

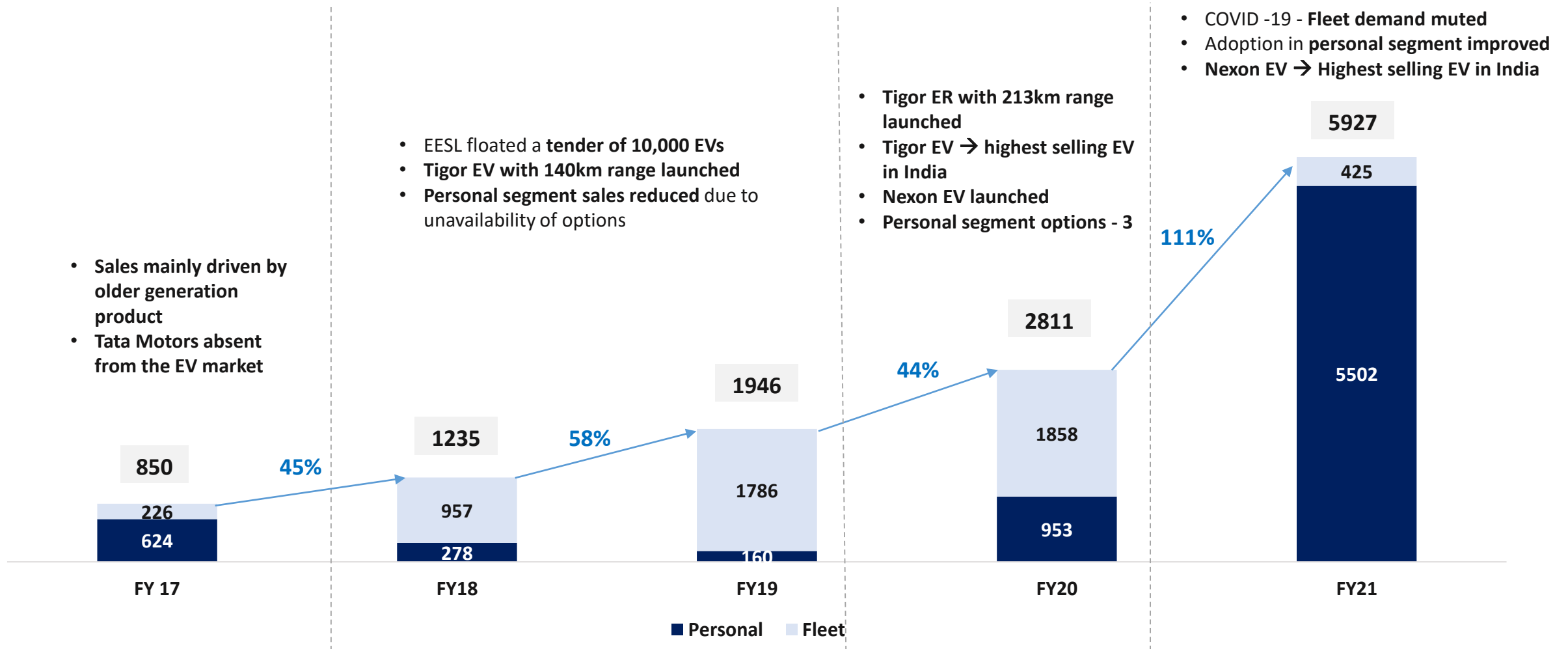


## HSBC Investor day

Mr. Shailesh Chandra | 7<sup>th</sup> Apr 2021

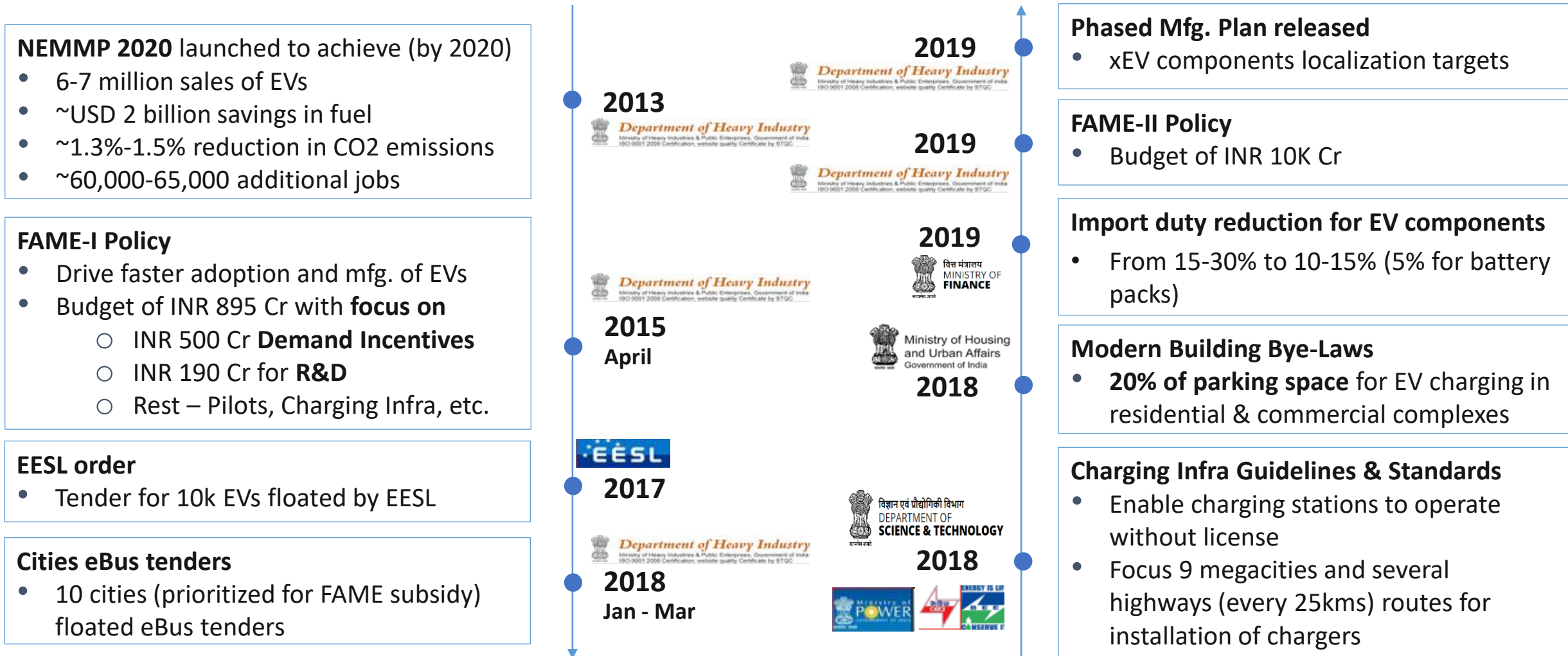
1	EV Opportunity
2	Tata Motors journey
3	EV Ecosystem
4	Tata Motors Strategy

# Indian EV industry has witnessed a strong growth over the last few year



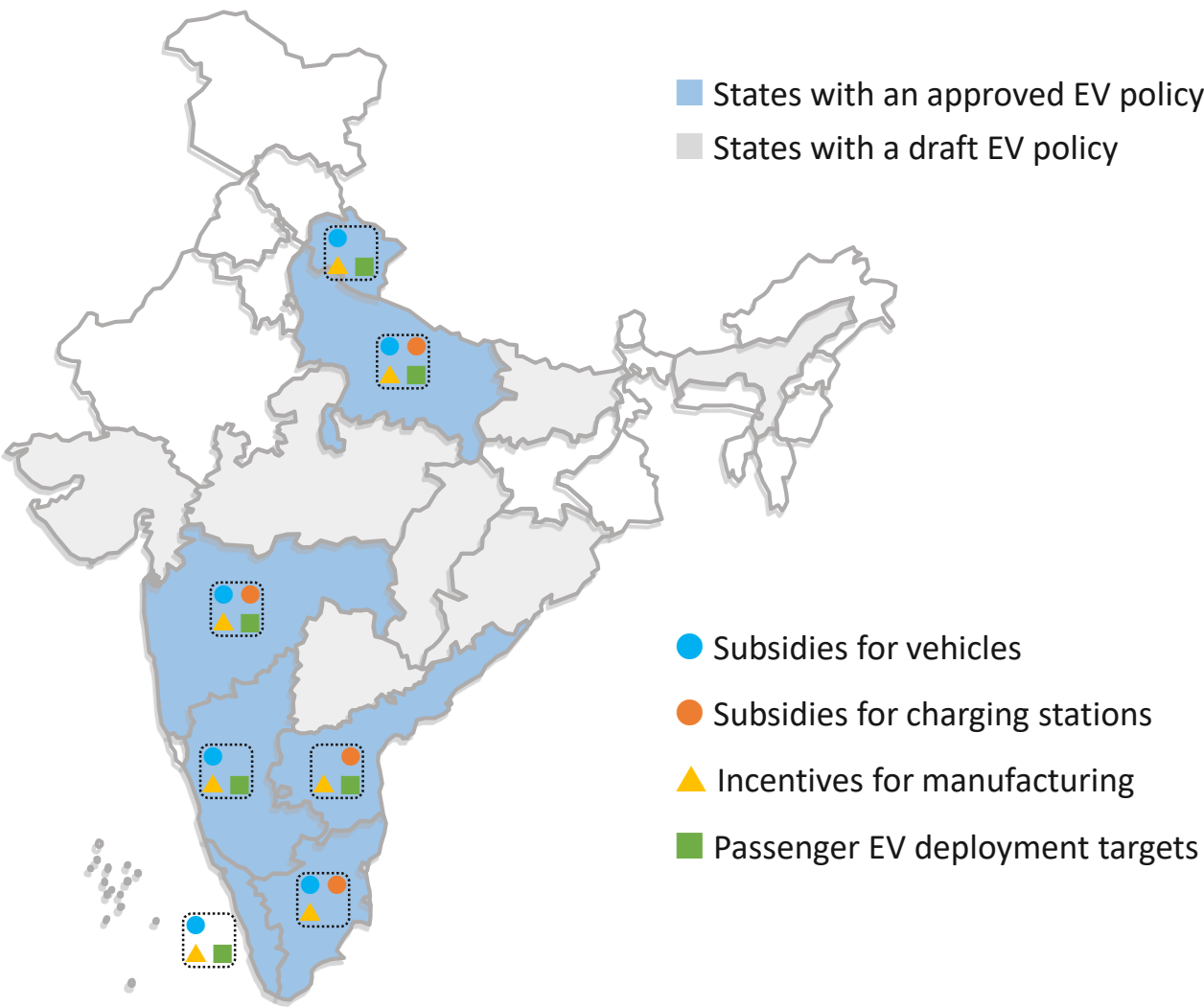
Adoption in personal segment has unlocked the growth potential

# Government has shown strong intent towards driving EV adoption over the years



Variety of initiatives were introduced over the years

# In addition, several state governments have come up with their own EV policies to drive adoption

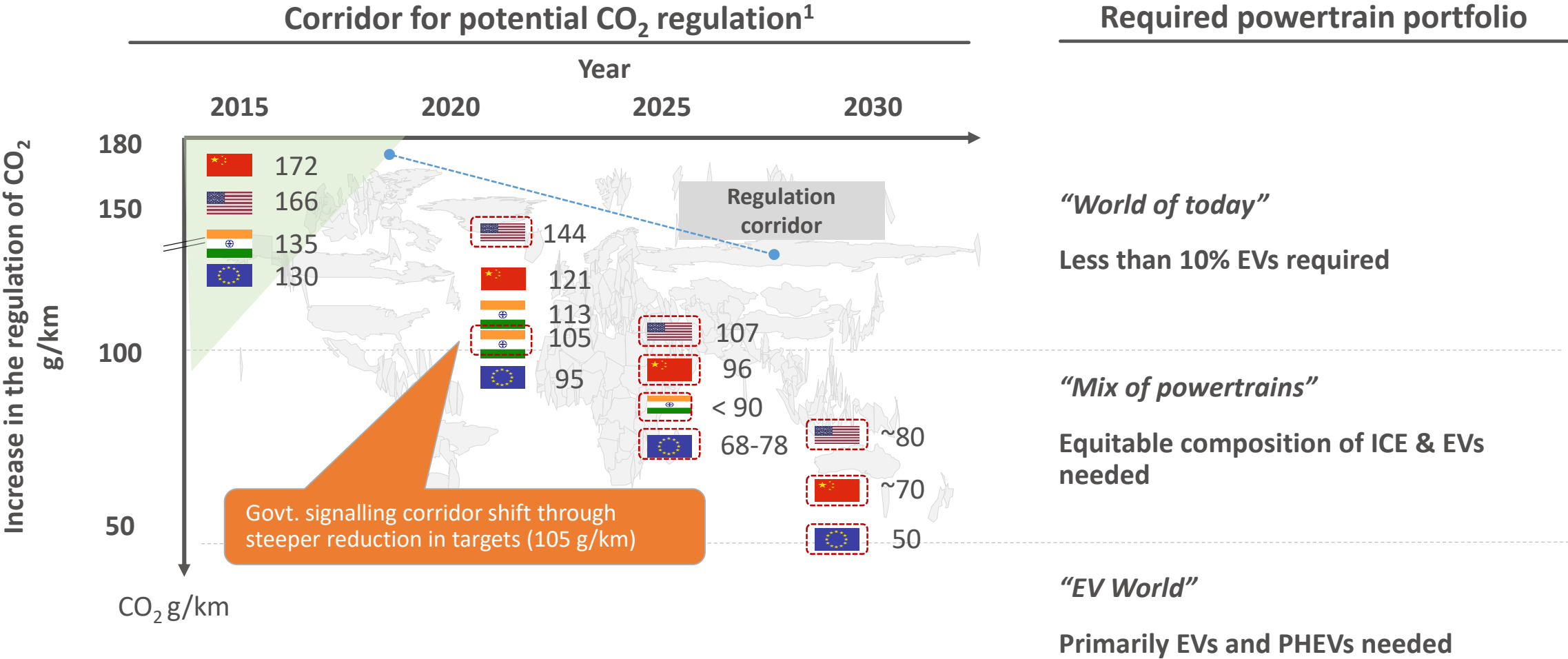


Government Incentives	2W	3W	eBus	Fleet 4W	Personal 4W
GST Reduction	✓	✓	✓	✓	✓
FAME II Subsidy	✓	✓	✓	✓	X
Road Tax / Regn.	✓	✓	✓	✓	✓
Income Tax Wvr.	✓	✓			✓

- **FAME II demand subsidies for 4Ws** limited to **fleets** and **IT benefits** for **personal buyers**
- State govts. EV policies : **Road tax / registration waiver** for **4W**
- **Delhi & Maharashtra** have **direct subsidies ( Rs. 1-1.5 lacs)** for **personal 4W (for limited numbers)**
- Other govt initiatives include:
  - **USD 4.6 Bn incentives for battery manufacturing in India (Central govt.)**
  - **Due to Covid-19, DHI has extended the deadline localization requirement of PMP from 1<sup>st</sup> Oct’20 to 1<sup>st</sup> Apr’21**

Well structured subsidy given to fleet and personal 4W proposes an opportunity to drive sustainable EV growth even after reduction / withdrawal of incentives

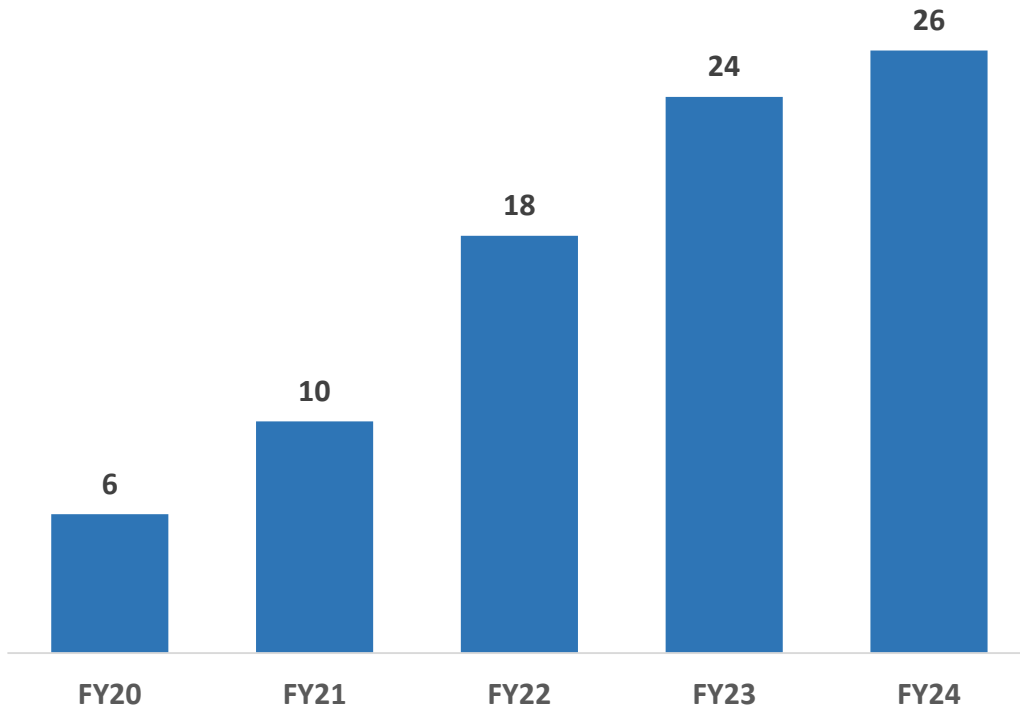
In addition, compliance criteria for upcoming CAFÉ norms would require simultaneous development of multiple technologies



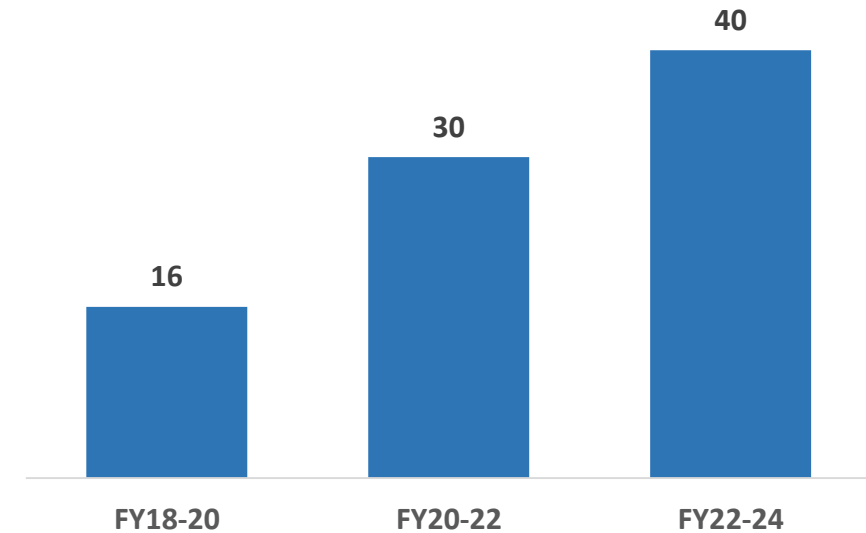
OEMs will need significant share of EVs post FY22 for compliance to CAFE norms

OEMs are preponing plans to introduce long range EVs to meet CAFE norms as well as support Governments intent to drive EV adoption

NO. OF MODELS



AVERAGE ON-BOARD ENERGY (KWH)



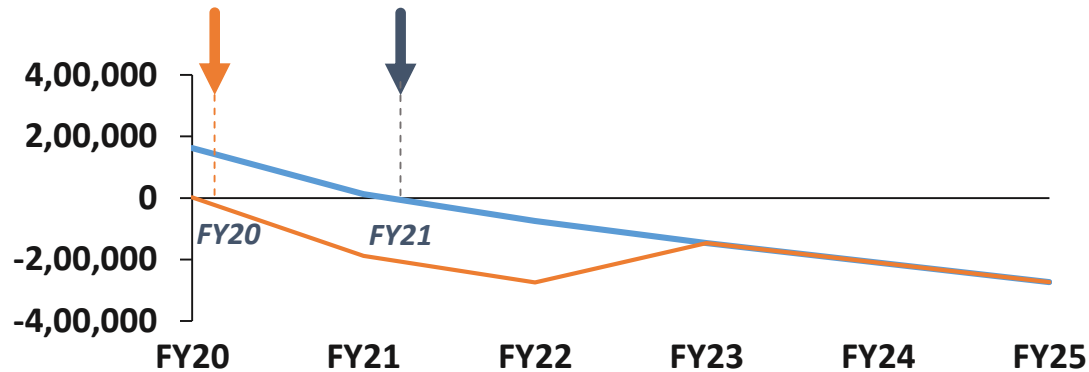
**Increased competitive action would provide multiple options to customers to chose from as well as drive charging infrastructure development**



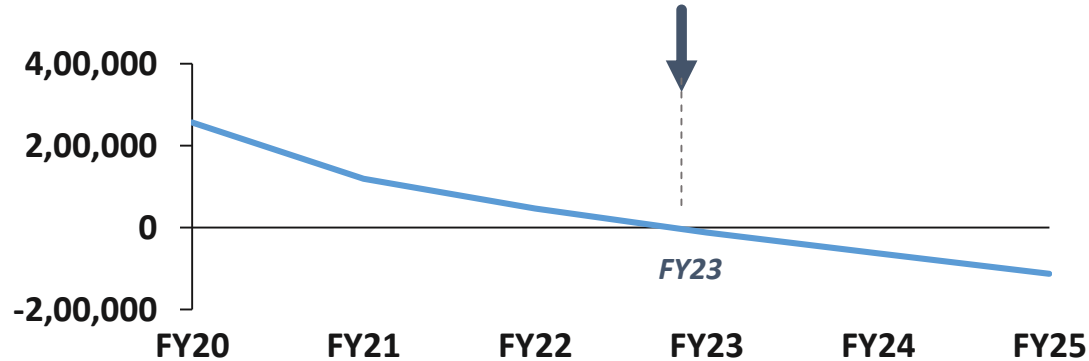
# EV TCO expected to reach parity with Diesel for Shared segment by FY21 and Personal segment by FY23

TCO Difference<sup>1</sup> (EV vs. Diesel)

— Without subsidy  
— With FAME II subsidy (till FY22)



TCO Difference<sup>1</sup> (EV vs. Diesel)



★ EV prices expected to significantly drop in future

- **Battery cost reduction:**

- Battery contributes 30-40% of EV price
- **Declining battery prices** (10 - 15% p.a.) with increasing scale of production and tech. maturity

- **Localization of key EV components in line with PMP**

- **Economies of scale** due to growing demand driven by govt. subsidies

★ Also, ICEs will continue to witness **price inflation** and lead to **higher TCO outgo**


- **BS-VI implementation** has led to **increase in ICE price post FY21**

- **Diesel price escalation** expected at historical rates

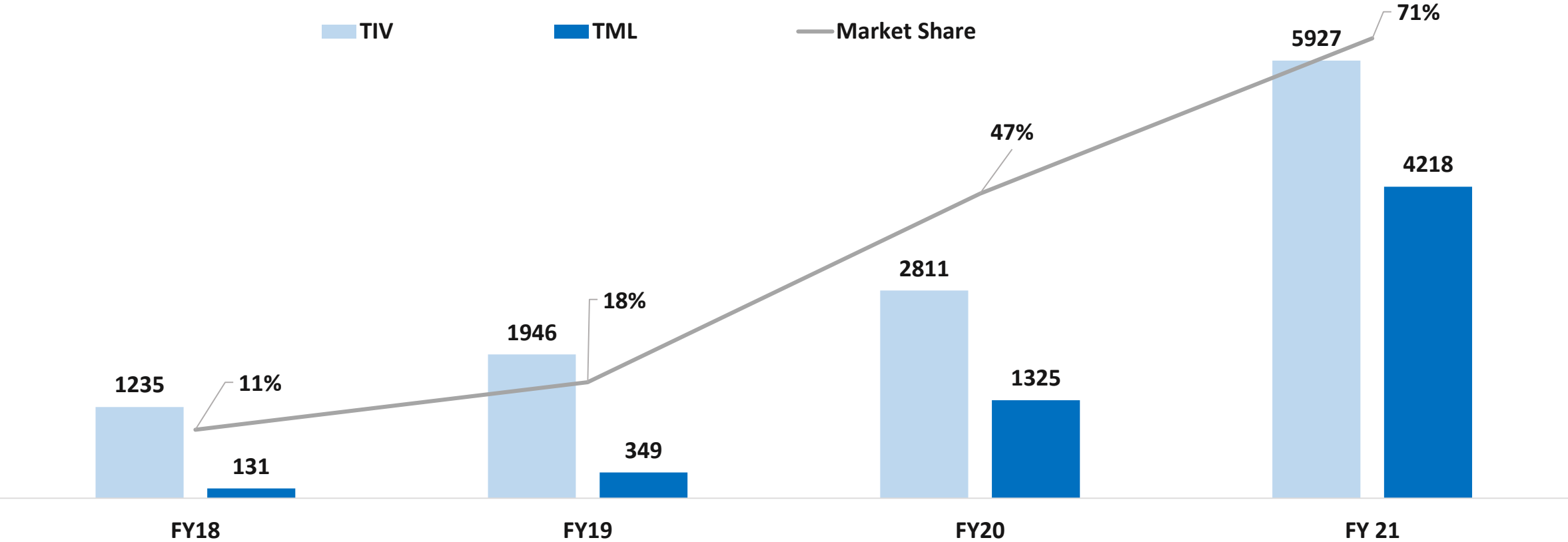
**Financial parity will help drive further adoption**

**Key Assumptions:** Based on current EV Sedan and comparable Diesel Sedan prices; Shared: 3 yr. & 150k km total running; Personal: 7 yr. & 105k km total running; Budget benefits considered;



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- |   |   |
|---|---|
| 1 | Government support for EVs and EV Opportunity |
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| 3 | EV ecosystem                                  |
| 4 | Tata Motors Strategy                          |

# Tata Motors has established itself as a leader in EV market



Nexon EV is driving the growth for Tata Motors as well as Industry

# Comprehensive solutions are being offered to the customer

## Product

**Nexon EV** with cert. range of 312km

- **#1 EV in India**
- Won EESL tender for 150 Evs

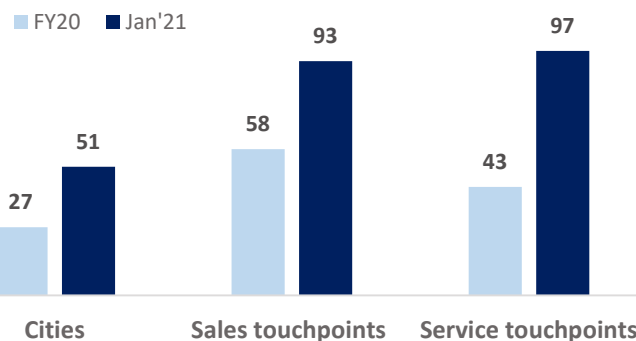


**Tigor ER EV** with cert. range increase from 140 km to 213 km

- **#1 EV for fleet segment**

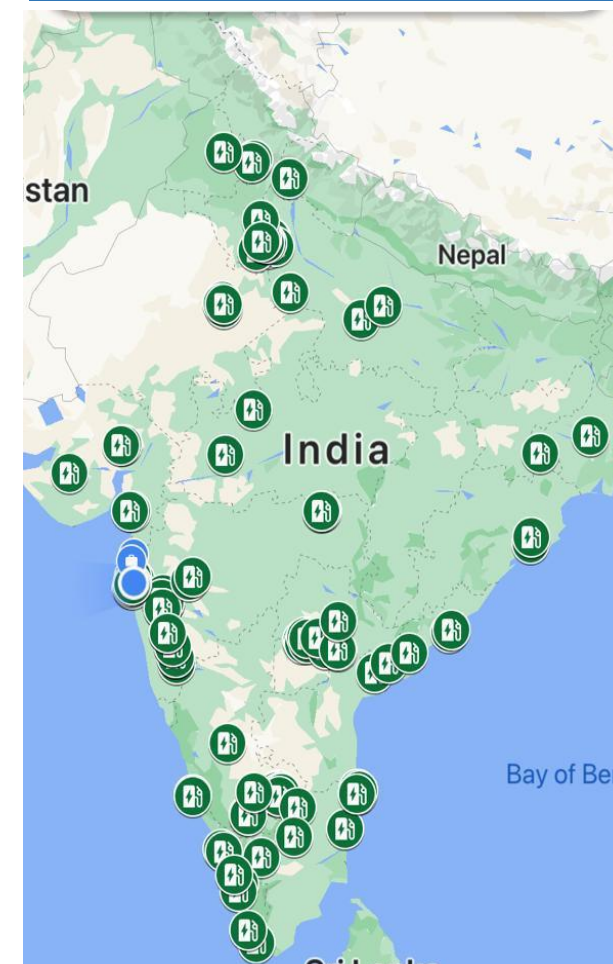


## Network



- **Largest EV Ready network in India**
- **Dedicated EV Product Specialists** (graduates) stationed at dealerships
- **Vehicle subscription** service enabled

## Charging Solutions



- **Public charging network with 355+ chargers**
- **3000+ AC chargers**
- **100+ Captive charging points**

**Solutions provided have helped in alleviating customer apprehensions and led to growth**

Personal segment has significant potential - Nexon was an obvious choice for our first personal segment EV

## Personal segment also a key focus

- Personal segment comprises of **80%+ of overall automotive market**
- Imperative for significant adoption in personal segment to provide **adequate vehicles on ground for ecosystem sustenance**
- Personal segment **not purely focused on TCO**
- Requirement of **aspirational performance** at an accessible price point

## Nexon was the obvious choice



**Bold & Muscular Stylish Design**

**India's Safest Car**

**Exhilarating Performance**

**Comfortable & Plush ride experience**

**Next-Gen Technology**

# Multiple initiatives undertaken to establish Tata Motors as a credible EV leader

## Creation of Awareness & Aspiration



- State of the art EV tech brand **Ziptron** launch
- Targeted TVCs and Print campaign

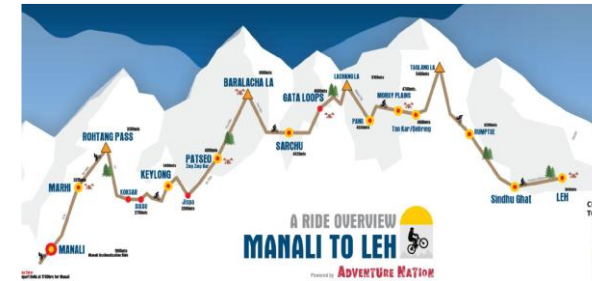


- An **immersive drive experience** of India's own Electric SUV – the Tata Nexon EV



- **Climate Change Mitigation Expedition** in Kerala

## Building Credibility & Breaking Myths



- 1<sup>st</sup> Electric 4 Wheeler to travel from **Manali to Khardungla (Leh)**



- **#TheUltimateElectricTest** to bust all myths about the robustness of EVs

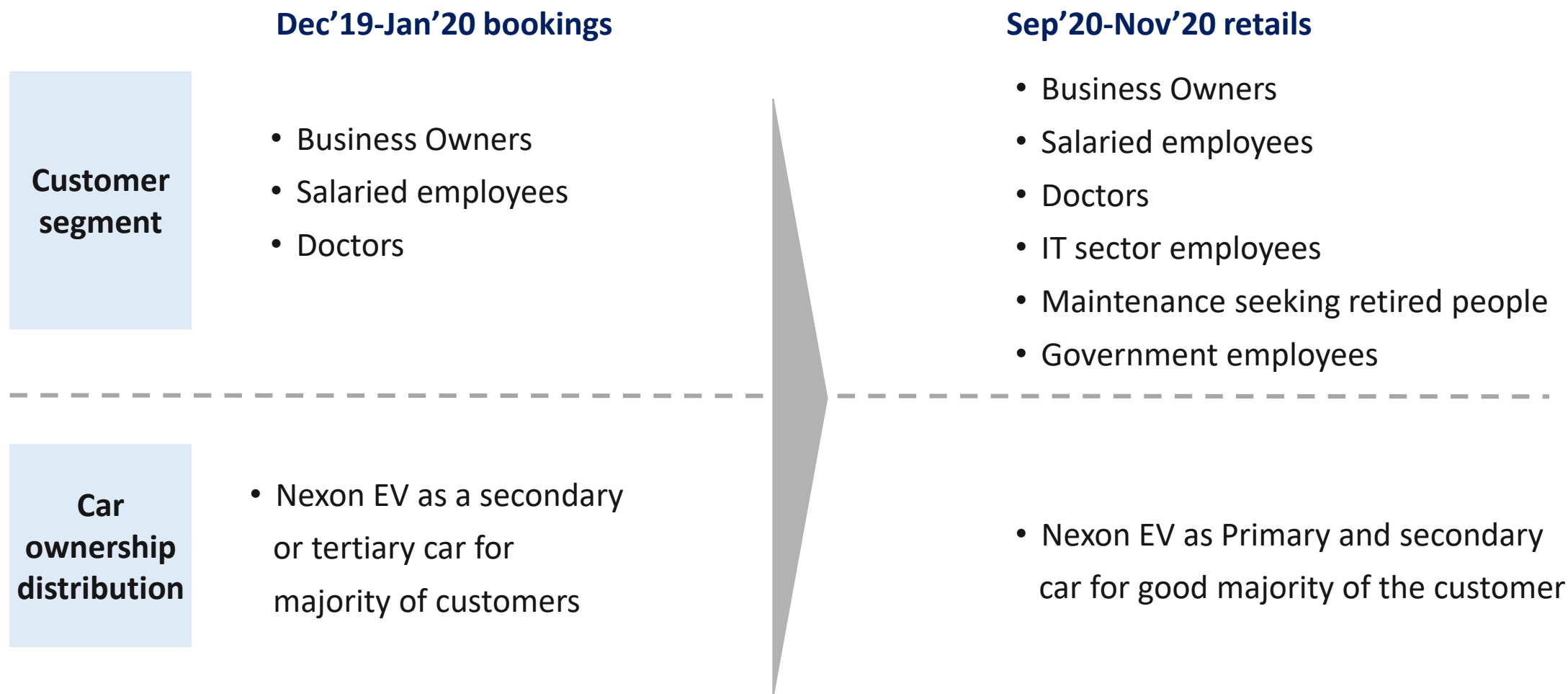


- **'Mileage Challenge Rally'** for busting myths around range anxiety


**Branding to drive awareness, aspiration, credibility and EV talent**



Precise positioning, focused sales and brand building actions have led to expand our customer base from early adaptors to early majority



**3000+ Nexon EVs sold in FY21– comparable to overall EV industry volume in FY20**

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Delivering just on product promise is unlikely to sustain a leadership position -- ecosystem creation across value chain was critical

**Full value chain play –  
*Ecosystem advantage***



**TATA**  
CHEMICALS



**TATA**  
POWER

**TATA**  
MOTORS

**TATA**  
CHEMICALS

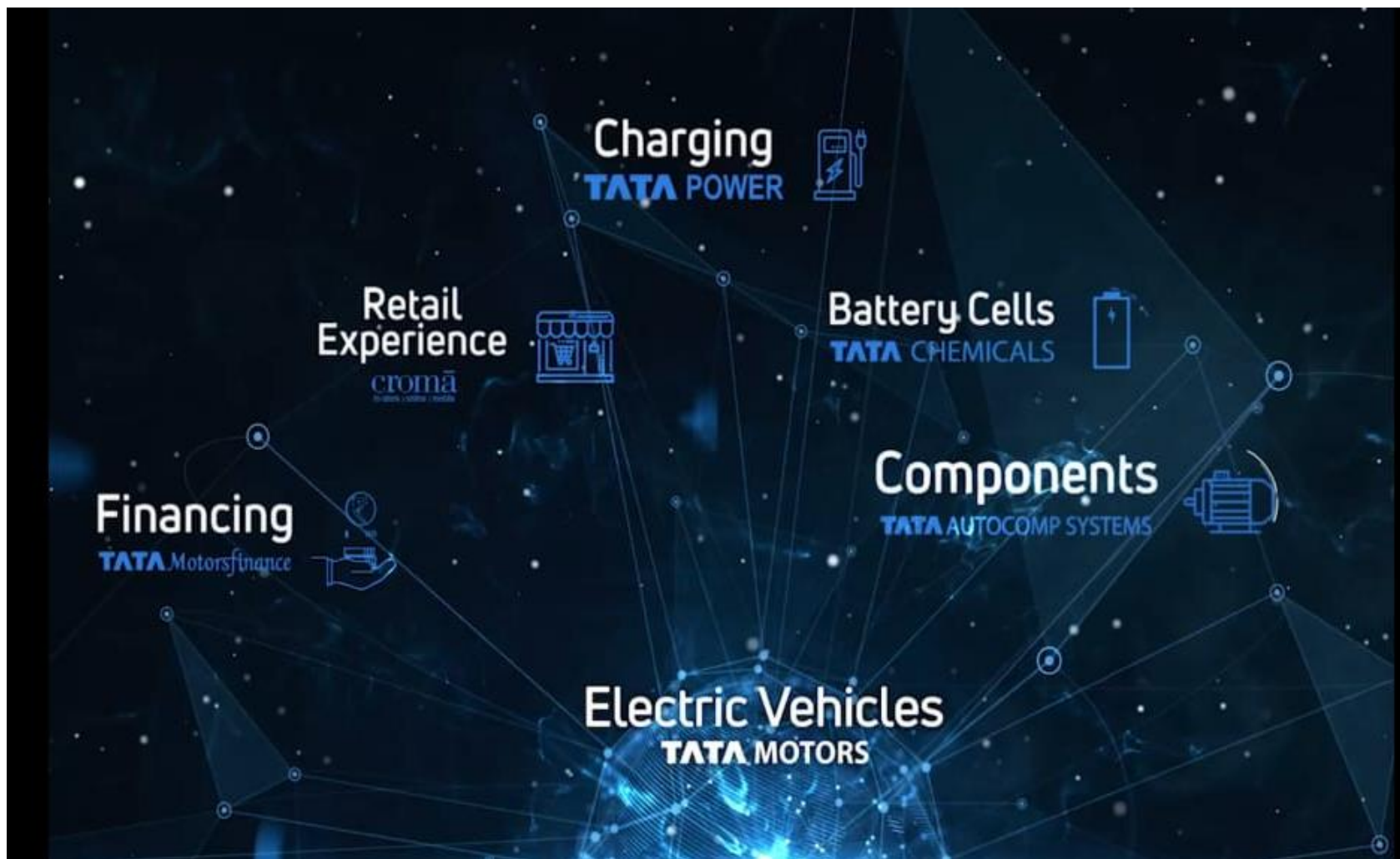
**TATA**  
AUTOCOMP SYSTEMS

cromā **TATA**Motorfinance

**TATA**  
CAPITAL

**Capabilities of various Tata Group Companies presented an opportunity to create an ecosystem**

Leveraging Tata Group's strengths and shared vision for nation building, we shaped India's first EV ecosystem – **TATA uniEVerse**



### Benefits to customers

- **Broader suite of services at competitive prices**
  - Preferential access to charging n/w
  - Localized components enabling lower cost
- **Convenient and hassle free EV ownership experience**

### Benefits to companies

- Make **synchronized technological choices** and **optimize investments**
- **Anchor customer-supplier relationship** helps in initial low adoption phase

# Tata UniEverse is enabling Tata Motors to tackle critical ecosystem challenges

## Charging infra

- Tata Power plans to expand public charging points to **2500 by FY22**
- Tata Power continues to **support home charger installations by deploying on ground dedicated manpower** to support TML's expansion plan
- Tata Power piloted **Society Charging** - concept of **multiple customer sharing single charger** ( with shared billing)


## Localization

- TML's **localization plan is aligned with Phased Manufacturing Plan**
- TACO → **battery pack assembly for Nexon EV and Tigor EV**
- **TACO → Motor and MCU localization** for Nexon EV is underway
- **Supply chain established to localize other critical EV Powertrain** components such as DC-DC convertor, on board charger etc.

## Battery

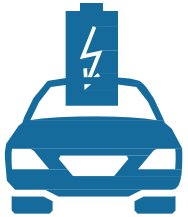
- Tata Chemicals is planning to play across the value chain from manufacturing of **battery actives to recycling of batteries**
- **Pilot plant set up in India to manufacture cathode actives** with capability to manufacture different cathode actives
- **India plant by 2023**, with flexibility for multiple form factors and chemistries
- Partnering with TACO for battery pack manufacturing for automotive applications

**Through synchronized strategy & action plan among the companies we intend to maximize competitive advantage**

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- |   |   |
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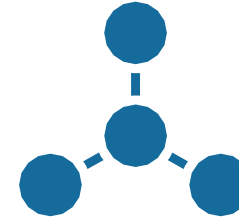
# Tata Motors has a developed strong approach to retain competitive advantage

## Products



- Portfolio of **offering with different body styles and driving ranges**
- **India specific Product specs and differentiated value proposition**
- Transition to **Modular Multi-energy platform**

## Sales & Marketing



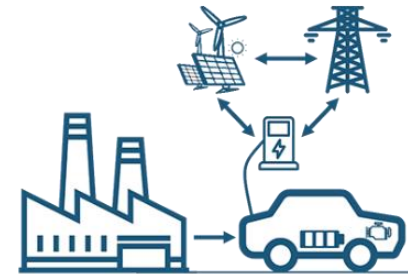
- Drive higher **penetration in micro markets**
- Brand building for **awareness creation and driving aspiration**

## Capability Building



- **Acquire capabilities** inline with strategic planks and
- **Leverage Tata Group EV Ecosystem**

## Ecosystem Solutions



- Partnerships to enable **comprehensive charging offering**
- **Localization** aligned with government mandate

**Driven by cost structure optimization, increased number of models and infrastructure growth, TML aspires to retaining dominant share in EVs in India**

**Thank You**