Groww

# TATA MOTORS

Made By Aayan Gupta

# TATA MOTORS

- Tata motors Group is a leading global automobile manufacturer. Part of the illustrious multinational conglomerate the Tata group, it offers a wide and diverse portfolio of cars, sports utility vehicles, trucks. buses and defence vehicles to the world. It has operations in India. the UK, south Korea, South Africa. China, Brazil, Austria and Slovakia through a strong global network of subsidiaries, associate companies and Joint Ventures (JVs). including Jaguar Land Rover in the UK and Tata Daewoo in South Korea.

# KEY POINTS

- Business segment:
- 1) jaguar land Rover (71% in 9M fY25 vs 67% in FY22): The company offers premium luxury vehicles through Jaguar Land Rover, which it acquired in 2008 for $2.3 billion. The ,jaguar brand offers luxury sedans. electric vehicles, and sports cars, while Land rover focuses on SUVs and off-road vehicles.
- Wholesale volumes (units 000'):
- Range rover:160.3 in 9M FY25 vs 201.1 IN FY24
- Defender:83.9 in FY25 vs 114.6 in FY24

# MANUFACTURING FACILITIES:

- The company operates 25 manufacturing units across India, china, north America Europe and the uk.
- Capex:
- The company targets to spend rs 8,000 cr on capex in FY25 with Rs. 6,000 crore already spent as of 9M FY25 . In spent 2024, it inaugurated a new vehicle manufacturing facility in Tamil Nadu
- R&D:
- The company operates 9 R&D centres focused on developing advanced safety technologies including ADAS driver health monitoring system and connected vehicle platform in FY24 its R&D expenditure accounted for 6.7 % of revenue vs 5.5% in FY22 The company has obtained 670 patents and 424 designed applications.

# DEMERGER

- ln March 2024, the board approved a demerger to create 2 separately listed entities- one dedicated lo the Commercial Vehicles business, and the other encompassing the Passenger vehicles segment, including PV, EV, & JLR. The transition is expected to be completed by October 2025

# JLR

- Tata motors, a leading global automobile manufacturer, is seeing mixed performance across its segments and facing various challenges and opportunities. While JLR (Jaguar Land Rover) is driving growth, particularly with its profitable Range Rover, Range Rover Sport, and Defender models, there are uncertainties in global markets, especially in China and the UK. Ln the Indian market, Tata motors is investing heavily in its passenger vehicle segment, including electric vehicles, with plans to launch new models and aiming for a 16% market share by FY27.

# Key Highlights

- JLR's performance:
- JLR's  wholesales were up 7.3ok QoQ in Q4FY22, with revenues flat at f4.8 billion. however, JLR is experiencing a mixed performance in different regions, with growth in some areas like North America (+44%) and Europe (*6%) but declines in China (-38%) and the UK(17%). The mix of high-margin models like Range Rover,
- range rover  Sport, and Defender is contributing to JLR's profitability

# Indian market:

Tata motors is investing significantly in its passenger vehicle 6egment, including electric vehicles, with plans to launch new models and aiming for a 16% market share by fY27. The Indian PV market is expected to reach 60 lakh units by 2030, and Tata motors is positioning itself to be a leader in the EV segment.

Financial performance:

- Tata motors reported a consolidated total operating income of {78,439 crore in Q4fY22, a 8.6% increase QoQ. However, net profit margins have fluctuated, with a decrease in FY23 compared ta FY22.

# Challenges

- Global market uncertainties:
- The global automotive market is facing challenges, including fluctuating demand and supply chain disruptions.
- Competition: Tata Motors faces intense competition in both the domestic and international market.
- Opportunities:
- EV market growth: The electric vehicle market is rapidly expanding, and tata Motors is well-positioned to capitalize on this growth with its investments in EV technology and infrastructure.

Premium segment:  JLR's focus on high-end vehicles positions it well in the growing premium automotive market.

# Digitalization:

- Tata motors is also focusing on digitalization and connectivity in its vehicle, which is a key trend in the automotive industry.

In conclusion, Tata Motors is navigating a dynamic environment with both opportunities and challenges. where JLR is driving growth and the indian market is poised for expansion, particularly in EVs-the company needs to address uncertainties in global markets and maintain its competitive edge' The upcoming launches and investments in new technologies will be crucial for Tata Motors to achieve its goal.