

# Tax cut on hybrids may dent electric vehicle demand

**SWARAJ BAGGONKAR**  
Mumbai, March 29

ANY MOVE BY the government to reduce taxes on cars with hybrid technology may not only lead to a dent in demand for electric vehicles (EVs), but may also force manufacturers to resort to price cuts to drive sales, according to analysts.

At a recent event, road transport and highways minister Nitin Gadkari advocated for a reduction in tax on hybrid vehicles to 12% from the

current 28%/43%.

He also emphasised the need for discussions on the matter at the upcoming GST Council meeting, underscoring the potential industry benefits, decreased imports and environmental gains.

EVs carry 5% goods and services tax (GST), which is the lowest for any vehicle segment, and zero compensation cess.

Hybrid passenger vehicles having petrol engines upto 1200cc and diesel engines upto 1500cc and both having length upto 4 meter carry 28% GST



## PREFERRED CHOICE?

In recent months, strong hybrid volumes have outpaced pure electric vehicles

This was driven by strong demand in the multi-purpose vehicle and SUV segment due to its fuel efficiency

and zero compensation cess. All other hybrid vehicles not meeting the above criteria

carry a 15% compensation cess, over than above the 28% GST, totaling to 43%. A hybrid

vehicle allows the driver to choose between petrol/diesel power and battery electric

power for the drive.

A report by Kotak Institutional Equities stated, "We expect customers to delay their EV/hybrid purchases as manufacturers may progressively prioritise the introduction of hybrid variants for current models and potentially unveil new models in the coming years."

"This will definitely impact pure EV sales in the near term and there can be increase in competitive intensity as Tata Motors and Mahindra & Mahindra (focusing on pure EVs) may resort to further price cuts

(including passing on the benefits of PLI to end-consumers) to drive sales for pure EVs," the report added. While Tata Motors and Mahindra & Mahindra have decided to go the EV way, market leader Maruti Suzuki, Toyota, Honda and some luxury car brands haven't only launched hybrid vehicles, they have advocated for a reduction in taxes on them also.

In recent months, strong hybrid volumes have outpaced pure electric vehicles driven by strong demand in the multi-purpose vehicle and sports

utility vehicle segment due to its fuel efficiency.

"If the proposed taxation structure is implemented, we believe hybrid adoption can increase in other segments as well like sedan and hatchback," said the Kotak report. While other manufacturers like Kia, Renault, Volkswagen, MG Motor and Skoda Auto have preferred EVs for the Indian market for the future, each of them has hybrid technology in their arsenal and can be brought to India if there is a change in the government's policy.

## FROM THE FRONT PAGE

# E-tailing launch on GeM portal soon

THE IDEA IS to develop GeM as "unified procurement portal" for the country, he said.

In the current fiscal (till March 28), the platform has facilitated ₹4 trillion worth of procurement by government departments, state-run companies, states and even panchayats which is almost double the level in 2022-23.

The growth this year has been pushed by services procurement which was ₹2.05 trillion or 51% of the total. Procurement of services from GeM started in FY20 and last year the number was ₹66,128 crore. "Services procurement has overtaken goods primarily led by big service contracts of handling and transport of coal, steel sector, petroleum & natural gas and power sectors. Number of transactions in services has gone up to 6.3 million as against 5 million last year," Singh said. Going forward, the share of services sector is set to rise again, as in goods, "there will be a slight tapering," the CEO added.

Apart from looking at opening GeM for consumers, processing government works

## PROCUREMENT VIA GOVTE-MARKETPLACE

Year	Number of orders	Gross merchandise value (₹ crore)
2016-17	6,284	422
2017-18	3,72,628	5,876
2018-19	13,32,285	17,462
2019-20	21,75,133	22,989
2020-21	25,71,166	38,573
2021-22	33,16,625	1,06,547
2022-23	50,36,525	2,01,113
2023-24	62,31,131	4,00,431

contracts through the portal is also being considered.

"GeM can include work contracts in the portal. There is a lot of demand from the departments as at present they face a long process even for executing small works," he said, adding that the idea is to develop GeM as a unified procurement portal of the country. Defence is another sector that has been a big user of GeM. This year the procurement through GeM by the ministry and its various wings has crossed ₹50,000 crore and

cumulatively the procurement has crossed ₹1 trillion.

The defence procurement through GeM ranges from eggs to charter of aircraft, equipment and parts.

"Assembly of BrahMos missiles is being done through GeM under a service contract," GeM CEO said.

GeM has also onboarded 90,000 panchayats and more than 760 cooperatives. GeM's vast network has more than 150,000 government buyers and 2.1 million sellers and service providers.

# TCS opens gates for 2024 grads

DURING THE COMPANY'S third quarter earnings call, Milind Lakkad, chief human resources officer had said: "We are committed to hiring from college campuses and growing talent organically. We have commenced our campus hiring process for the next year and see tremendous excitement among freshers to join TCS." TCS had a target to recruit 40,000 freshers in the financial year 2023-24.

The company will report its January-March quarter earnings on April 12.

While TCS' hiring announcement comes as a relief, other major domestic IT companies like Infosys are still steps away from conducting any immediate campus placement. Infosys' outgoing chief financial officer Nilanjan Roy said in January the company would continue to monitor the utilisation rates and its flexible hiring model.

Further, analysts now worry that a revenue guidance cut by the global IT giant Accenture has cast a shadow over Indian IT companies, dashing hopes of a much antic-

ipated recovery eyed later this calendar year.

However, in the last few quarters, the IT companies have seen improvement in their utilisation and attrition rates from the lows of 2022.

Voluntary attrition of TCS, Infosys, Wipro, and Tech Mahindra declined quarter-on-quarter in Q3 (October-December). The last twelve months' attrition of TCS fell to 13.3% in Q3 from that of 14.9% in Q2, and that of Wipro's fell to a 10-month low of 12.3%, down 90 bps from Q2. Meanwhile, HCL Technologies added net 3,617 new employees in the quarter gone by, taking its total people count to 224,756.

TCS on Friday also announced that Amazon Web Services (AWS) has recognised it with Generative AI competency partner status.

"Achieving AWS generative competency as a launch partner is a result of TCS' industry-leading and forward-looking investments along with our deep collaboration with AWS," its deputy head of AI Cloud unit Krishna Mohan said.

# Byju's investors give EGM a miss

"AND IT HAS always been my conviction that we will overcome our challenges together," he added.

"While we have received significant interest from third parties, our priority remains with our existing shareholders and hence we are looking at how we can extend this opportunity to all of you," he further said. Sources said that around 20 investors representatives were in attendance at the EGM along with Think & Learn management.

They further added that questions were raised regarding the postal ballot, which were addressed by Byju's management.

The voting process for the resolutions discussed in the meeting will go on till April 6. Meanwhile, the next hearing

for the plea filed by investors in the National Company Law Tribunal is scheduled for April 4 where all issues in the case will be addressed. The details on voting and rights issues are subject to an independent scrutiner's report that, sources said, is underway.

As earlier reported, the NCLT had on Thursday refused to defer the EGM which was called by the board of directors to raise the authorised capital to give effect to the rights issue.

However, the tribunal's earlier order restraining the company on using the proceeds of the rights issue, will continue, and the money will remain in an escrow account. This means Byju's still cannot use the rights issue money to pay salaries and other expenses.

# Tax on overseas credit card spend unlikely from Monday

OUTBOUND REMITTANCES UNDER the LRS have been rising relentlessly in recent years, with much of the transactions being carried out during overseas travel by Indians. In April-January this fiscal, such remittances rose 24% on year to \$27.4 billion.

The proposals to expand the scope of LRS were first announced in Budget FY23.

As the proposals regarding credit cards created a row, in June 2023, the finance ministry issued a clarification, saying LRS would not apply to international credit card spends by Indians till banks and card companies put in place required IT-based solutions. It also restored the limit of ₹7 lakh for overseas credit card spending (barring expenses on medical treatment and education) in which no TCS would be levied. The proposals, after the tweaks in the June notification, were to take effect from October, but that was not to be.

Now, to bring in overseas credit card spends under LRS, the government would have to issue another notification, which shall supersede the June order, say experts. "A notification deleting Rule 7 of the Foreign Exchange Management Act (FEMA), which provides exemption in respect of credit card expenses from LRS is necessary for the implementation



of the plan," said Ved Jain, former president of The Institute of Chartered Accountants of India (ICAI).

Most of the banks are not expecting the implementation of TCS on international credit card spends from Monday. "We have not received any communication so far. So we are not expecting it to start from Monday. However, our system is in place and we are ready to start whenever we are asked to go live," said a senior official of a public sector bank. Some bankers, however, said that banks should be given more time and the deadline should be extended. "There is no official notification to go live yet. Yes, we have put in place some offline processes. This is a very complex thing to do because you need to have the ability to check real-time from the Reserve Bank of India portal on the quota consumed by the customer," said head of credit cards

of a leading private bank. For the new system, banks will need to build capabilities to tie all the spends together and track them, he added. "We have submitted our request to the government to evaluate the best scenario and extend the deadline. I hope we get some time to implement this," he added. "For TCS on international credit cards spends, banks will have to track each transaction of customers and will require a relevant management information system," said a senior official of another public sector bank.

The ministry had said the primary impact of the move would only be on investment in assets such as real estate, bonds, stocks outside India by HNIs and on tour travel packages or gifts to non-residents. The hefty 20% TCS, however, raised concern, as it would lead to blocking of funds. The ministry said TCS can be claimed back while filing income tax refunds or as a credit and adjust it against advance tax.

Experts further say that there are challenges in distinguishing between corporate and personal expenditures without issuing separate credit cards for each purpose, which means identifying the taxable expenditure under LRS would not be easy. (With inputs from Ajay Ramanathan)

# Lock-in of ₹1.5 trn shares set to end

THE MARKET REGULATOR had introduced lock-in periods to safeguard the interest of small investors by ensuring stability in the share prices of the newly-listed companies, at least for some time. The regulations also help restrict promoters and institutional investors from early exit if the stock gets listed at lofty valuations.

Added Jasani, "If some stock has not performed since listing and is below listing or issue price, the selling pressure might be higher as the pre-IPO investors may not be willing to wait out more."

On several occasions earlier, shares of companies with lock-in period expiry have come

under intense selling pressure. Most notable among these are Zomato, FSN E-Commerce, PB Fintech and Delhivery.

Most notably, shares of Zomato saw significant selling with major investors like Alibaba, Moore Strategic Ventures and Uber selling stake in the company after the expiry of lock-in period.

However, things seem to have stabilised significantly now as the fear of sky high valuations seem to have receded amid market players.

The lock-in period of Zomato and other new age companies coincided with the period when startups were undergoing a massive valua-

tion correction. Shares of many of these companies, which were yet to turn profitable during their listing, were also listed at lofty valuations, exacerbating the selling pressure.

Of the 75 stocks that got listed in FY24, as many as 14 are trading at a price 10% lower than the issue price, data from Prime Database showed. These include Gopal Snacks, Flair Writing Industries, Fedbank Financial Services and Credro Brands Marketing. Among the biggest IPO gainers were Indian Renewable Energy Development Agency, Tata Technologies, Netweb Technologies, Cyient DLM, BLS E-Services, and Tata Technologies.

**TATA MOTORS LIMITED**  
CIN - L28920MH1945PLC004520

Registered Office: Bombay House, 24, Homi Moddy Street, Mumbai - 400 001.  
Tel: +91 22 6655 8282; E-mail: inv\_rel@tatamotors.com; Website: www.tatamotors.com

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH  
COMPANY SCHEME APPLICATION NO. CA(CAA)9/MB/2024  
IN THE MATTER OF THE SCHEME APPLICATION OF THE TATA MOTORS LIMITED AND ITS SHAREHOLDERS AND CREDITORS UNDER SECTION 230-232 OF THE COMPANIES ACT, 2013  
READ WITH RULES MADE THEREUNDER.

Tata Motors Limited (CIN: L28920MH1945PLC004520), a public listed company incorporated under the provisions of the Companies Act, 1913, and having its registered office at Bombay House, 24 Homi Moddy Street, Mumbai 400001 Applicant Company

**ADVERTISEMENT OF NOTICE OF CONVENING THE MEETINGS OF 'A' ORDINARY SHAREHOLDERS AND ORDINARY SHAREHOLDERS OF TATA MOTORS LIMITED**

Notice is hereby given that, by orders dated March 22, 2024 and March 28, 2024 ("Orders"), in the Company Scheme Application CA(CAA) No. 9/MB/2024 the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") has directed, *inter alia*, that separate meetings of Ordinary Shareholders and of 'A' Ordinary Shareholders ("NCLT Convened Meetings"), both of Tata Motors Limited ("Applicant Company") be convened and held on **Tuesday, April 30, 2024** for the purpose of considering, and if thought fit, to approve with or without modification, the Scheme of Arrangement of the Company and its shareholders and creditors ("the Scheme"), pursuant to Sections 230 to 232 of the Companies Act, 2013 ("Act") and the other applicable provisions thereof and rules thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) applicable general circulars issued by the Ministry of Corporate Affairs ("MCA Circulars") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") read with the SEBI master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Scheme Circular") and SEBI circular no. SEBI/HO/DDHS/POD1/P/CIR/2023/108 dated July 29, 2022 ("SEBI Scheme Circular - Debt") (together referred to as "SEBI Scheme Circulars"), and any other applicable circulars issued by SEBI and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India ("SS-2"), each as amended from time to time. Further, the NCLT vide its orders has directed dispensation of the separate meetings of the secured creditors and unsecured creditors of the Applicant Company.

In pursuance of the Order and as directed therein, further notice is hereby given that separate meetings of Ordinary Shareholders and of 'A' Ordinary Shareholders, both of the Applicant Company respectively will be held through video conferencing or other audio visual means ("VC/OAVM"), in compliance with the provisions of the Act read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules") and other applicable provisions, the MCA circulars for conducting general meeting through VC/OAVM, Regulation 44 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), read with applicable SEBI Circulars and SS-2 in this regard, as per the schedule indicated in the table below:

Class of Meetings	Day/Date of Meetings	Time (IST)	Remote e-voting start and end time
Equity Shareholders (of shareholders holding 'A' Ordinary Shares) ("A' Ordinary Shareholders")	Tuesday April 30, 2024	11: 00 a.m.	Start Time: <b>Friday, April 26, 2024, at 9.00 a.m. (IST)</b> End time: <b>Monday, April 29, 2024, at 5.00 p.m. (IST)</b>
Equity Shareholders (of shareholders holding Ordinary Shares) ("Ordinary Shareholders")	Tuesday April 30, 2024	02:30 p.m.	Start Time: <b>Friday, April 26, 2024, at 9.00 a.m. (IST)</b> End time: <b>Monday, April 29, 2024, at 5.00 p.m. (IST)</b>

The facility for casting vote by remote e-voting would be disabled after the end time, as mentioned above, for the respective meetings where the facility is made available by National Securities Depository Limited ("NSDL").

The Applicant Company has completed the despatch of the notices of the said meetings along with the Scheme and the explanatory statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and the Rules ("Notice") to the respective Ordinary Shareholders and 'A' Ordinary Shareholders whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depository Participant(s) (DP)/depositories as on **Thursday, March 21, 2024**.

The aforesaid documents have been made available on the websites of (a) the Applicant Company at [www.tatamotors.com](http://www.tatamotors.com); (b) the BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and, respectively, (c) SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), and (d) the NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com), being the agency appointed by the Applicant Company to provide the e-voting and other facilities for convening of the meeting, at the registered office of the Company.

A copy of the Notice along with the Statement and other accompanying documents can be obtained free of charge, between **Saturday, March 30, 2024 and Tuesday, April 30, 2024 from 09.00 a.m (IST) to 4.00 p.m (IST)** on any day (except Saturday, Sunday and public holidays) up to 1 (one) day prior to the date of the Meeting from the registered office of the Company.

The NCLT has appointed Mr Om Prakash Bhatt as the Chairperson of all of the aforesaid meetings, including for any adjournment(s) thereof. Further, the NCLT has also appointed Mr. P. N Parikh (Membership No. FCS 327 and CP No. 1228), or failing him, Ms. Jigyasa N. Ved (Membership No. FCS 6488 and CP No. 6018), or failing her, Mr. Mitesh Dhahlbiwala (Membership No. FCS 8331 and CP No. 9511) of M/s. Parikh & Associates, respectively, as the Scrutinizer for the respective aforesaid meetings, including for any adjournment(s) thereof.

The Scheme, if approved at the Hon'ble NCLT Convened Meetings will be subject to the subsequent approval of the Hon'ble Tribunal and such other approvals, permission and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

Accordingly, the Ordinary Shareholders and 'A' Ordinary Shareholders, both of Applicant Company are requested to attend their respective meetings as per the abovementioned mode, date and time.

Attendance of the 'A' Ordinary Shareholders and Ordinary Shareholders (as applicable) participating in the respective Meetings through VC/OAVM facility shall be counted for the purpose of reckoning the quorum. The quorum for the respective Meetings of the 'A' Ordinary Shareholders and Ordinary Shareholders shall be as prescribed under Section 103 of the Act and Members attending the aforesaid meeting through VC/OAVM shall be counted for the purpose of reckoning quorum. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.

Ordinary Shareholders and 'A' Ordinary Shareholders, both of the Applicant Company entitled to attend and vote may vote through remote e-voting facility prior to the respective meetings or through e-voting facility made available at the respective meetings. Since the respective meetings will be held through VC/OAVM, the facility for appointment of proxies will not be available for the meetings. Voting in case of body corporate shall be permitted, provided the prescribed form / authorization is filed with Applicant Company at [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com) and Scrutinizer at [tm1.scrutinizer@gmail.com](mailto:tm1.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) at least 48 (forty-eight) hours before the Meeting.

Both Ordinary and 'A' Ordinary Shareholders, whose name are recorded in the Register of Members maintained by the Company/Registrar and Transfer Agents ("RTA") or in the Register of Beneficial Owners maintained by the depositories as on the **Cut-off Date i.e., Tuesday, April 23, 2024** shall be entitled to exercise their voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Ordinary and 'A' Ordinary Shareholder as on the Cut-off Date should treat the Notice for information purpose only.

Any person, who acquires Ordinary Shares or 'A' Ordinary Shares, both of the Applicant Company after dispatch Cut-off Date and whose name appears in the register of members/ list of beneficial owners maintained by the Depositories as on the Cut-off Date can download this Notice from the website of Company at [www.tatamotors.com](http://www.tatamotors.com) and may obtain the login ID and password in the manner outlined in the Notice.

Applicant Company has appointed the Depository to provide facility for remote e-voting and e-voting during the meetings, as well as to provide the facility for participating in the meetings through VC/OAVM. In case of any difficulty in attending the meeting through VC/OAVM or accessing the facility for remote e-voting and e-voting during the meetings, you may contact NSDL on [evoting@nsdl.com](mailto:evoting@nsdl.com) or call at 022 - 4886 7000 or contact Ms Pallavi Mhatre at 022 - 4886 7000

The result of the voting of respective meetings will be announced by the Chairperson of the meeting or a person authorized by the Chairperson in writing within 2 (two) working days from the conclusion of the meeting upon receipt of the Scrutinizer's report and the same would be displayed on the website of the Company at [www.tatamotors.com](http://www.tatamotors.com), at the Registered Office of the Company and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The Company will simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the 'A' Ordinary shares of the Company are listed.

Tata Motors Limited  
Sd/-  
Mr Om Prakash Bhatt  
Chairman appointed for the Meeting of  
Equity Shareholders (Ordinary and 'A' Ordinary) of Tata Motors Limited  
DIN: 00548091

Date: March 30, 2024  
Place: Mumbai

**FORM A  
PUBLIC ANNOUNCEMENT**

(Under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)  
FOR THE ATTENTION OF THE CREDITORS OF GACTEL TURNKEY PROJECTS LIMITED.

RELEVANT PARTICULARS

1 Name of Corporate Debtor (CD)	GACTEL TURNKEY PROJECTS LIMITED
2 Date of incorporation of corporate debtor	17/05/1995
3 Authority under which corporate debtor is incorporated/registered	ROC Mumbai
4 Corporate Identity No. of corporate debtor	U40101MH1995PLC088439
5 Address of the registered office and principal office (if any) of corporate debtor	Regd Address: Floor 3rd, Plot No - 3/B, Hamilton House J.N. Heredia Marg, Ballard Estate, Mumbai - 400038, Maharashtra, India
6 Insolvency commencement date in respect of Corporate Debtor	27/03/2024
7 Estimated date of closure of insolvency resolution process	23/09/2024
8 Name and registration number of the insolvency professional acting as interim resolution professional	Name: Mr. Kumar Raghavan Registration No. IBBI/PA-001/IP-P01433/2018-2019/12336
9 Address and e-mail of the Interim Resolution Professional, as registered with the Board	Regd Add: A 15 Windmill Village Sr. no. 61-75, Paud Road, Bavdhan Budruk, Pune, Maharashtra, 411021 Email id: rkumar56.ip@gmail.com
10 Address and e-mail to be used for correspondence with the interim resolution professional	C/o SSARV Resolution Services LLP Add: B-610, BSEI Techpark, Sector 30A, Opp. Vashi Railway Station, Navi Mumbai - 400703 Website: www.ssarvi.com Email: cirp.gactel@gmail.com
11 Last date for submission of claims	10/04/2024
12 Classes of creditors, if any, under clause (b) of sub-section (6A) of section 21, ascertained by the interim resolution professional	NA
13 Names of Insolvency Professionals identified to act as Authorised Representative of creditors in a class (Three names for each class)	NA
14 (a) Relevant Forms and (b) Details of authorized representatives are available at	<a href="https://www.ibbi.gov.in/home/downloads">https://www.ibbi.gov.in/home/downloads</a> NA

Notice is hereby given that the Hon'ble National Company Law Tribunal, Mumbai Bench has ordered the commencement of a Corporate Insolvency Resolution Process of GACTEL TURNKEY PROJECTS LIMITED on 27/03/2024. The creditors of GACTEL TURNKEY PROJECTS LIMITED are hereby called upon to submit their claims with proof on or before 10/04/2024 to the interim resolution professional at the address mentioned against entry No. 10.

The financial creditors shall submit their claims with proof by electronic means only. All other creditors may submit the claims with proof in person, by post, or by electronic means. Submission of false or misleading proofs of claim shall attract penalties.

Sd/- Mr Kumar Raghavan  
Registration No.: IBBI/PA-001/IP-P01433/2018-2019/12336  
Interim Resolution Professional  
in the matter of GACTEL TURNKEY PROJECTS LIMITED

Date: 30/03/2024  
Place: Mumbai

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