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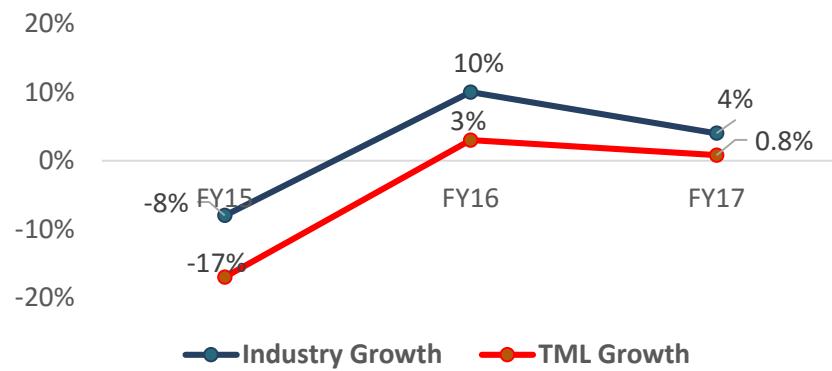




Pressure on market share and profitability

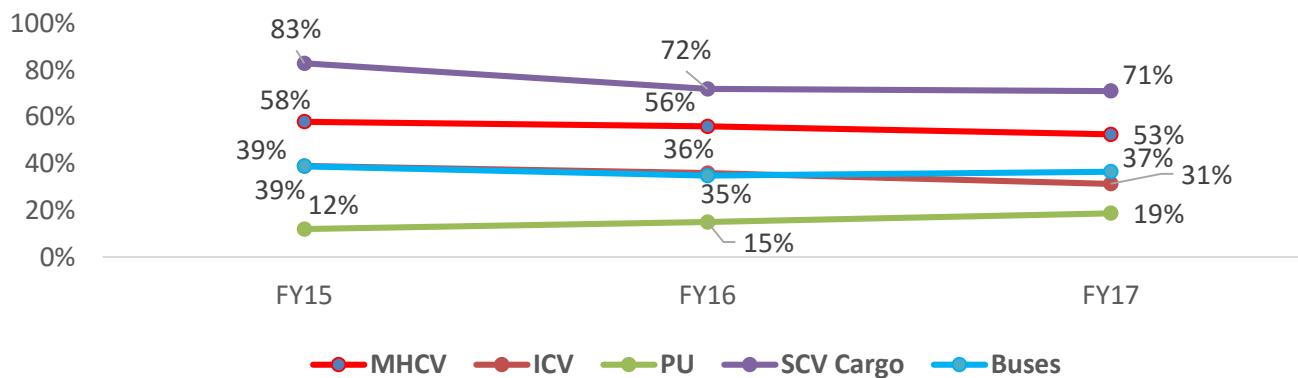
Industry & TML's performance (% Growth)

Commercial Vehicles



TML Market Share

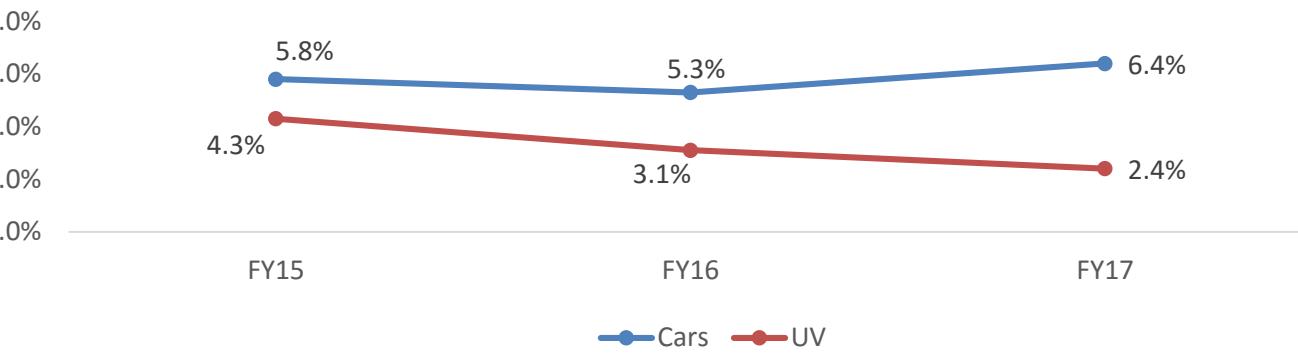
Major Segments - CV



Passenger Vehicles



Major Segments - PV





We have identified our challenges in Commercial and Passenger vehicles business

Commercial Vehicles (CV)

- 1. Delay in addressing specific payload requirements**
- 2. Product Gaps in white spaces**
- 3. Aggressive discounting in the industry**
- 4. SCV TIV dropped to 1/3rd in 5 years, a stronghold**

Passenger Vehicles (PV)

- 1. Product Portfolio**
- 2. Time to market**
- 3. Quality of Products & Services**
- 4. Channel Performance - Reach**
- 5. Brand Perception**

Tata Motors embarked upon a Transformation Journey



Balanced Scorecard approach implemented to set stretch targets till 2019

CV & PV long term strategy and product cycle plan developed

Strategic game plan – ImpACT(Improvement by Action) projects initiated to drive performance improvement

Key Focus areas identified:

- Intense Topline focus
- Agile Cost management
- Structural improvements
- Customer Centricity
- New business models/ technologies
- Lean & Accountable Organization



High ImpACT projects launched to focus on key levers



Intense Topline focus

- New Product Introductions
- Market Share Growth
- Sales Conversion

Agile Cost Management

- Margin Improvement through Cost reduction
- Lean and agile management structure
- Inventory & Distribution logistics

- 5% Market share improvement in CV & PV
- 1500+ Crs. potential identified for bottom line improvement, with recurring benefits for future years, through 'top line' measures
- DMC net savings achieved by a significant step up on cost reduction efforts, 'x' times over past average ~ 1%
- Significant improvement in Brand perception

Structural Improvements

- Complexity Reduction & Modular platform approach
- Manufacturing Strategy
- Strategic Supplier base

Customer Centricity

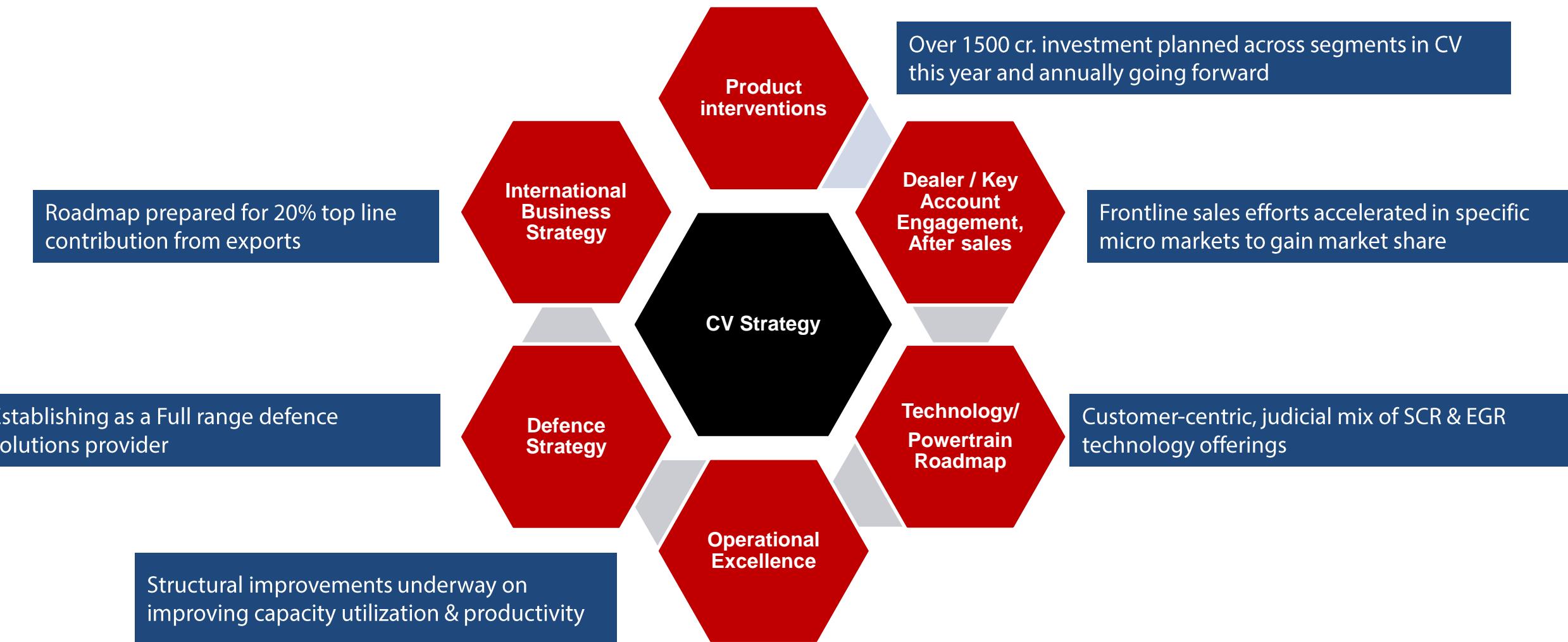
- Demand & Supply Planning
- Quality Management
- Customer experience / Building Brand Equity



Commercial Vehicles



A comprehensive strategy developed in Commercial Vehicles to build on leadership position





Upcoming product launches in CV catering to higher payload and better TCO requirements

M&HCV Trucks



LPS 4923



LPK 2518 HD



Signa on MAV 37



LPTK 2518



LPTK 3118

New BS4 engine program
for 3718 Tipplers



SIGNA Tipplers

6 New product
launches in MHCV in
FY18, ramp up of 4
launches in 37/49T
from last year

ILCV Trucks



1518 Ultra+



Ultra narrow



LPT 709 CNG



407 BS4 range, Ultra 13.5 ton

4 new products in
ILCV in FY18, ramp-
up of 5 launches
from the last year



Upcoming product launches in CV catering to last mile connectivity and passenger solutions

SCV &
Pickups



Ace XL, Mega XL, Zip XL



Xenon Yodha range – SC,DC,4*4



Winger Cargo BS4

New products like XL family in SCV & Yodha 4*4 in Pick-ups

SCV Passenger & Buses



ULTRA BS4 range on 3.0 L



Magna



Magic Express

Wide range of people transport solutions

Leadership position in MHCV Buses

New BS4 engine program for Buses



Exports have been a success story in 16/17 with largest shipment ever crossing 60K volumes. Defence solutions continue to support Indian Army and neighbouring countries



New market entry in Vietnam & Bolivia



Tata Safari STORME's into the Indian Army with the initial order for 3192 units



Tata Prima goes to Saudi Arabia & Bhutan



Countdown to the FICV continues



We have been the pioneers in bringing technology – proven and reliable

Taking the lead in 'xEV' / alternative fuel solutions



TATA Starbus HYBRID



India's First LNG Bus



TATA Ultra Electric



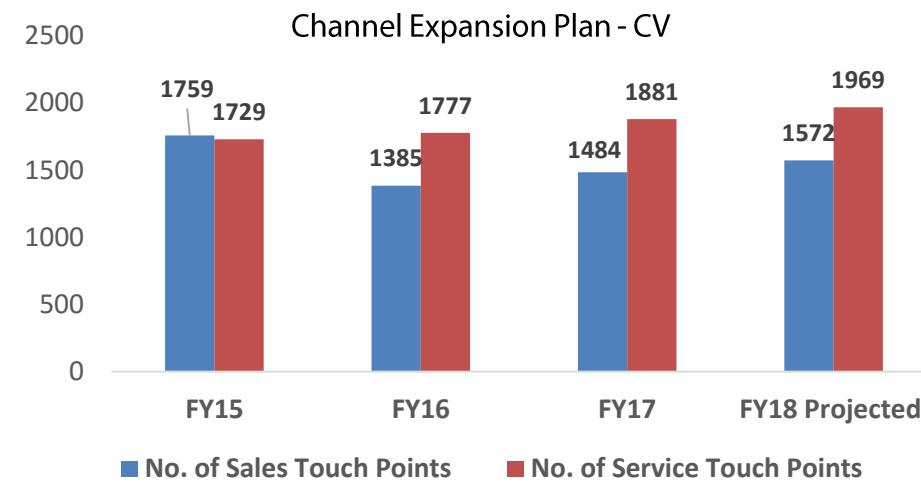
Fuel Cell Bus

TML scale allows us to offer multiple technologies suited to all customer applications, tonnage points & usage patterns

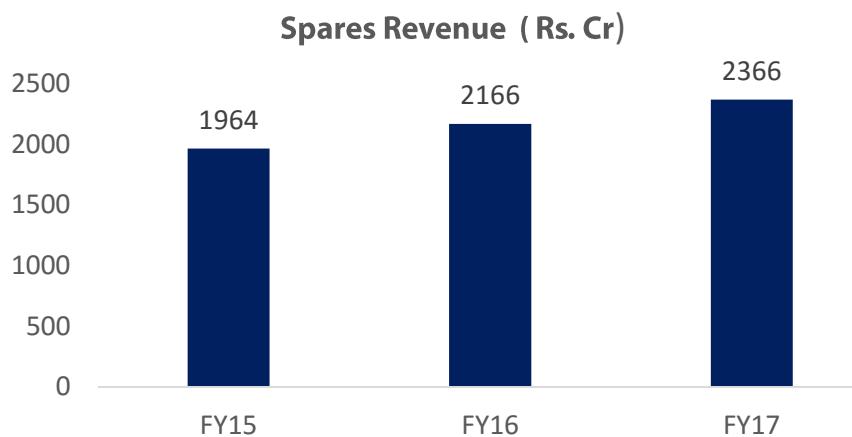
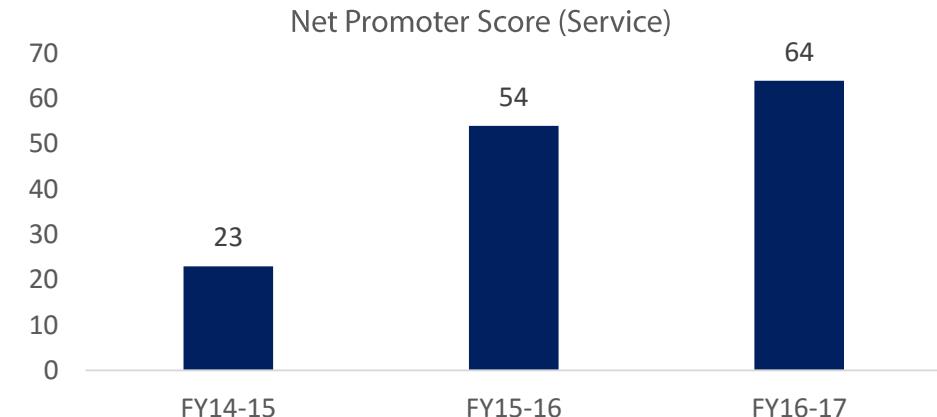
EGR Technology	SCR Technology
<ul style="list-style-type: none">Pioneered in 2010Available on engines up to 180 PsRelevant for light duty applicationsLower cost & Lower cost of ownershipSelf reliant i.e. does not require additional reagent/ reductant	<ul style="list-style-type: none">Pioneered in 2014Available on engines higher than 180 PsRelevant for medium & heavy duty/long-haul applicationsBetter fuel consumption (2 to 3%) and longer oil drain intervals.Global technologyFuture Ready for BS6



Our Channel Strategy to build customer centricity and Brand perception improvement



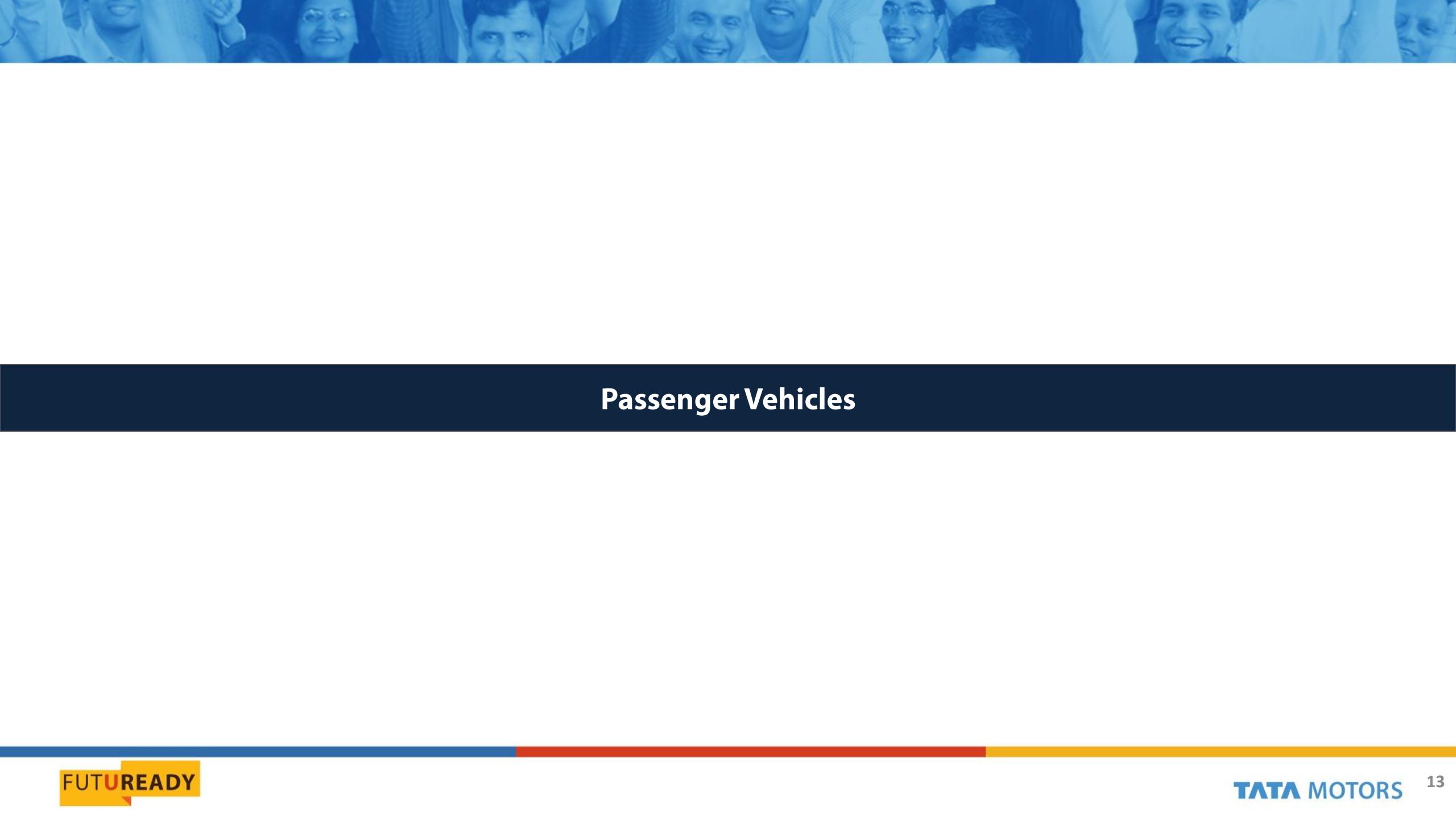
- NEEV Program to enhance rural sales
- Extensive deployment on Flagship initiatives such as Fleetman, with industry leading vehicle uptime



Akshay Kumar appointed as the Brand Ambassador



T1 Prima Truck Racing Championship Season 4, Indian Racer Program 2



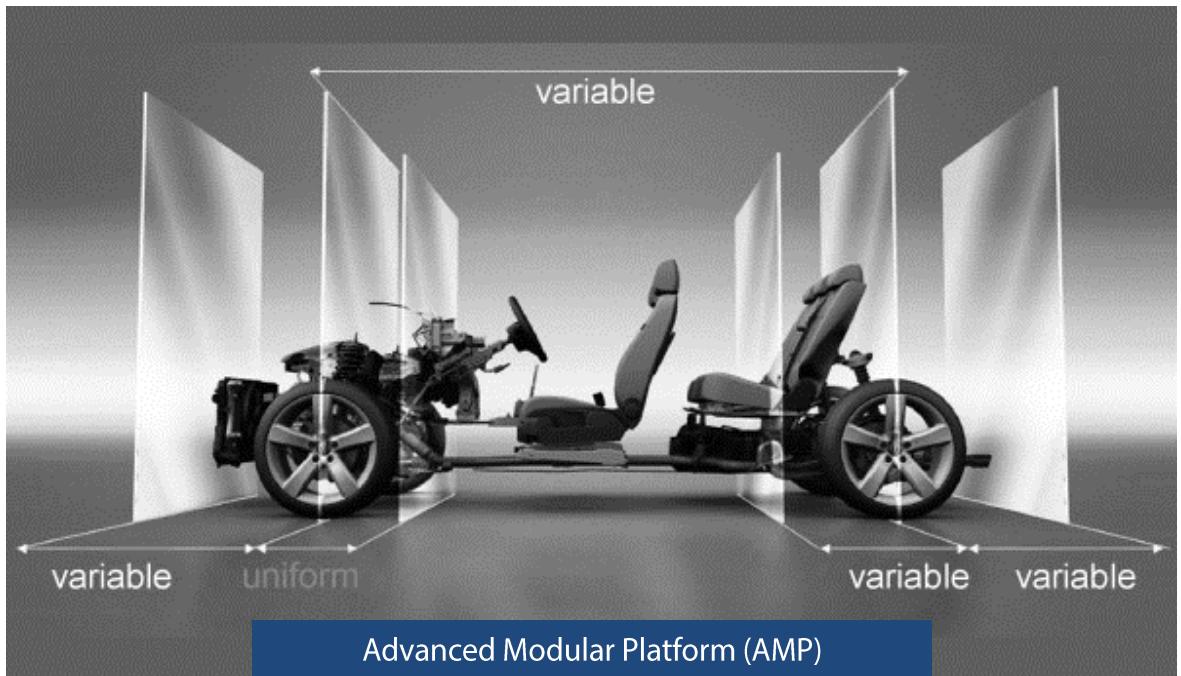
Passenger Vehicles



A platform based strategy developed in Passenger Vehicles to build sustainable future

KEY ADVANTAGES

- No of platforms reduced from 6 to 2, e.g. AMP
- Nameplate/ Top hats to Platform ratio achieved > 4
- Investment commitment of INR 2500 cr. for future programs
- Lesser complexity & economies of scale
- Better profitability from attractive segment solutions
- Time to market for future products will be faster
- MoU signed with Volkswagen Group for evaluating opportunities for joint collaboration



A successful year for Passenger vehicles Business

TIAGO : MOST AWARDED HATCHBACK THIS YEAR

83,000+ BOOKINGS
50,000+ ON THE ROAD
18 AWARDS AND STILL COUNTING



17 OVERDRIVE AWARDS
AUTOCAR car of the year 2017
NTV car of the year 2017
TopGear AWARDS
MotorBeam MotorBeam
AUTOPORTAL AUTOPORTAL



2nd ranking in JDP CSI score, with highest ever score achieved

Road to Recovery/Growth

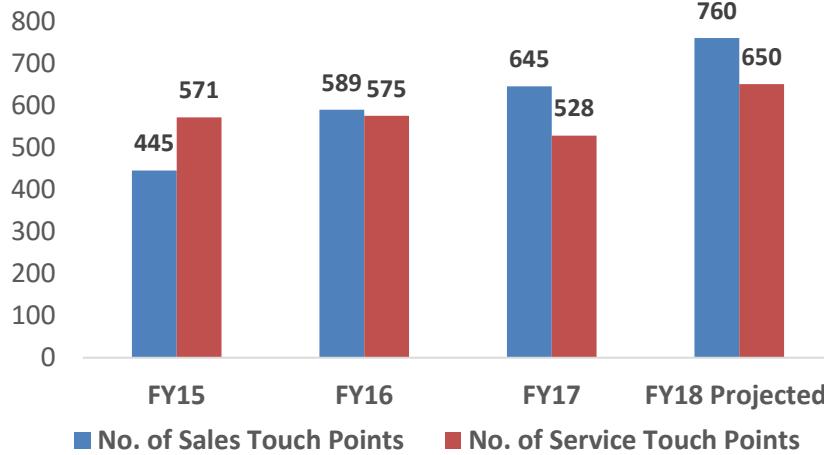
- 3 Successful launches in 3 different segments
- Product plan ready till FY2022, to include full benefits of modular platform and structural cost reduction
- With upcoming product 'Nexon' in Compact SUV segment, addressable market grows from 60% to 75%
- Aggressive plans to take No. 3 position



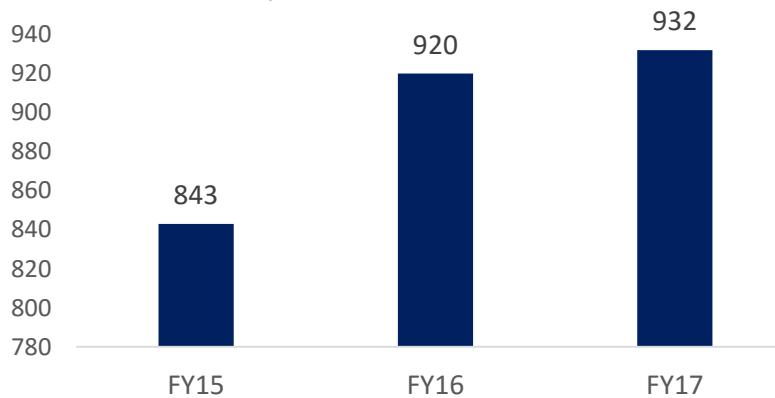


Our Channel Strategy will focus on Network Expansion & Brand perception improvement

Channel Expansion Plan - PV



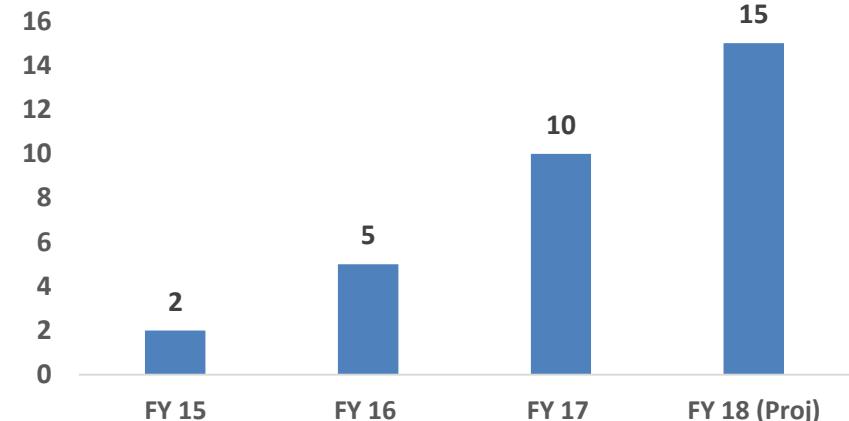
Spares Revenue (Rs.Cr)



Rural Initiatives / Emerging Market Outlets (EMOs) :

- 40,000 unique villages for retail
- New focus segments such as Rural Teachers, Public Sector Bank Branches

Net Promoter Score (Sales)



Hexa Experience Centers

Innovative experiential marketing



TAMO will be our strategy to leverage new business models and technologies

A new sub-brand

Providing innovative mobility solutions

Ring-fenced Team

A fast-paced vertical working in an incubator environment

Lean Operating Model

Low volume, low investment, faster to market

Redefining India's future mobility

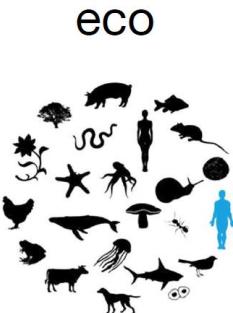
1



Connected Vehicle Platform for Next Gen User experience

Gaming zone 'FORZA'

2



Digital layer providing access to new services, and business models

3



Virtual Reality - 'HoloLens' experience

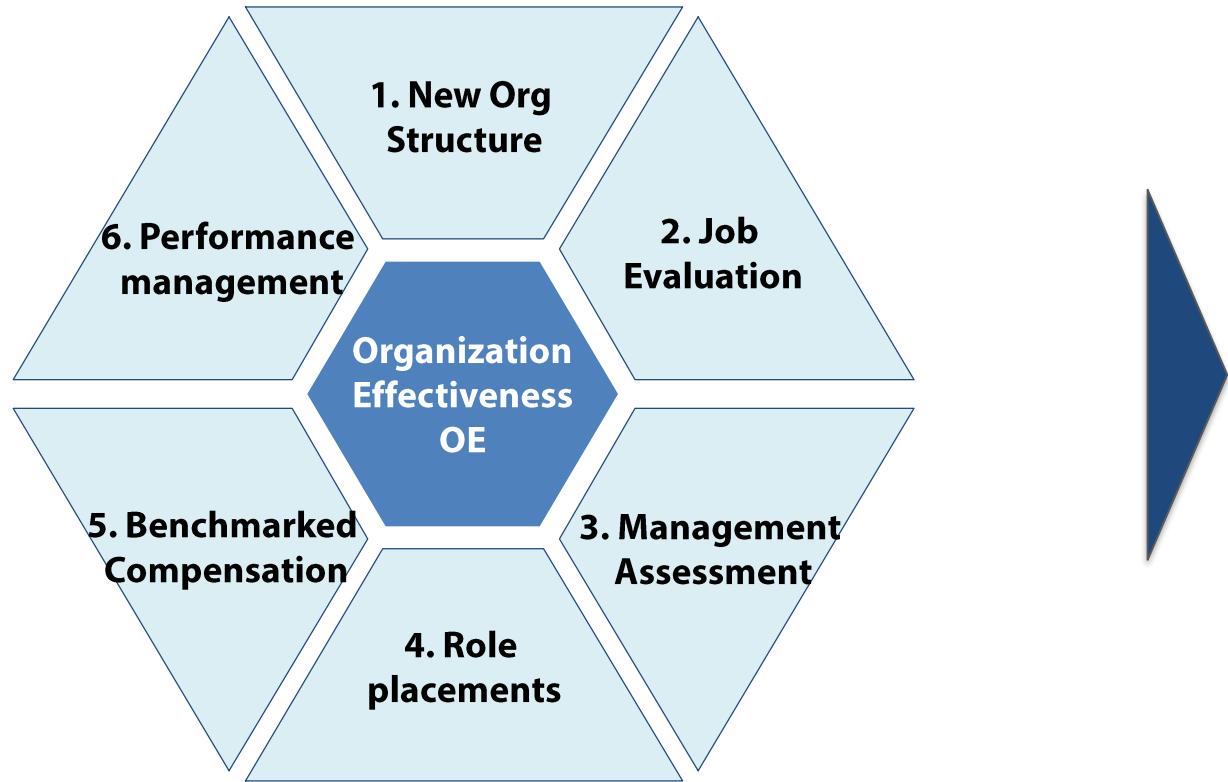




Organizational Initiatives



New organization structure geared up to bring 'speed, simplicity and agility'



OE Benefits

- Lean and Accountable Organization
- Managerial levels reduced from 14 to 5
- Empowerment within the BU's
- More 'front line' facing roles to improve customer centricity
- Headcount reduction ~ 12% of baseline (June'16)
- Gross benefit in Rs. crs. ~ 300



Manufacturing Strategy to focus on efficiency and quality



CAPACITY UTILISATION



MFG. PERFORMANCE



FINANCIAL TARGETS



CAPABILITY ENHANCEMENT



- Building flexibility across lines
- Integrating sales and production plan to better demand management

- Productivity Improvement / DIFTR
- World Class Quality

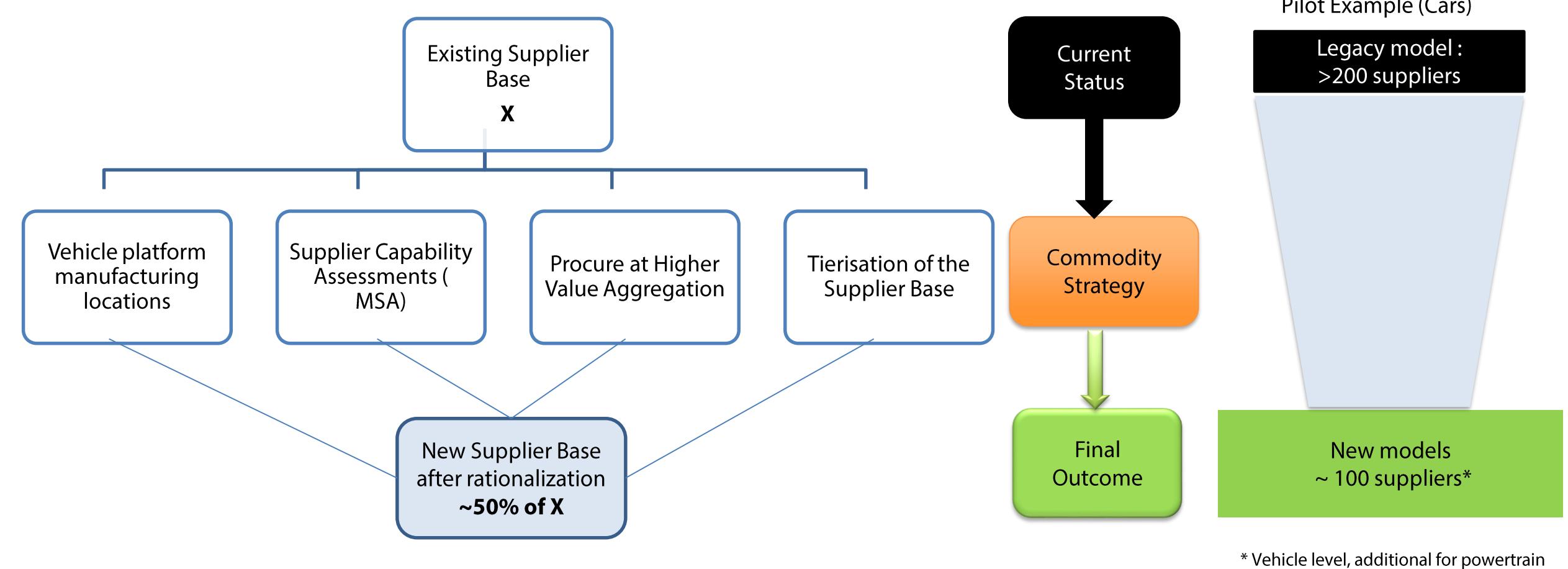
- Control on Manufacturing Costs

- Team competence and capability building
- Relationship strengthening with blue collar workforce

2 plants achieved WCQ Level 3

Best IPTV achievement in some models/plants

Supplier Strategy to build a lean and responsive supply chain





We are **FUTURE**READY