

Leading the way in electrification

Tata Motors is the largest player in India's EV space. In a short period of 3 years, we have increased our volumes from ~1.3K to ~50K vehicles and established ourselves as strong market leader with around 84% VAHAN market share in this evolving space.

★
2
NEW LAUNCHES

★
~3800
CHARGING STATIONS OPERATIONAL

“ WE SUCCESSFULLY GREW OUR LEADERSHIP POSITION BY ACCELERATING BOTH EV ADOPTION AND THE DEVELOPMENT OF ITS ENABLING ECOSYSTEM. GOING FORWARD, WE WILL CONTINUE TO DELIVER ON NEW PRODUCT LAUNCHES, ENHANCING CAPACITIES AND DRIVE EV PENETRATION FURTHER TO DELIVER MARKET-BEATING GROWTH IN COMING YEARS.

SHAILESH CHANDRA
MD-TMPV AND TPEM

Performance review

EV penetration on the rise

We continued to lead the charge in EVs and crossed 50,000 units sales for FY 2022-23, reflecting a 2.6x growth over FY 2021-22. EV sales increased from an average ~3500 units/month in the first quarter to an average 5,000+ vehicles in the fourth quarter, reflecting the extent of demand that exists. VAHAN registrations for our EVs touched 7,000 units in March and we exited the Q4 with a double-digit EV penetration of ~12%. Despite increase in competition in later part of the year, we have maintained strong lead with VAHAN market share of ~84%.

Fleet demand



The EV fleet demand seen a significant growth in FY 2022-23 as corporate started 'work-from-office' and people re-started using ride hailing services with the fear of the pandemic subsiding. In addition, owing to commitment towards sustainability, both Corporates and Ride hailing companies, are driving the agenda of converting respective fleets to electric.

Given our compelling offering, the Tigor EV, for the fleet segment and our continuous engagement with fleet operators even during times of COVID, we garnered the largest share of the orders floated across industry.



WITH THE ACQUISITION OF FORD INDIA'S (FIPL) MANUFACTURING PLANT AT SANAND, TPEML WILL UNLOCK AN ADDITIONAL STATE-OF-THE-ART MANUFACTURING CAPACITY OF 3,00,000 UNITS PER ANNUM, WHICH IS SCALABLE TO 4,20,000 UNITS PER ANNUM.

MoUs signed with multiple fleet operators for over 45,000 EVs. The notable ones being:

10,000 EVs
BLUSMART MOBILITY

5,000 EVs
LITHIUM URBAN TECHNOLOGIES

25,000 EVs
UBER TECHNOLOGIES

5,000 EVs
EVEREST FLEET MANAGEMENT

Product highlights

In FY 2022-23, Tata Motors introduced Nexon EV Max with a certified range of 453km and Tiago EV with two range options - 250km and 315km.

Tata Motors now has widest portfolio of EVs with 5 EVs- Tiago EV, Xpres-T EV, Tigor EV, Nexon EV Prime and Nexon EV Max.

Key brand building initiatives

The Nexon EV Max scaled the world's higher motorable road at Umling La pass, located in Ladakh, 19,024 ft above sea level.

Season 2 of National Geographic's documentary on Nexon EV that bring out the story of Nexon EV and what goes behind creating an entire EV universe.

Tata Motors partnered with National Geographic with an objective to spread awareness and encourage viewers to contribute in own ways to the fast-spreading EV revolution in India.

ELECTRIC VEHICLES

GLOBAL WHOLESALE **50,043** ^{154% INCREASE}

Operational performance

Domestic sales volume

IN UNITS

↗ 150% Y-O-Y GROWTH

FY23	47,792
FY22	19,105
FY21	4,218

VAHAN registration market share

%

↘ 260 BPS

FY23	83.9
FY22	86.5
FY21	72.0

Public charging

NOS.

↗ 90% Y-O-Y GROWTH

FY23	~3,800
FY22	2,000
FY21	450

EV penetration

%

↗ 600 BPS

FY23	9
FY22	3
FY21	2

Cities present

NOS.

↗ 120% Y-O-Y GROWTH

FY23	165
FY22	75
FY21	51

No. of dealerships

NOS.

↗ 75% Y-O-Y GROWTH

FY23	250
FY22	143
FY21	97



IN FY 2022-23, TIAGO EV WAS RECOGNISED AS 'ELECTRIC VEHICLE OF THE YEAR' BY 6 MEDIA HOUSES, MOTOR VIKATAN, MOTORSCRIBES, AUTOCAR, CAR INDIA, TURBO CHARGED AND ACKO DRIVE.

OUR EFFORTS TOWARDS SIGNIFICANTLY ENHANCING EV CAPACITIES TO 50,000 WERE RECOGNISED BY MOTORSCRIBES AND CAR INDIA AND THEY AWARDED US WITH 'EV MANUFACTURER OF THE YEAR'.



Nexon EV K2K drive

Being a new technology, demonstrating the capabilities and possibilities of EVs in real world and in real time conditions is utmost important to alleviate all the myths about EVs and drive adoption.

Tata Motors set out on an ambitious journey from Srinagar to Kanyakumari with the Nexon EV. We wanted to inspire existing and prospective EV owners by offering them a conclusive proof of the Nexon EV's long range, accompanied by the growing charging stations, installed by our ecosystem partner, Tata Power.

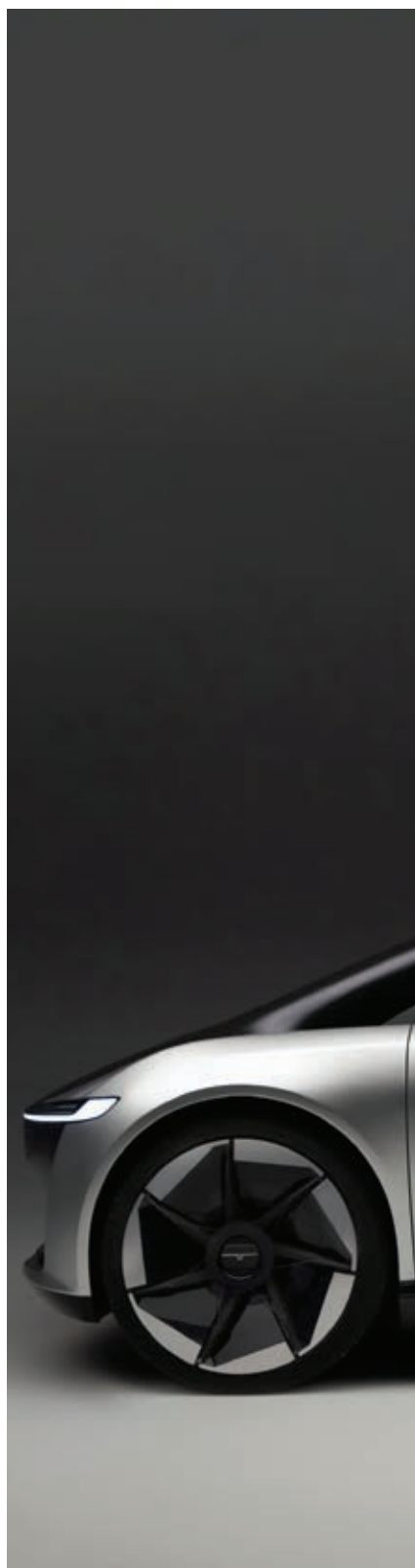
The aim of the drive was to showcase that our customers can confidently plan long journeys with the Nexon EVs. During the drive of 4000+ km, the EV faced harsh weather conditions and a multitude of difficult terrains on the route. The journey was completed in just 95 hours and 46 minutes, and with this, the Nexon EV successfully entered the India Book of Records by covering the 'fastest' Kashmir to Kanyakumari drive by an EV.

Segment outlook

Looking ahead, we expect the demand for electric vehicles to rapidly increase as more options are made available to customers and as support from a swiftly growing and improving ecosystem strengthen.

With widest portfolio of aspirational yet accessible EVs, established reliability for over 1 billion real-life kilometres driven by real customers and ecosystem support, we are all set to scale new highs in EV sales. In FY 2023-24, our focus will be on achieving significant volume growth, investing for future and keeping the underlying unit economics healthy while maintaining the market competitiveness.

ELECTRIC VEHICLES



External environment

Challenges

Shortage of critical raw material

The global supply chain was under severe stress with the world economy going through a rapid post-pandemic recovery. This led to acute shortage of raw material and ocean freight containers.

Tata Motors was seriously affected especially by the shortage of key raw material, Lithium Carbonate, used in Lithium-Ion battery. This shortage led to the market rate of Lithium Carbonate to rise by over 13X in just one quarter. In addition, non-availability of material led to rationing of available stock.

We took various actions to mitigate this risk. In the short term, we devised indexed price correction mechanism with cell suppliers and shared with them volume projection with firm quarterly order. This enabled our cell suppliers to better plan and ensure suppliers were in line with demand. Further, we expanded the supply contract and introduce an additional cell and pack supplier, for our Gen 2 vehicles.

Opportunities

Expanding the addressable market

Limited choices and high price points have hindered the penetration of EVs in the market. Despite a remarkable tenfold growth in the EV market over the last three years, their share in total vehicle sales stands at a mere 1.5% in FY 2022-23. The lack of choices at different price points and in body styles, has constrained the widespread adoption of EVs.

We have the widest range of EV offerings, spanning across three body styles-hatchbacks, sedans, and SUVs – which cater to both premium and mass market customer segments. As a result, we have achieved an impressive 9% penetration of EVs in our portfolio.

Going forward, we plan to build on this strategic advantage by expanding our EV sales and after-sales network, as well as charging infrastructure across India. With these initiatives, we are poised to capitalise on the untapped opportunity and expand our reach to a broader customer base.

Maximise localisation to optimise cost and realise incentives

Over the last few years, both central and state governments have launched progressive EV policies such as Faster Adoption and Manufacturing of Electric Vehicles (FAME II) and Production Linked Incentive (PLI) to accelerate the adoption of electric vehicles in the country. However, in order to benefit from these incentives, OEMs are required to meet the localisation guidelines outlined in the policies.

We have successfully met all the localisation requirements outlined in the 'Phased Manufacturing Plan' (PMP) and 'Domestic Value Add' (DVA) as mandated by FAME and PLI policies. This positions us favourably to unlock incentives that will enhance cost competitiveness. Moreover, we are actively pursuing deeper localisation of crucial EV systems to optimise cost structures and enhance the accessibility of EVs to a wider customer base.



Strategic review

Offering product and segment-versatility

In this financial year, we extended our range with the Nexon EV Max and Tiago EV to address a diversity of customer needs and accelerate penetration by making aspirational EVs accessible to consumers. We will continue to expand our portfolio, providing India specific offerings with different body styles, driving ranges-and price points, and leveraging our Gen 3 strategy in line with market readiness to strengthen the EV demand. We are on track to deliver 10 EVs by 2026.

Sales and marketing

We scaled up our market coverage to reach 165 cities and tied up with 250 dealerships in FY 2022-23. Increased presence across the country will greatly increase the accessibility of our products and help in enhancing the customer base. Our micro-market strategy has worked well to drive penetration and created pan India demand. We will continue to focus on states with favorable EV policies, and leverage the network to expand the customer base. Through innovative campaigns, digital tools, experience centres and service network, we will

continue ramping up brand building, driving aspirations and enhancing customer experience.

Accelerating ecosystem development

In FY 2022-23, Tata UniEVerse has significantly contributed towards promoting EV adoption in the country. Along with Tata AutoComp, we have completed localisation of key EV power train components. Further, we are driving deeper localisation for components such as battery pack, motor, and 3-in-1 combo box. Tata Power, India's leading player in the EV charging space, further expanded its public charging infra to reach ~3800 units across India. New branding guidelines were launched to ensure uniform identity across charging locations. Further, home charging offerings were expanded with the introduction of 7.2kW. AC charger options for the Nexon EV Max and Tiago EV and home-charging installation support was extended to ~170 cities.

In addition, Tata Power has started installing AC fast chargers in Resident-Welfare Associations (RWAs). In FY 2022-23, 900+ chargers were installed across 175+ societies in 5 metros: Mumbai, Pune, Indore, Delhi and Bengaluru.