



TATA MOTORS

ISIN: INE155A01022

BSE: 500570

NSE: TATAMOTORS

CMP: Rs. 505.45

Wed, 6th Oct' 21

OVERVIEW

- Tata Motors Group is one of the leading global automobile manufacturers with a diversified portfolio of commercial, passenger, and luxury vehicles. Part of the multi-national conglomerate, the Tata Group,
- we have 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.

STRENGTHS

- Geographic location
- Innovation and R&D
- Mergers and Acquisitions
- Product Development

EDGE OVER COMPETITORS

- A new line of very competitive, fuel-efficient vehicles is being developed by Tata Motors to meet the competition head-on.
- Tata Motors the edge over others is the sales and service network, which will be very tough to match in the short term by the competition.

BUSINESS STRATEGY

- At TML, we have implemented a strategic Business Agility Plan to address the short-term challenges by keeping our costs low and ecosystem viable while delivering innovative mobility solution across product customer segments. Strong transformative actions and proactive measures across various segments have supported our business continuity endeavor's.
- The Reimagine strategy has been designed to address the key challenges facing the business. We will become a more agile business, with a simplified manufacturing operation. We will deliver a new benchmark in environmental, societal and community impact for a luxury business, creating the world's most desirable luxury vehicles, against a canvas of true sustainability.

FORTHCOMING OPPORTUNITIES

- Redefining Mobility
- Optimising More for Less
- Embracing 'Bridgital
- Electricity Mobility
- Connected Technology and Digital.

PERFORMANCE HIGHLIGHTS

- EBITDA margin of 4.3% (0.5% in FY 20) and EBIT margin of (3.5%) (significant improvement as compared to (7.2)% in FY 20) and positive free cash flows of Rs. 2,730 crore (Rs. (7,750) crore in FY 20).
- JLR ended the year with strong positive 12.8% EBITDA margin (8.9% in FY 20) , 2.6% EBIT margin (0.1% in FY 20) and positive free cash flows of £0.2 billion (£ (0.8) billion in FY 20)

Growth Rates (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue %	-4.3	-4.9	-1.7	7.3
Operating Income %	-	-	-	-
Earnings/Share %	-	-	-	-
Dividends %	-	-	-	-
Book Value/Share %	-19.8	21.1	10.2	7.3
Stock Total Return	290.0	42.7	-1.4	11.4
Market +/-	255.7	28.1	11.9	2.2

Valuation Analysis	Current	5Yr Avg	Ind	Mkt
Price/Earnings	-	14.9	33.2	15.2
Forward P/E	10000.	-	-	-
Price/Cash Flow	0	-	-	-
Price/Free Cash Flow	6.4	3.3	-	9.9
Dividend Yield %	-	-	1.1	2.8
Price/Book	3.9	1.6	4.0	2.1
Price/Sales	0.7	0.4	2.3	-

Profitability Analysis	Current	5Yr Avg	Ind.	Mkt.
Return on Equity %	-26.1	13.6	12.3	15.4
Return on Asset %	-4.4	-2.6	5.5	5.6
Gross Margin %	32.9	31.6	30.7	-
Operating Margin %	-3.1	-4.6	11.8	-
Net Margin %	-5.8	-3.1	7.0	21.4
Inventory Turns	4.5	4.9*	10.4	-
Fixed Asset Turns	2.8	3.5	4.7	-

Financial Position (INR)	03-20(Mil.)	03-21 (Mil.)
Cash	317,000	197,431
Inventories	360,865	287,280
Receivables	363,749	223,641
Current Assets	1,468,860	993,491
Fixed Assets	887,948	586,899
Intangibles	622,521	538,220
Total Assets	3,342,794	2,345,643
Payables	866,504	636,697
Short-Term Debt	427,917	180,465
Current Liabilities	1,570,299	992,655
Long-Term Debt	931,020	544,863
Total Liabilities	2,823,659	1,806,292
Total Equity	503,303	534,942

Source: Company filings & Analyst research

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