depreciation on WDV at the end of explicit period		0.09
Present Value of tax losses in future years		1.87
Total capitalised value		22.38
Discount factor		0.64
Present Value of perpetuity		14.34

Calculation of equity value	(INR crores)
Net present value of explicit period	4.53
Present value of perpetuity	14.34
Equity Value	18.87
Add/(Less): Adjustments	
Cash and cash equivalents	15.00
Value of Investments	7.16
Equity Value for Shareholders	41.02
TCL's Stake	100%
Fair Value of TCL's Stake	41.02

BRIEF RESUME OF THE DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AS DIRECTORS AT THIS ANNUAL GENERAL MEETING

(AS ON MAY 31, 2019)

Particulars	Mr. Saurabh Agrawal (DIN: 02144558)	Ms. Varsha Purandare (DIN: 05288076)
Date of Birth and Age	August 13, 1969 Age: 49 years	December 7, 1958 Age: 60 years
Date of appointment on Board	July 28, 2017	Appointed as an Additional Director, with effect from April 1, 2019
Qualifications	Graduate of the Indian Institute of Technology, Roorkee and Postgraduate Management Degree from the Indian Institute of Management, Calcutta.	Bachelor's Degree in Science (Chemistry) and Diploma in Business Management.
Experience	<p>Mr. Saurabh Agrawal is the Group Chief Financial Officer of Tata Sons Private Limited ("Tata Sons"), the holding company. Mr. Agrawal joined Tata Sons in June 2017 from the Aditya Birla Group, where he was the Head of Strategy. In a career spanning over two decades, Mr. Agrawal has been the Head of Investment Banking in India for Bank of America Merrill Lynch and also Head of the Corporate Finance business in India and South Asia for Standard Chartered Bank. He is on the Board of various Tata Companies.</p> <p>Mr. Agrawal has wide-ranging experience in strategy and capital markets, where he had a ringside view of the evolution of the Indian economy, since the mid-90s. He has helped various large Indian and global corporates on capital markets as well as mergers and acquisitions. In his past roles, Mr. Agrawal has worked with several business groups both Indian and global.</p>	<p>Ms. Varsha Purandare, has varied experience of 36 years in the areas of Credit, Forex, Risk, Treasury, Capital Markets, Investment Banking and Private Equity. Ms. Purandare was the Managing Director and Chief Executive Officer of SBI Capital Markets Limited ("SBI Caps") from November 2015 upto December 2018, where she was overall in-charge of SBI Caps and its five subsidiaries, covering investment banking and encompassing Equity Capital Markets, Debt Markets, Private Equity, Institutional & Retail Broking, Trustee & Foreign Subsidiaries. Prior to this, Ms. Purandare was the Deputy Managing Director and Chief Credit and Risk Officer of State Bank of India ("SBI"), where she headed the highest Credit Committee and was in-charge of the overall Credit function. Besides the above, Ms. Purandare has held several positions in SBI, in India and abroad.</p>
No. of Meetings of the Board attended during FY 2018-19	8 (out of 11)	Not Applicable

Other Directorships	<p><u>Director</u></p> <ul style="list-style-type: none"> Gradis Trading Private Limited Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited Tata Steel Limited Tata Teleservices Limited The Tata Power Company Limited Tata Sky Limited <p><u>Wholetime Director</u></p> <ul style="list-style-type: none"> Tata Sons Private Limited 	<p><u>Additional Director</u></p> <ul style="list-style-type: none"> Orient Cement Limited Tata Capital Financial Services Limited <p><u>Director</u></p> <ul style="list-style-type: none"> Legal Entity Identifier India Limited
Memberships/ Chairmanships of committees across other companies	<p><u>Tata Steel Limited</u></p> <ul style="list-style-type: none"> Audit Committee – Member Risk Management Committee – Member Executive Committee of the Board – Member <p><u>Tata AIA Life Insurance Company Limited</u></p> <ul style="list-style-type: none"> Investment Committee – Member Nomination and Remuneration Committee – Member Audit Committee – Member With Profits Committee – Member <p><u>Tata Teleservices Limited</u></p> <ul style="list-style-type: none"> Audit Committee – Chairman Nomination and Remuneration Committee – Chairman Finance Committee – Chairman Share/ Warrant/ Debenture Allotment & Transfer Committee – Member Network & Technical Committee – Member <p><u>The Tata Power Company Limited</u></p> <ul style="list-style-type: none"> Audit Committee – Member <p><u>Tata Sky Limited</u></p> <ul style="list-style-type: none"> Nomination and Remuneration Committee – Member <p><u>Tata AIG General Insurance Company Limited</u></p> <ul style="list-style-type: none"> Investment Committee – Chairman Nomination and Remuneration Committee – Member 	<p><u>Orient Cement Limited</u></p> <ul style="list-style-type: none"> Audit Committee – Member Nomination and Remuneration Committee – Member Stakeholders Relationship Committee – Member Risk Management Committee – Member <p><u>Tata Capital Financial Services Limited</u></p> <ul style="list-style-type: none"> Audit Committee – Member Finance and Asset Liability Supervisory Committee - Chairperson Risk Management Committee - Chairperson Investment Credit Committee - Chairperson
Shareholding in the Company	Nil	Nil
Relationship with other directors, manager or key managerial personnel, if any	None	None
Last drawn Remuneration (FY 2018-19)	₹ 2,80,000 (Last drawn remuneration includes the Sitting Fees paid for FY 2018-19)	Not Applicable since Ms. Varsha Purandare has been appointed as an Additional Director and Independent Director, with effect from April 1, 2019.
Remuneration sought to be paid	Sitting Fees and Commission (if any)	Sitting Fees and Commission (if any)



TATA CAPITAL LIMITED

Registered Office: 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.
CIN: U65990MH1991PLC060670
Telephone: (022) 6606 9000 • Fax: (022) 6656 2699 • Website: www.tatacapital.com

ATTENDANCE SLIP

Members attending the Meeting in person or by Proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Twenty Eighth Annual General Meeting of the Company at the Registered Office of the Company at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013 on Monday, July 8, 2019 at 10:00 a.m.

Full name of the Member (in block letters) Signature
Folio No.: DP ID No.:* Client ID No.:*
*Applicable for Member holding shares in electronic form
Full name of the Proxy (in block letters) Signature



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Form No. MGT – 11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: U65990MH1991PLC060670

Name of the Company: TATA CAPITAL LIMITED

Registered Office: 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013, India.

Website: www.tatacapital.com

Name of the Member(s) : _____

Registered Address: _____

E-mail Id: DP ID No.:* Client ID No.:*

*Applicable for Member holding shares in electronic form

I / We, being the Member(s) of _____ Shares of Tata Capital Limited, hereby appoint:

- Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him / her
- Name: _____
Address: _____
E-mail Id: _____
Signature: _____, or failing him / her
- Name: _____
Address: _____
E-mail Id: _____
Signature: _____

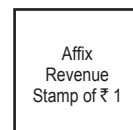
as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Twenty Eighth Annual General Meeting of the Company, to be held on Monday, July 8, 2019 at 10:00 a.m. at the Registered Office of the Company and at any adjournment thereof, in respect of the Resolutions set out in the Notice convening the Meeting, as indicated below:

Resolution Nos.:

- To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.
- To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Report of the Auditors thereon.
- To confirm the payment of Interim Dividend on the Cumulative Redeemable Preference Shares for the Financial Year ended March 31, 2019.
- To appoint a Director in place of Mr. Saurabh Agrawal (DIN: 02144558), who retires by rotation and, being eligible, offers himself for re-appointment.
- Appointment of Ms. Varsha Purandare (DIN: 05288076) as an Independent Director
- Issue and Offer of 14,70,58,823 Equity Shares of ₹ 10/- each aggregating upto ₹ 750 crore, on a Preferential Basis: Offer – 1
- Issue and Offer of 14,70,58,823 Equity Shares of ₹ 10/- each aggregating upto ₹ 750 crore, on a Preferential Basis: Offer – 2
- Issue and Offer of 9,80,39,215 Equity Shares of ₹ 10/- each aggregating upto ₹ 500 crore, on a Preferential Basis: Offer – 3
- Issue and Offer of 9,80,39,215 Equity Shares of ₹ 10/- each aggregating upto ₹ 500 crore, on a Preferential Basis: Offer – 4

Signed this ____ day of _____, 2019

Signature of Shareholder _____



Signature of Proxy Holder(s) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. The proxyholder may vote either for or against on the Resolutions, in case the Member has not voted through the remote e-voting facility.

TATA CAPITAL LIMITED

11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013

ROUTE MAP TO THE VENUE OF AGM

