

TATA MOTORS



**73rd Annual Report (Integrated)
2017-18**



FUTURE READY

Mobility is transitioning to a new era marked by remarkable technological innovation. The global automobile industry is being shaped by this transition and is further affected by urbanisation, population growth and climate change. As the Commercial Vehicles (CV) segment is experiencing improved active emissions control and an expanded product portfolio, the Passenger Vehicles (PV) space is readying its format to embrace higher degrees of automation, while moving on to non-conventional sources of energy. The connected and autonomous vehicle technologies are poised to help make driving safer and cleaner in future across the world.

Building on an enabling ecosystem of sustainable technology, the zero-emission electric variant of vehicles is defining the automotive landscape of the world. The trend is likely to continue going forward.

At the Tata Motors Group, we stay ahead of the future. With our continued investments in hybrid and Battery Electric Vehicle (BEV) technologies, we are actively working on innovation by bringing ingenuity into the areas of vehicle engineering and development. Our keen eye for digitisation, connectivity, automation and advanced regulations compliance is helping us deliver exciting innovations to our customers worldwide.

In preparation for the future, we are also transforming our organisation from within, by building in operational efficiency using modular architecture, managing costs and embedding the culture of innovation.

We believe that tomorrow belongs to those who prepare for it today. As responsible automakers, we are committed to transforming the future of mobility and more.



FY18 highlights

Revenue¹ (in ₹ Crores)

2,94,243

EBITDA² (in ₹ Crores)

31,121

Total CAPEX (in ₹ Crores)

42,672

Total vehicles sold

12,21,124

Products launched

Tata Motors Limited

50+

2

Commercial Vehicles³

Jaguar Land Rover

9

Vehicles

Total employees

81,090

Total R&D spend

Tata Motors Limited (in ₹ Crores)

2,398

Jaguar Land Rover (in £ Millions)

2,016

¹ Net of excise duty

² Reported EBITDA is defined to include the product development expenses charged to Profit and Loss (P&L), revaluation of current assets and liabilities and realised foreign exchange (forex) and commodity hedges, but excludes the revaluation of foreign currency, Mark to Market (MTM) on forex and commodity hedges, other income, as well as exceptional items.

³ With more than 200 variants

⁴ With six variants

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Our approach to reporting

About this Report

Tata Motors Limited (TML) has adopted the Integrated Reporting framework prescribed by the International Integrated Reporting Council (IIRC). This is the second year of our journey on Integrated Reporting. Through this Report, we aspire to provide to our stakeholders an all-inclusive depiction of the organisation's value creation using both financial and non-financial resources. The Report provides insights into our key strategies, operating environment, the operating risks and opportunities, governance structure and the Company's approach towards long-term sustainability.

Responsibility statement

In order to optimise governance oversight, risk management and controls, the contents of this Report have been reviewed by the Members of the Executive Committee of TML.

Reporting principle

The financial and statutory data presented in this Report is in line with the requirements of the Companies Act, 2013 (and the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India. The non-financial section of the Report is guided by the framework of the IIRC.

Materiality and scope of the Integrated Report

This Report includes information that is material to our stakeholders and it presents an overview of our businesses and associated activities that help in short-, medium- and long-term value creation. We have also presented information around our strategic approach towards the material issues.

We have presented the information on the Tata Motors Group in a fair and balanced manner.

Assurance statement

Assurance on financial statements has been provided by independent auditors BSR & Co. and non-financial statements by TUV India Private Limited. The assurance report issued by TUV India Private Limited is available on our website www.tatamotors.com

Forward-looking statements

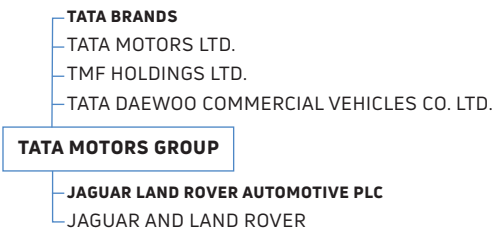
Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical fact, including those regarding the financial position, business strategy, management plans and objectives for future operations. Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised, and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About Tata Motors Group

Tata Motors Group (Tata Motors) is a \$45 Billion organisation and a part of the \$100 Billion Tata group. It is a leading global automobile manufacturing company. Its diverse portfolio includes an extensive range of cars, sports utility vehicles, trucks, buses and defence vehicles. Tata Motors is India's largest and the only Original Equipment Manufacturer (OEM) offering an extensive range of integrated, smart and e-mobility solutions. We have operations in the UK, South Korea, Thailand, South Africa, Indonesia, Austria and Slovakia through a strong global network of 97 subsidiaries and nine associate companies, four Joint Ventures (JVs) and two joint operations, including Jaguar Land Rover (JLR) in the UK and Tata Daewoo in South Korea.

Our brands

Each Tata Motors brand, though unique in its own right, speaks in a common voice. The Tata Motors brands are an expression of the Tata Motors Group's promise to connect aspirations, bringing people's dreams to life through path-breaking product development and engineering capabilities.



TATA MOTORS

Tata Motors Limited (TML) is India's market leader in CV and among the top four in the PV market.

Our brand promise

In FY18, 'Connecting Aspirations' was chosen to define Tata Motors' promise as a brand that understands its customers and imagines mobility in all its forms. The expression captures the personality of Tata Motors as an intelligent, perceptive and innovative brand, delivering mobility solutions that are designed to meet the aspirations of people across the world.



Vision

As a high-performance organisation, we are, by FY19:

- Among the top three in global CV and domestic PV
- Achieving sustainable financial performance
- Delivering exciting innovations

Mission

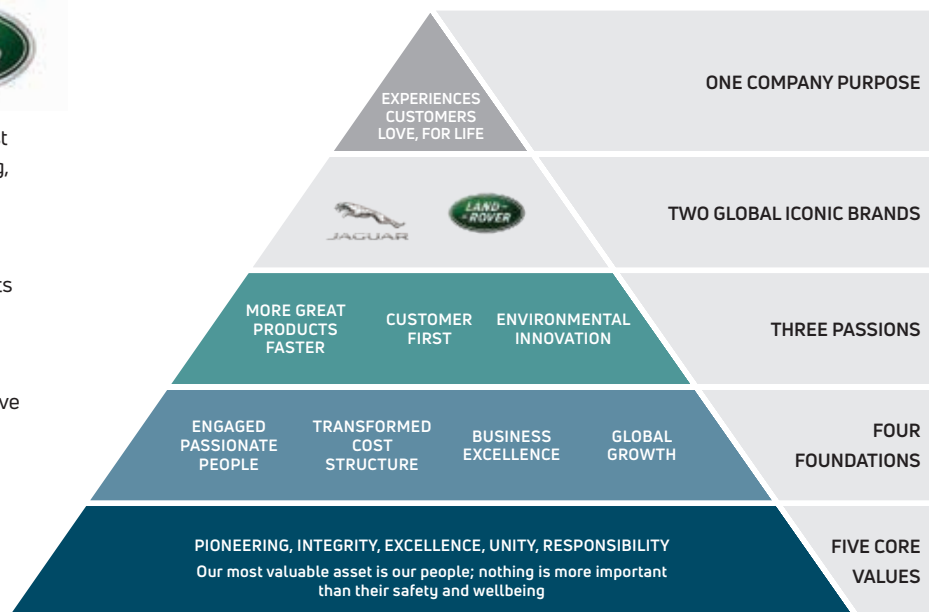
We innovate mobility solutions with passion to enhance quality of life

Values

- Integrity
- Teamwork
- Accountability
- Customer Focus
- Excellence
- Speed



Jaguar Land Rover (JLR), is Britain's largest automobile company engaged in designing, manufacturing and selling some of the world's best-known premium cars. The two iconic brands of JLR are Jaguar, which includes a portfolio of luxury sedans, sports cars and luxury performance Sport-Utility Vehicles (SUVs), and Land Rover, with a range of premium all-terrain vehicles. JLR has made its mark in the Chinese automotive market with Chery Jaguar Land Rover Automotive Co. Ltd. (CJLR), a 50:50 JV between Chery Automobile and JLR.



Mission

We are entering the largest, fastest industrial revolution ever, driven by decarbonisation, air quality, digitisation, connectivity, automation and technology. Against this backdrop, we see endless exciting opportunities to create a world in which we will live safer, better, more connected and mobile lives.



TATA DAEWOO

Tata Daewoo Commercial Vehicle Company (TDCV) is South Korea's second largest manufacturer of medium- and heavy-duty trucks. Formerly a part of the Daewoo Group, the Company was acquired by Tata Motors in March 2004. TDCV is enhancing its reach across overseas markets with exports to ~60 countries.

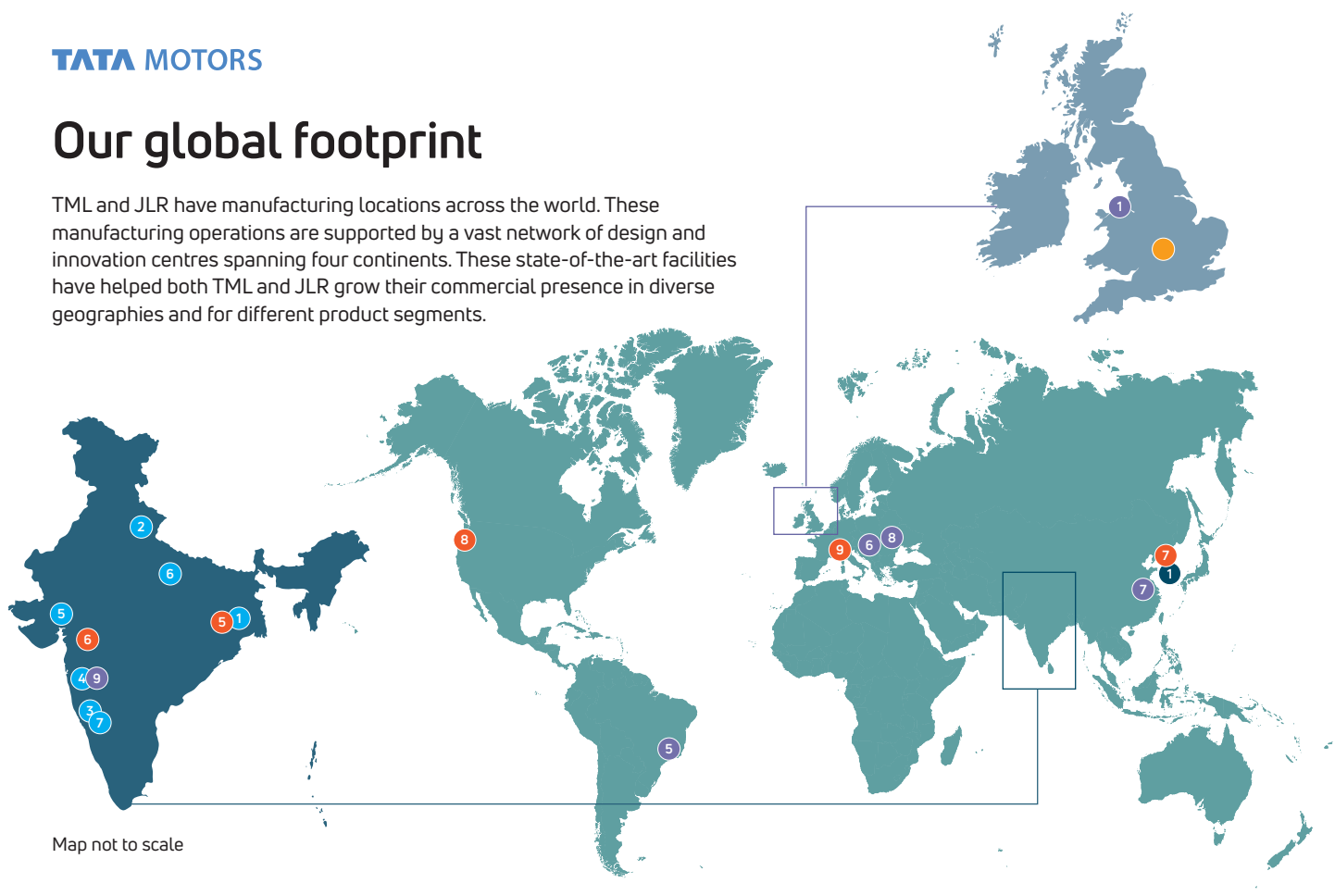
TATA Motorfinance

driven by trust

TMF Holdings Limited (TMFHL) is a Core Investment Company (CIC), which ensures funding of equity or debt requirement of all subsidiary companies, including Tata Motors Finance Limited (TMFL) and Tata Motors Finance Solutions Limited (TMFSL). The objective of TMFL is to become a preferred finance provider for the customers of Tata Motors' dealers.

Our global footprint

TML and JLR have manufacturing locations across the world. These manufacturing operations are supported by a vast network of design and innovation centres spanning four continents. These state-of-the-art facilities have helped both TML and JLR grow their commercial presence in diverse geographies and for different product segments.



Our state-of-the-art manufacturing facilities

Tata Motors

- 1 TML, Jamshedpur, Jharkhand
- 2 TML, Pantnagar, Uttarakhand
- 3 TML, Dharwad, Karnataka
- 4 TML, Pune, Maharashtra
- 5 TML, Ahmedabad, Gujarat
- 6 TML, Lucknow, Uttar Pradesh
- 7 Tata Marcopolo, Dharwad, Karnataka

Jaguar Land Rover

- 1 JLR, Halewood, UK
- 2 JLR, Solihull, UK
- 3 JLR, Castle Bromwich, UK
- 4 JLR, Warwick Manufacturing Group, UK
- 5 JLR, Itatiaia, Rio de Janeiro, Brazil
- 6 JLR, Graz, Austria
(Contract manufacturing; operational 2018)
- 7 JLR, Changshu, China
- 8 JLR, Nitra, Slovakia
- 9 JLR Pune, Maharashtra

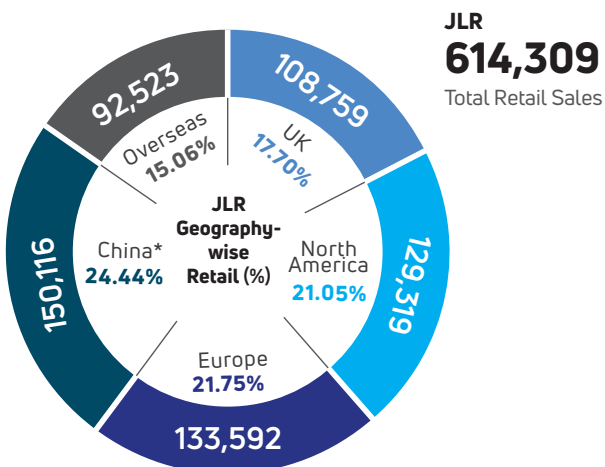
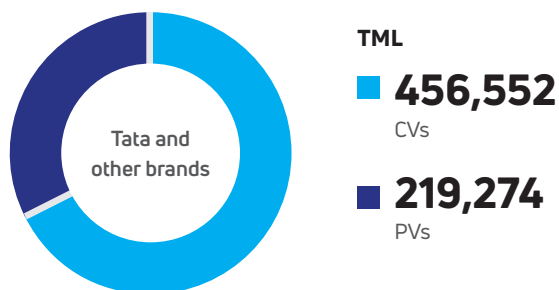
Tata Daewoo

- 1 TDVC, Gunsan, South Korea

Our centres for innovation and design

- 1 Whitley, Global Headquarters, Engineering & Design, UK
- 2 Coventry, Special Vehicle Operations Technical Centre, UK
- 3 Gaydon, UK National Sales Centre, Design and Engineering Centre and Test Centre UK
- 4 Warwick Manufacturing Group Advanced Research Centre, UK and Tata Motors European Technical Centre (TMETC)
- 5 Jamshedpur, India
- 6 Pune, India
- 7 Gunsan, South Korea
- 8 Portland, US
- 9 Trilix, Italy

Total Tata Motors Group sales in FY18



*Including CJLR

Our dealer/retailer networks (As on March 31, 2018)

TML

746

PV sales touchpoints

576

PV service touchpoints

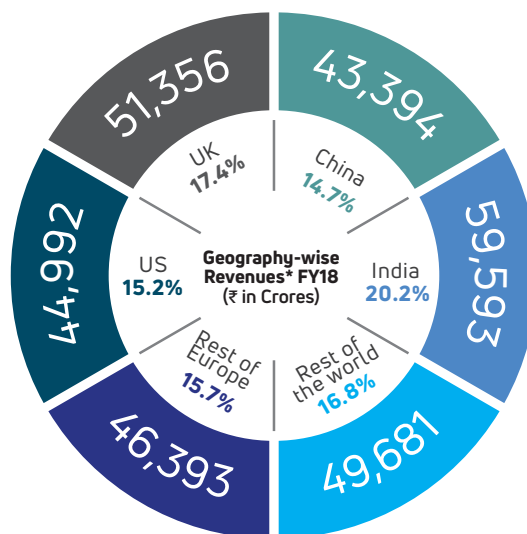
19,972

CV retailers

JLR

1,571

Retailers/dealers



*These revenues are gross of excise duty

Segment-wise revenues

(₹ in Crores)

Automotive operations	293,453.33
Others	3,252.36

Total¹ **295,409.34**

Revenues – Automotive operations

(₹ in Crores)

Tata and other brand vehicles	66,620.38
JLR	226,964.86

Total² **293,453.33**

¹ After inter-segment elimination

² After intra-segment elimination

Our diverse product suite

Tata Motors Limited

Passenger Vehicles (PV)

HATCHBACKS

TIAGO



GENX NANO



BOLT



TIGOR



ZEST



SEDANS

NEXON



SUMO GOLD



SUVs

HEXA



SAFARI STORME



Commercial Vehicles (CV)

SMALL COMMERCIAL VEHICLES
(SCV) & PICK-UPS (PU)

ACE RANGE



XL RANGE



YODHA RANGE



PASSENGER
TRANSPORTATION

COACHES



URBAN BUSES



CONTRACT CARRIAGES



VANS



INTERMEDIATE AND LIGHT
COMMERCIAL VEHICLES (ILCV)

ULTRA RANGE



SFC & LP RANGE



MEDIUM AND HEAVY
COMMERCIAL VEHICLES (MHCV)

CARGO RANGE



CONSTRUCK RANGE



Our diverse product suite

Jaguar

XE



XF



XF SPORTBRAKE



XJ



F-TYPE



E-PACE



F-PACE



I-PACE

