



## Shailesh Chandra

Managing Director,  
Tata Motors Passenger Vehicles Limited &  
Tata Passenger Electric Mobility Limited

### Dear Shareholders,

I hope this letter finds you safe and in good health.

FY24 was a landmark year for the passenger vehicles (PV) industry in India with vehicle sales crossing the coveted 4 million milestone for the first time. With highest-ever sales of 4.2 million vehicles, the PV industry recorded a growth of 8.6% over FY23. This growth can be attributed almost entirely to the rising demand for greener powertrains as sales of CNG vehicles and EVs grew 55% and 70% over FY23, respectively. The introduction of several new nameplates during FY24 also contributed to the industry growth. The shift in customer preference for SUVs gained prominence with over 50% sales coming from this segment.

It was an excellent year for Tata Motors too as FY24 became the third successive year of highest-ever sales volumes of cars and SUVs, with wholesales of 5,73,541 units (up 6% over FY23) and retail sales growing 8.4% over FY23 (VAHAN-based). We improved our market share and consolidated our position as a strong #3 .player in the automobile industry.

The business also recorded its highest-ever turnover with an annual revenue of ₹52,353 crore, growing by 9.4% over FY23. It also became more profitable, delivering highest ever EBITDA and a healthy improvement in EBIT margins by 100 bps.

### Winning product strategy

Key initiatives undertaken during the fiscal included strengthening the product portfolio holistically. The launch of new avatars of Nexon, Nexon.ev, Harrier and Safari received much acclaim from both customers and channel partners.

A customer-centric strategy with smart product enhancements enabled us to achieve #1 or #2 position in almost every addressable vehicle segment that we cater to. The maiden Bharat NCAP safety certification of 5-star awarded to the Harrier and Safari, soon after they registered the highest safety scores received by any car in India from GNCAP, further affirmed our commitment to improving driver and passenger safety.

Our multi-powertrain approach and sharp focus on green technologies increased the penetration of CNG and EVs to 29% of the overall portfolio. The introduction of the twin-cylinder CNG range of vehicles, an industry first, addressed a major concern of CNG customers by ensuring no compromise of boot space. This innovative technology was offered in all our compact vehicles – Altroz, Tiago, Tigor and Punch, resulting in our annual CNG sales volume growing 120% over FY23.

### Elevating the EV experience

We continued to lead the way in EVs, with 70%+ market share. With 1,50,000 cumulative EV production, a milestone achieved by few car manufacturers globally, we sold 73,844 EVs during the year to register a growth of 48% over FY23. To create distinction, we introduced a new customer-facing brand identity built on the pillars of sustainability, community, and technology exclusively for EVs –Tata.ev and inaugurated EV only stores to provide the differentiated experience that EV customers expect.

**A customer centric strategy with smart product enhancements enabled us to achieve #1 or #2 position in almost every addressable vehicle segment that we cater to.**

**2 out of 5 highest-selling models in India were Tata Cars**

**3<sup>rd</sup> consecutive year of highest-ever volumes with 5,73,541 units**

An expansive and robust charging infrastructure is essential to develop the EV market. Making this a priority, we initiated open collaborations with charging ecosystem providers and partnered with several charge point operators as well as oil marketing companies to optimise their plans of installing more than 22,000 public chargers over the next 12-18 months.

### **Excellence throughout the value chain**

Our thrust on reimagining all front-end initiatives to enhance customer experience across all touchpoints gained momentum with increased digitalisation. Our brand standing was further improved as evidenced in improvement in the NPS score to 48, further cementing our position as the #2 brand in India. Keeping pace with rising vehicle sales, we expanded our network of sales and service touchpoints to 1,456 and 1,000 respectively, making it easier for customers to engage with us.

Due investments were made in expanding capacity and building

organisational capability in line with our growth aspirations. Partnerships with vendors and channel partners were strengthened and focused talent training programmes conducted across levels and functions. The new manufacturing facility acquired at Sanand was made operational within just a year of taking over. It creates additional production capacity, which can be expanded to 4,20,000 units, and provisions a cumulative annual manufacturing footprint of 1 million cars and SUVs.

### **Progressing on our sustainability commitments**

During the year, we accelerated our efforts towards fulfilling our sustainability target of attaining net zero emissions by 2040. We made good progress towards reducing our Scope 1, Scope 2 and Scope 3 emissions as per SBTi glidepath. Operations at plants were made greener with the increase in utilisation of energy generated from renewable sources and implementation of a more sustainable waste disposal system.

### **Going forward**

I expect the Indian PV industry to moderate towards a long-term secular growth rate after three consecutive years of strong growth. Trends seen in FY24 are expected to accentuate with rising customer preference for safer, smarter and greener vehicles powered by CNG and batteries. SUVs will continue to dominate the landscape with more options for customers to choose from. At Tata Motors, with new nameplates and launches planned, we will continue our growth trajectory and expect to deliver strong growth. We will continue to shape the EV landscape with holistic initiatives to expand the market, build preference and increase EV penetration.

With its endowments and investments, the PV and EV businesses are perfectly poised to capitalise on the exciting future and scale new peaks. I thank you all for your continued interest, commitment and support to Tata Motors.

**Warm regards,  
Shailesh Chandra**

