

Tata Motors – Corporate Governance Score Evaluation

Manual Testing Report

May 2025

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Objective

- Validate system-generated answers against actual disclosures in company documents
- To assess governance score outputs are acceptable, explainable, and grounded in evidence
- Focus on randomly selected test questions from each governance principal category and present the evidence.

Category I – Shareholder Rights

Question #7: Question, guidance & rubric

7.	Within how many months of the fiscal year end was the last AGM held?	<p>The timeline for the AGM may be computed as:</p> $T = \text{Date of AGM} - \text{FYE}$ <p>FYE = 31 March, for companies with a March year-end FYE = 31 Dec, for companies with a Dec year-end FYE = 30 Sep, for companies with a Sep year-end FYE = 30 Jun, for companies with a Jun year-end</p> <p>IF, $T < 4$ months, score 2 IF, $4 \text{ months} < T < 6$ months, score 1 IF, $T > 6$ months, score 0</p> <p>The date of the AGM is to be checked from the shareholder meeting notice or from the AGM outcome documents.</p>	
	More than six months after the fiscal year end	Within four-six months of the fiscal year end	Within four months of the fiscal year end

Category I – Shareholder Rights

Question #7: System output

Both sources, 'annual_report_url', indicate that the Financial Year End (FYE) was March 31, 2024 (Page 4 and Page 5 respectively) and the Annual General Meeting (AGM) was held on June 24, 2024 (Page 1 in both sources). Source 1 calculates the gap as 85 days (Page 4 and Page 1). Source 2 states the gap is 2 months and 24 days, which is less than 4 months. Therefore, based on the scoring criteria, a score of 2 is given because the gap between FYE and AGM is less than 4 months. Sources: Page 1, Page 4, Page 5 (annual_report_url)

Category I – Shareholder Rights

Question #7: Evaluation (1/2)

BSE Limited
First Floor, New Trading Ring
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai 400 001

Listing Compliance Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051

May 31, 2024
Sc no - 18288

Dear Sirs/Madam,

Sub: Integrated Annual Report for the Financial Year 2023-24 and Notice convening the 79th Annual General Meeting

Further to our letters dated May 10, 2024 and May 28, 2024, wherein we had informed that the 79th Annual General Meeting ('AGM') of Tata Motors Limited ('the Company') will be held on Monday, June 24, 2024 at 2:30 p.m. (IST) via Video Conference / Other Audio-Visual Means, in accordance with relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI').

Pursuant to Regulations 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Integrated Annual Report of the Company including the Business Responsibility and Sustainability Report and Notice convening the 79th AGM for the Financial Year ended March 31, 2024, which is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar & Share Transfer Agent/Depository Participant(s).



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Category I – Shareholder Rights

Question #7: Evaluation (2/2)

About the report

Tata Motors Limited's 79th Integrated Annual Report for FY24 covers our financial and non-financial performance, and provides an insight into our business model, strategy, risks, opportunities, performance, and achievements in the period under review.


Reporting cycle

01
APRIL
2023

→


31
MARCH
2024

Frameworks, guidelines and standards used



Now part of IFRS Foundation


International <IR> Framework (the '<IR> Framework')



MINISTRY OF CORPORATE AFFAIRS
GOVERNMENT OF INDIA

Companies Act, 2013

Indian Accounting Standards



Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015

Cautionary statements

Statements in the Integrated Report describing our objective, projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets, in which we operate, in addition to changes in government regulations, tax laws and other statutes and incidental factors.

Responsibility statement

Our Board ensures the integrity, completeness, and adherence to the IFRS' <IR> Framework in the preparation and presentation of this Report.

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Category II – Stakeholder Role

Question #19: Question, guidance & rubric

	Parameters	Response key	
19	Does the company have publicly disclosed policies and/or mechanisms to prevent sexual harassment at workplace?		
	The policy has not been publicly disclosed and the company has not provided information on the number of sexual harassment incidents	The policy is publicly disclosed or the company has provided information on the sexual harassment incidents	The company has provided information on the number of sexual harassment incidents and has publicly disclosed its prevention of sexual harassment policy

Category II – Stakeholder Role

Question #19: System output

The company scored a 2 because the annual report (page 129, [annual_report_url](#)) explicitly states that Tata Motors has a "Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace," aligned with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Furthermore, the same source (page 129, [annual_report_url](#)) provides data on the number of sexual harassment complaints received (eleven) and their status during FY24. While the combined_policies document (page 9) mentions a general policy against harassment, it lacks the specificity and quantitative data provided in the annual report. Therefore, the presence of both a disclosed policy and quantitative data on sexual harassment incidents warrants a score of 2.

Category II – Stakeholder Role

Question #19: Evaluation (1/2)

TCOC 2015

Dignity and respect

4. Our leaders shall be responsible for creating a conducive work environment built on tolerance, understanding, mutual cooperation and respect for individual privacy.
5. Everyone in our work environment must be treated with dignity and respect. We do not tolerate any form of harassment, whether sexual, physical, verbal or psychological.
6. We have clear and fair disciplinary procedures, which necessarily include an employee's right to be heard.
7. We respect our employees' right to privacy. We have no concern with their conduct outside our work environment, unless such conduct impairs their work performance, creates conflicts of interest or adversely affects our reputation or business interests.

Human rights

8. We do not employ children at our workplaces.
9. We do not use forced labour in any form. We do not confiscate personal documents of our employees, or force them to make any payment to us or to anyone else in order to secure employment with us, or to work with us.

Bribery and corruption

10. Our employees and those representing us, including agents and intermediaries, shall not, directly or indirectly, offer or receive any illegal or improper payments or comparable benefits that are intended or perceived to obtain undue favours for the conduct of our business.

Category II – Stakeholder Role

Question #19: Evaluation (2/2)

PREVENTION OF SEXUAL HARASSMENT ('POSH')

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment.

During FY24, the Company has received 11 complaints on sexual harassment, of which 7 have been suitably closed in accordance with the Company's processes. The pending cases mostly comprise those registered in the last quarter of FY24 and are currently undergoing investigations at different stages. In addition, five carry forward cases of last financial year were closed suitably in FY24. The Company organized over 300 awareness workshops across various locations in order to cover flexible & temporary workforce, blue collar employees, new joiners, etc., covering approximately 14,000 resources (cumulative).

In order to ensure uniform understanding and wider coverage, a video based awareness module has been developed in local languages for blue collar and contractual employees and released for deployment across the organization in April 2023. E-module training on POSH awareness is mandatory for white collar new joiners. New POSH Scenario based assessment e-module was rolled out in March 2024, for all permanent white collar employees.

not exceeding 1,38,00,000 Ordinary Shares in the Company of the face value of ₹2/- each at an Exercise price of ₹345/- per share.

During FY23, at the AGM held on July 4, 2022, the Members had approved amendment in the TML ESOP Scheme 2018. As of March 31, 2024, out of the said 81,47,633 stock options so granted, 48,58,367 stock options have been vested, out of which 34,88,016 stock options have been exercised. Further, no stock options remained unvested and 3,52,018 stock options had been treated as lapsed and forfeited.

Subsequently, the Company had allotted 23,94,676 Ordinary Shares of ₹2/- each during the period from April 1, 2023 to March 31, 2024 under the TML ESOP Scheme 2018.

TML SLTI Scheme 2021

Pursuant to the approval of Members at the AGM held on July 30, 2021, the Company adopted the TML SLTI Scheme 2021. The TML SLTI Scheme 2021 comprises of two reward mechanisms; (a) Performance Share Units, and (b) Stock Options. The objective of TML SLTI Scheme 2021 is to reward Eligible employees of the Company and its subsidiaries, to drive long term objectives of the Company, to motivate and retain employees by rewarding for their performance, to retain and incentivize key talent to drive long term objectives of the Company, to ensure that the senior management employees' compensation and benefits match the long gestation period of certain key initiatives; and to drive ownership behaviour and collaboration amongst employees.

In terms of TML SLTI Scheme 2021, (i) Not exceeding 75,00,000 Ordinary Shares of the face value of ₹2/- each fully paid up, and (ii) Not exceeding 14,00,000 Ordinary Shares of the

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Category III – Transparency and Disclosure

Question #32: Question, guidance & rubric

32	Has the company developed and disclosed a comprehensive related party transaction (RPT) policy?	<p>A related party transaction policy is required to be disclosed under the Companies Act, 2013 and SEBI LODR regulations.</p> <p>To score maximum points on this question, the related party transaction policy must be publicly disclosed by the company. Further, the policy must be comprehensive, mandatorily including the following points:</p> <ul style="list-style-type: none">• Definition on ordinary course of business• Definition on materiality of transactions• Requirement of the external auditors to review material RPTs	
	The company does not have an RPT policy or has not disclosed it	The company has an RPT policy as required under regulations but it is not comprehensive	The company has a comprehensive RPT policy

Category III – Transparency and Disclosure

Question #32: System output

The Tata Motors Limited has a policy on related party transactions, as confirmed by the document "POLICY ON RELATED PARTY TRANSACTIONS" extracted from the company's website (Source: combined_policies). The policy includes a definition of ordinary course of business (Section 3.2, Source: combined_policies) and defines materiality of transactions, including material related party transactions defined per SEBI Listing Regulations (Source: combined_policies). However, while the policy mentions the need for maintaining documentation and adherence to frameworks and guidelines (Section 5.3.1.9, Source: combined_policies), it does not explicitly state a requirement for external auditor review of related party transactions. Therefore, based on the scoring criteria, a score of 1 is assigned because while definitions of ordinary business and materiality are present, the explicit requirement for external auditor review is missing.

Category III – Transparency and Disclosure

Question #32: Evaluation (1/3)

3.2 “Ordinary Course of Business (‘OCB’)” means a transaction which/wherein:

- is carried out in the normal course of business envisaged in accordance with the Memorandum of Association (‘MoA’) of the Company as amended from time to time, or
- is as per historical practice with a pattern of frequency, or
- is in connection with the normal business carried on by the Company, or
- the income, if any, earned from such activity/transaction is assessed as business income in the Company’s books of accounts and hence is a business activity, or
- is common commercial practice, or
- meets any other parameters/criteria as decided by the Board/Audit Committee.

Category III – Transparency and Disclosure

Question #32: Evaluation (2/3)

3.2A “Material modification” means any modification made in the value/exposure of any ongoing or proposed Related Party Transaction, as originally approved by the Audit Committee and/or shareholders, which has the effect of variation in the approved value of the transaction, by 25% or more or by which the transaction ceases to be in ordinary course and/or on arm’s length basis or such other parameter as may be determined by the Audit Committee from time to time.

3.3 “Material Related Party Transactions” shall have the same meaning as defined in Regulation 23 of the SEBI Listing Regulations.

3.4 “Relative” in relation to a related party shall have the same meaning assigned to in Section 2(77) of the Act.

3.5 “Related Party” shall have the same meaning as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations.

Reference and reliance may be placed on the clarification issued by the Ministry of the Corporate Affairs, Government of India and SEBI and other Authorities from time to time on the interpretation of the term “Related Party”.

3.6 “Related Party Transactions” shall have the meaning as defined under Regulation 2(1)(zc) of the SEBI Listing Regulations or as envisaged in Section 188(1) of the Act.

Category III – Transparency and Disclosure

Question #32: Evaluation (3/3)

5.3.1.9. For each category of transactions identified as per the Clause 5.2 of this policy, the Company has a specific framework and guidelines explaining the arm's length criteria to be followed by the Company and/or the subsidiary, as may be applicable, while entering into transactions falling under contracts and agreements with related

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TATA MOTORS LIMITED



parties identified as per Clause 5.1 of this policy. The Company and/or the subsidiary, as may be applicable, while entering into RPTs will ensure adherence with the framework and guidelines and will maintain necessary documents for the same.

Category IV – Responsibilities of the Board

Question #49: Question, guidance & rubric

49	Does the board meet sufficiently to exercise due diligence?	The number of board meetings need to be verified from the latest annual report. The company will score maximum points if the board has met more than four times in the previous year.	
	The board met less than four times in the past year	The board met four times in the past year	The board met more than four times in the past year

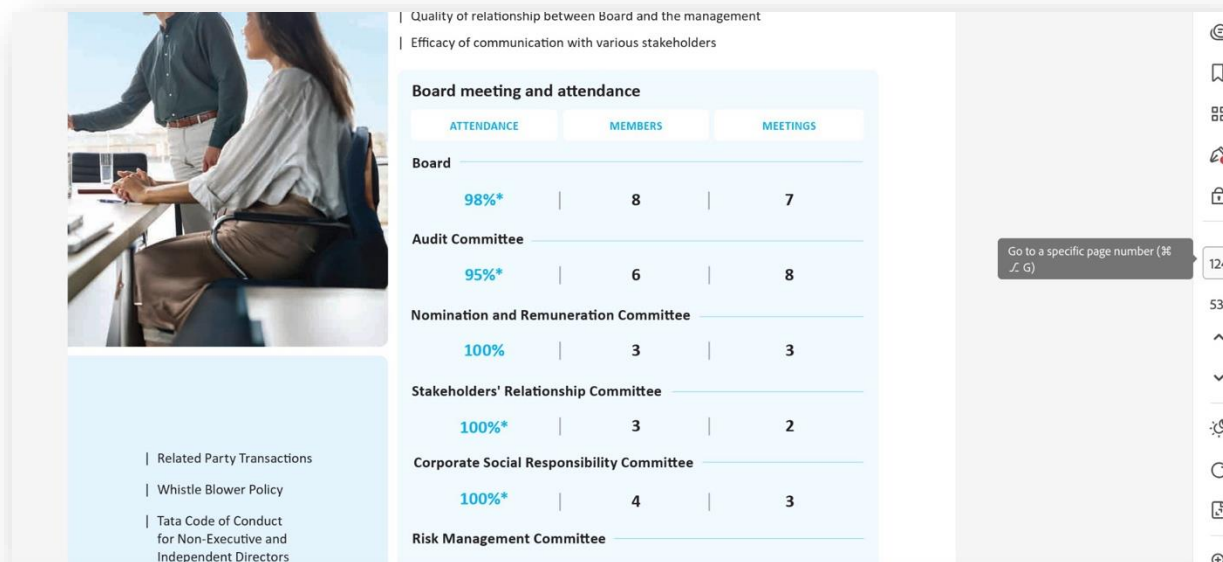
Category IV – Responsibilities of the Board

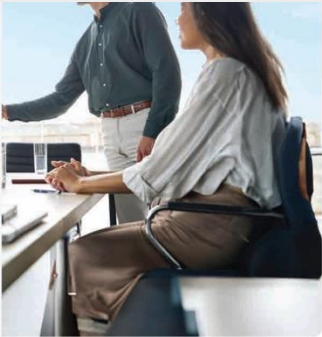
Question #49: System output

The Board of Tata Motors Limited held seven meetings during the financial year 2024 (ending March 31, 2024). This information is found on ****page 124**** of the 79th Integrated Annual Report 2023-24. According to the scoring criteria, since the board met more than 4 times in the financial year, the score is 2.

Category IV – Responsibilities of the Board

Question #49: Evaluation



 <ul style="list-style-type: none">Related Party TransactionsWhistle Blower PolicyTata Code of Conduct for Non-Executive and Independent Directors	Quality of relationship between Board and the management		
	Efficacy of communication with various stakeholders		
	Board meeting and attendance		
	ATTENDANCE	MEMBERS	MEETINGS
	Board		
	98%*	8	7
	Audit Committee		
	95%*	6	8
	Nomination and Remuneration Committee		
	100%	3	3
	Stakeholders' Relationship Committee		
	100%*	3	2
	Corporate Social Responsibility Committee		
	100%*	4	3
	Risk Management Committee		

Category IV – Responsibilities of the Board

Question #53: Question, guidance & rubric

53	Is there adequate women representation in the workforce?		
	<10%; or there is no disclosure on this aspect	>10% and <30%	>30%

Category IV – Responsibilities of the Board

Question #53: System output

The gender ratio of independent directors on the Tata Motors Limited Board as of March

The company scored 1 because the female to total workforce ratio is between 10% and 30%, specifically 11.1% (from annual_report_url, page 96).

As the chairman, N. Chandrasekaran is a non-executive director (page 14). Although he

Category IV – Responsibilities of the Board

Question #49: Evaluation

