

TATA MOTORS: ROADS TO RESURGENCE

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Introduction:

Tata Motors Group (Tata Motors) is a \$37 billion organization. It is a leading global automobile manufacturing company. Its diverse portfolio includes an extensive range of cars, sports utility vehicles, trucks, buses and defense vehicles. Tata Motors is one of India's largest OEMs offering an extensive range of integrated, smart and e-mobility solutions.

Part of the USD128 billion Tata group founded by Jamsetji Tata in 1868, Tata Motors is among the world's leading manufacturers of automobiles. We believe in 'Connecting aspirations', by offering innovative mobility solutions that are in line with customers' aspirations.

They are India's largest automobile manufacturer, and we continue to take the lead in shaping the Indian commercial vehicle landscape, with the introduction of leading-edge powertrains and electric solutions packaged for power performances and user comfort at the lowest life-cycle costs. Our new passenger cars and utility vehicles are based on Impact Design and offer a superior blend of performance, driveability and connectivity.

Tata motors focus on connecting aspirations and their pipeline of tech-enabled products keeps us at the forefront of the market. They have identified six key mobility drivers that will lead us into the future – modular architecture, complexity reduction in manufacturing, connected & autonomous vehicles, clean drivelines, shared mobility, and low total cost of ownership. Their sub-brand TAMO is an incubating center of innovation that will spark new mobility solutions through new technologies, business models

and partnerships.

Tata Motors Limited today announced its sales in the domestic & international market, for Q2FY23, which stood at 2,43,387 vehicles, compared to 1,71,270 units during Q2FY22.

Domestic Sales Performance:

Category	Sept 22	Sept 21	Growth (y-o-y)	Q2 FY23	Q2 FY22	Growth (y-o-y)
Total Domestic Sales	80,633	55,988	44%	2,36,090	1,62,159	46%

Commercial Vehicles:

Mr. Girish Wagh, Executive Director, Tata Motors Ltd. said, “The commercial vehicles industry witnessed a consistent demand in Q2FY23. Tata Motors CV business registered a 20% growth in domestic sales over Q2FY22, recording sales of 93,675 units during the quarter. This growth was led by stronger sales of MHCVs and a robust recovery in passenger carriers demand.

Improving fleet utilizations, pick up in road construction projects and increase in cement consumption catalysed the demand recovery for MHCVs. CV exports however shrunk sharply by 22% due to the economic situation in Sri Lanka and Nepal though it improved sequentially by ~30%. The recent exciting launches of the new range of smart trucks in MHCV and ILCV, and best-in-class pickups will help us serve our customers better. Going forward, while we expect a strong sale in the festive season we will maintain a close watch on the evolving geopolitical, inflation and interest rate risks on both the supply and demand.”

Category	Sept 22	Sept 21	Growth (y-o-y)	Q2 FY23	Q2 FY22	Growth (y-o-y)
M&HCV	9,983	8,609	16%	27,232	19,865	37%
I&LCV	5,144	5,600	-8%	13,725	13,584	1%
Passenger Carriers	2,287	1,085	111%	8,040	2,760	191%

SCV cargo and pickup	15,565	14,964	4%	44,768	42,017	7%
Total CV Domestic	32,979	30,258	9%	93,765	78,226	20%
CV Exports	1,911	3,000	-36%	6,771	8,661	-22%
Total CV	34,890	33,258	5%	1,00,536	86,887	16%

Domestic sale of MH&ICV in Q2 FY23, including trucks and buses, stood at 38,143 units, compared to 29,401 units in Q2 FY22. Total sales for MH&ICV Domestic & International Business in Q2 FY23, including trucks and buses, stood at 40,556 units, compared to 33,737 units in Q2 FY22.

Passenger Vehicles:

Mr. Shailesh Chandra, Managing Director, Tata Motors Passenger Vehicles Ltd. and Tata Passenger Electric Mobility Ltd. said, “The PV industry witnessed strong demand during Q2FY23 fuelled by the festive season and new launches.

Tata Motors scaled new highs in passenger vehicles with sales of 142,325 units during the quarter, recording a growth of ~70% versus Q2FY22. The company also attained its highest ever monthly sales of 47,654 in Sep’22, posting 85% growth versus Sep’21. Led by record setting sales of Nexon and Punch, SUV sales contributed a rich ~66% of the quarterly PV sales.

In electric vehicles, the company once again posted record-breaking sales of 11,522 units in Q2FY23, registering a growth of 326% versus Q2 FY22. With the recent launch of the Tiago EV, the company has opened new vistas and is poised to drive the mass adoption of EVs across the country. Going forward, we expect the festive season will witness strong retails on the back of improving supply of vehicles.”

Category	Sept 22	Sept 21	Growth (y-o-y)	Q2 FY23	Q2 FY22	Growth (y-o-y)
PV ICE	43,999	24,652	78%	1,30,803	81,229	61%
PV EV	3,655	1,078	239%	11,522	2,704	326%

Total PV Domestic	47,654	25,730	85%	1,42,325	83,933	70%
PV IB	210	168	25%	526	450	17%
Total PV	47,864	25,898	85%	1,42,851	84,383	69%

Includes sales of Tata Motors Passenger Vehicles Limited, a subsidiary of Tata Motors Limited.

TATA MOTORS: ROADS TO RESURGENCE:

Innovation at TATA motors is deeply embedded in their DNA, and is demonstrated through their path-breaking vehicles, ranging from India's first fully indigenous passenger car, the Indica, to the new generation cars - Harrier, Tiago, Hexa, Tigor, Nexon and Altroz.

On the cargo transportation side, their vast range of commercial vehicles includes the recently launched the Tata Intra - India's first compact truck in the SCV segment, globally benchmarked Prima, Signa and Ultra trucks in the Medium & Heavy Commercial Vehicle (M&HCV) segment, the Xenon Yodha in the pickup category and the segment-redefining Tata Ace.

At Tata Motors, striving for perfection is an on-going and high priority target. To achieve this target, we have established top-of-the-line manufacturing, R&D and design facilities in more than 25 sites across India, Europe, China, UK and North America.

In passenger transportation, Tata Motors has unleashed the future of mass public transportation by launching the Starbus Electric (9m and 12m) and the Starbus Hybrid 12m buses. To meet the current and future passenger transportation needs in smart cities, we have rolled out a range of smart buses which are designed, developed and powered by alternate fuels. Developed indigenously, these buses are safe and comfortable and are economically viable 'Made in India' solutions. The country's first "Fuel Cell Bus" also under development from the house of TML.

Their state-of-the-art R&D centres and design studios are located at Pune, Jamshedpur & Lucknow (India), Italy and the UK, and have many firsts to their credit. They boast of housing an end to end powertrain development facility recently upgraded with countries first multi storey soak room facility for BS6 development, Asia's first anechoic chamber, India's first full vehicle crash test facility and India's

only full climate test facility. With over 5000 engineers, designers, scientists and technicians, we are making path-breaking innovations that are driving the form and performance of future vehicles.

Manufacturing:

World-class manufacturing forms the essence of Tata Motors. In the manufacturing process, our facilities ensure that every step - from design to production to assembly - follows the highest standards of quality. Their plants combine modern manufacturing practices with cutting edge technology. We are home to India's biggest engine development facility and own the country's only facility for full climate test and pedestrian test. Tata Motors' overseas plants too are equipped with state-of-the-art manufacturing and assembly lines to cater to large numbers and different variants of vehicles. Their constant focus on automation and technology makes us the leader in India's commercial vehicle market and places us among the top vehicle makers in the world.

Design:

Design gives personality to a vehicle. Their expertise in producing private and commercial vehicles for over seven decades has helped us develop a deep understanding of customer needs, and this has been translated as our own Impact Design language. Their designing units in India, UK and Italy specialise in the very latest in designing practices, such as clay modelling, digital modeling, styling, architecture, packaging, to name a few. Their latest cars – Tigor and Nexon – are examples of our focus on cutting-edge, global design. Their Ultra trucks are designed to offer global styling, enhanced driving comfort and superior performance. While designing commercial vehicles, the designers at Tata Motors pay emphasis on safety, maintenance, user comfort and life cycle cost, while also conveying the trendy and trustworthy message that is the heart of Tata Motors' design language.

Questions:

1. What are the strengths, weakness, opportunities and threats for TATA motors in the domestic and international markets?
2. What are the driving forces that are responsible for the increased Tata motors market share?
3. What are the Success Mantras?