

Tata Motors Limited

March 13, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	3,500.00	CARE AA+; Stable	Revised from CARE AA; Stable
Short-term bank facilities	1,000.00	CARE A1+	Reaffirmed
Non-convertible debentures	1,500.00	CARE AA+; Stable	Revised from CARE AA; Stable
Non-convertible debentures	2,500.00	CARE AA+; Stable	Revised from CARE AA; Stable
Non-convertible debentures	650.00	CARE AA+; Stable	Revised from CARE AA; Stable
Non-convertible debentures	250.00	CARE AA+; Stable	Revised from CARE AA; Stable
Non-convertible debentures	300.00	CARE AA+; Stable	Revised from CARE AA; Stable
Non-convertible debentures	500.00	CARE AA+; Stable	Revised from CARE AA; Stable
Non-convertible debentures	500.00	CARE AA+; Stable	Revised from CARE AA; Stable
Non-convertible debentures	1,000.00	CARE AA+; Stable	Revised from CARE AA; Stable
Non-convertible debentures	700.00	CARE AA+; Stable	Revised from CARE AA; Stable
Commercial paper	6,000.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in ratings of bank facilities and instruments of Tata Motors Limited (TML) factors its robust business performance in 9MFY24, reflected from significant growth across segments and geographies, resulting in the total operating income (TOI) growing by 32.5% y-o-y. Higher volumes and improving realisation across segments have also led to the profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin substantially improving to 13.34% in 9MFY24 (9.99% in FY23), which CARE Ratings Limited (CARE Ratings) expects to continue in FY24.

Healthy generation of free cashflows has helped significantly de-leverage, with TML's consolidated net auto debt (excluding letter of comfort [LC] acceptances)/PBILDT improving to 0.52x as on December 31, 2023 (1.33x as on March 31, 2023). The company is well on track to attain its publicly-stated goal of achieving net-auto debt-free status by FY25-end. According to CARE Ratings, the recently announced demerger plan of TML segregating its commercial vehicle (CV) and passenger vehicle (PV) businesses into two separately listed companies will not alter its deleveraging plans in each of the companies. CARE Ratings expects the strong business profiles of its CV and PV segments to support credit profiles of the two independent companies as well.

Segment-wise, revenue of Jaguar Land Rover (JLR) grew at a strong 34.6% in 9MFY24, driven by a growing wholesale volume of 28.4% and higher realisation. This led to the PBILDT margin improving to 15.8% in 9MFY24 (11.3% in FY23). JLR continues to hold a robust order book, indicating sustained revenue visibility as demand continues. TML also has been strategically shifting its product mix to include a higher proportion of products with better margins. This, with increased efficiency brought by higher production volumes (operating leverage), has significantly boosted profitability and lowered the break-even volume for JLR.

Revenue of the CV segment recorded revenue growth of 15.3% and PBILDT margin of 10.4% in 9MFY24, driven by healthy demand, improved product mix, strategy of company to reduce discounting and focus on profitable growth. However, overall CV volumes have moderated by 5% y-o-y in 9MFY24 due to muted exports and lower light CV (LCV) or small CV (SCV) volumes. CARE Ratings expects TML to maintain significant leadership in the domestic CV market, despite moderate volume growth expected in FY25.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Revenue of TML's domestic PV business grew by 5.9% y-o-y in 9MFY24, driven by improved realisations. The company has significantly strengthened its position in the domestic PV market on the back of growing volumes of 46% and 3% in FY23 and 9MFY24, respectively. It is expected to grow by about 5-7% over the medium term, supported by surging sport utility vehicle (SUV) and electric vehicle (EV) demand in India.

Ratings continue to factor TML's established track record as one of India's largest automobile original equipment manufacturers (OEMs), its geographically diversified presence aided by large sales and distribution network, and its strong parentage of Tata Sons Private Limited (TSPL).

That said, ratings are tempered by the company's large capex plans in the medium term for meeting consumer and regulatory requirements, technology upgradations, and for improving competitive positioning. In April 2023, JLR announced investments of about £15 billion over a period of 5 years mainly towards electrification platforms, architectures, and investments in future battery electric vehicle (BEV) as part of the 'Reimagine' strategy. In its India business, major capex will be towards electrification and new launches for maintaining its market share in the PV segment. As per the management, in the medium term, India's CV and PV businesses will require capex spends of up to ₹2,500 crore and ₹3,000 crore, respectively, while for the EV business, capex investment is estimated to be US\$ 2 billion until FY27. The inherent cyclical nature of the automobile industry, especially the CV business, and competitive pressure limits the scope for operating margin expansion through price revision, especially in the PV segment, with high degree of competition envisaged from both, incumbents and new entrants.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Substantially improving PBILDT margin, supported by significantly improving its market share across business segments, leading to significant generation of free cashflows and net auto debt-free status on a sustained basis.

Negative factors

- Deteriorating net auto debt/PBILDT beyond 0.75x on a sustained basis.
- Weakening operational performance, leading to significant loss of market share and decline in operating margins on a sustained basis.

Analytical approach: Consolidated

CARE Ratings has considered consolidated financials of TML and its key subsidiaries, including JLR. However, adjustments are made to the net worth and debt position (of TML) by excluding the net worth and debt of Tata Motors Finance Limited (TMFL; rated 'CARE AA+; Stable/CARE A1+') and TMF Business Services Limited (TMFBSL; rated 'CARE AA+; Stable/CARE A1+'), which are non-banking finance companies (NBFCs) involved in vehicle captive financing. These NBFCs are wholly owned subsidiaries of TMF Holdings Limited (TMF; rated 'CARE AA+; Stable/CARE A1+'), which in turn, is a wholly owned subsidiary of TML. However, equity commitments towards TMF are considered in the overall analysis. For arriving at ratings, CARE Ratings has used its notch-up framework, factoring support that it derives as part of the Tata group (with TSPL as its main shareholder). The list of subsidiaries consolidated is given in Annexure-6.

Outlook: Stable

The stable outlook reflects the company's ability of maintaining its market position by leveraging upon its strong brand, which with the stable demand scenario, will help it in sustaining and improving its healthy business profile over the medium term while maintaining a strong leverage position for its auto business.

Detailed description of key rating drivers

Key strengths

Healthy improvement in financial risk profile, resulting in significant de-leveraging in 9MFY24

TML's strong business performance in 9MFY24 has led to it generating healthy free cashflows, resulting in its net auto debt (including leases) reducing sharply to ₹29,164 crore as on December 31, 2023, from ₹43,687 crore as on March 31, 2023. As part of divesting certain non-core investments, the company sold about 20% stake in Tata Technologies Limited (TTL) through stake sale to TPG Rise Climate and initial public offering (IPO), the proceeds of which were utilised for reducing debt of its domestic business. Resultantly, its net auto debt/PBILDT improved significantly to 0.52x as on December 31, 2023, from 1.33x as on March 31, 2023. CARE Ratings expects its consolidated net auto debt/PBILDT to be about 0.30x, with a minimal net auto debt position for its domestic CV, PV, and EV businesses as on March 31, 2024. Meanwhile, JLR is also on track with its deleveraging strategy, and is expected to be net debt-free by FY25-end, in line with the management's publicly stated guidance.

The adjusted overall gearing (excluding acceptances) on a net cash basis improved as on FY23-end and stood at 0.87x (PY: 1.14x). For arriving at the adjusted overall gearing, CARE Ratings has adjusted the net worth and debt position (of TML) by excluding the net worth and debt of the TMF Group. Even after factoring the expected support towards stressed assets in the TMF Group (which has reduced as on 9MFY24-end as against FY23-end), TML's net adjusted overall gearing is adequate.

Well-diversified product portfolio and widespread geographical presence

TML has a well-diversified product portfolio with presence in CV and PV segments in India. It has automotive manufacturing facilities at 6 locations in India, at Jamshedpur, Pune, Lucknow, Pantnagar, Sanand, and Dharwad. TML's sales and distribution network in India as on March 31, 2023, comprised more than 6,800 touch points for sales and service for the company's PV and CV businesses. In FY22, Tata Passenger Electric Mobility Limited (TPEM) was incorporated as a wholly owned subsidiary of TML for undertaking the passenger electric mobility business. In past two years, TPEM has secured funding of ₹7,500 crore from TPG Rise. TPEM will leverage all existing investments and capabilities of TML and channelise its future investments into EVs, dedicated BEV platforms, advanced automotive technologies, and catalyse investments in charging infrastructure and battery technologies. By acquiring JLR in 2008, TML has been able to penetrate premium car markets such as the US, Europe, the UK, and China.

Strong market position in the Indian CV business

TML is the market leader in the domestic CV segment with a market share of 38.7% in Q3FY24 (FY23: 41.7%) and offers a broad portfolio of automotive products, including light, medium, and heavy CVs both, in goods carrier and passenger carrier varieties. The CV segment recorded revenue growth of 15.3% and PBILDT margin of 10.4% in 9MFY24 (7.4% in FY23), driven by healthy demand, improved product mix, strategy of company to reduce discounting and focus on profitable growth. In FY23, the company's volume grew by 15% in the CV segment, driven by robust demand for heavy trucks, led by the government's strong infrastructure push and increased e-commerce, construction, and mining activities. However, overall CV volumes have moderated by 5% y-o-y in 9MFY24 due to muted exports and lower LCV or SCV volumes. CARE Ratings expects TML to maintain its significant leadership in the domestic CV market, despite moderate volume growth expected in FY25.

Robust performance of JLR business across geographies

JLR's revenue grew by a strong 34.6% in 9MFY24, driven by a growing wholesale volume of 28.4% across major geographies (North America, Europe, the UK, and China) and higher realization, leading to the PBILDT margin sharply improving to 15.8% in 9MFY24 (11.3% in FY23). JLR continues to hold a robust order book of about 148,000 units as on December 31, 2023, indicating sustained revenue visibility as retail demand continues to grow. The most profitable models, Range Rover, Range Rover Sport and Defender, account for 76% of the order book. TML has also been strategically shifting its product mix to include a higher proportion of products with better margins. This, with increased efficiency brought by higher production volumes (operating leverage), has significantly boosted profitability and lowered the break-even volume for JLR. Over the years, JLR has been able to reduce its cashflow breakeven from about 6 lakh vehicles from FY19 to about 3 lakh vehicles in FY23, during which the average revenue per vehicle increased from about £45,000 in FY19 to more than £70,000 in FY23. In 9MFY24, JLR's revenue and profit before interest and tax both contributed to about 70% of TML's (consolidated) revenue and PBIT.

Improving market share in the PV business; continued market leadership in the EV segment

TML's PV market share has been consistently increasing, from 4.8% in FY20 to 13.5% in FY23 (PY: 11.4%), driven by strong demand for the 'New Forever' portfolio and agile actions on demand and supply side. It further improved to 14.6% in Q3FY24. Demand emanated from the increasing preference towards personal mobility, success of new product launches and availability of multiple powertrain options. The company continues to be a market leader in the EV segment, with a market share of 73% in Q3FY24 (FY23: 84%). EV segment achieved breakeven in Q3FY24 at EBITDA (excluding product development expenses) level and the management expects profitability to continue to improve going ahead; although competition is expected to intensify in this space. The domestic PV business recorded revenue growth of 5.9% and PBILDT margin of 6.1% in 9MFY24, driven by marginal volume growing by 3%. In FY23, the company's volume grew by 24.5% in the domestic PV business, driven by post COVID-19 pent-up demand in early part of the year and new product launches. All four SUVs – Nexon (including Nexon EV), Punch, Harrier, and Safari – recorded their highest-ever annual sales, contributing a substantial 66% of the total volume.

Plans to demerge TML into two separate listed companies across CV and PV businesses

CARE Ratings notes the recent announcement of the demerger of TML's operations into two separate listed companies for CVs and PVs, subject to the National Company Law Tribunal (NCLT) and shareholder approvals, likely to be completed in 12-15 months. Post-demerger, TML will continue to hold the CV business, which enjoys a strong market share of about 40% in the CV industry. The PV business will house the existing domestic PV, JLR, and EV, which is expected to continue its growth trajectory and deleveraging plan and be net debt-free in FY25. CARE Ratings expects that despite the de-merger, both PV and CV businesses will continue growing, while maintaining their respective strong market positions and improving cashflow generation for maintaining deleveraged balance sheets. Post de-merger, both, CV and PV businesses are expected to maintain net auto

debt/PBILDT lower than 0.5x, in line with deleveraging plans, which is expected to support their independent credit profiles. Even on factoring stressed assets of TML's NBFC arm, which has sharply reduced stressed assets in 9MFY24 as compared to FY23, the net auto debt/PBLIDT is expected to remain lower than 0.5x for the CV company, post-demerger.

Strong linkages and support from the Tata group

TML is part of the Tata group, which comprises 30 companies across 10 verticals, including Information Technology (IT), steel, automotive, consumer and retail, infrastructure, financial services, aerospace and defence, tourism and travel, telecom and media, and trading and investment. The group's operations span across more than 100 countries across six continents. TML continues to be strategically important to the Tata group. As on March 31, 2023, TSPL and the promoter group held 46.4% stake in the company. TSPL has also provided financial support to TML by infusing funds of ₹6,494 crore in FY20 and FY21. As part of the Tata group, TML receives immense financial flexibility.

Key weaknesses

Exposure to inherent cyclical automobile industry and competitive pressures

TML remains exposed to the cyclical automobile industry, which has seen abundant volatility in the past due to macro-economic factors, especially for the domestic CV business. The company is also exposed to competitive intensity in the global and Indian automotive markets (especially in the PV segment). Global players have the advantage of advanced technology, financial resources, and operating leverage. JLR has a relatively low market share in the global luxury automobile market and faces strong competition from large well-established automobile manufacturers such as Tesla, Mercedes, Volkswagen, BMW, and Daimler, among others. In the Indian market, especially in the utility vehicle segment, there have been numerous launches in past few of years, resulting in pricing pressure and impacting operating margins of OEMs.

High capital-intensity of its businesses

The automobile industry is highly capital-intensive and requires huge investments for continuously upgrading technology and launching new products. Transition to EVs also entails huge research and product development expenses. TML too has large capex plans in the medium term across its business segments. While its India CV and PV businesses will entail capex of upto ₹2,500 crore and ₹3,000 crore, respectively, the capex investment for its EV business is estimated to be US\$ 2 billion until FY27. In April 2023, JLR announced investments of about £15 billion over a period of 5 years mainly towards electrification platforms, architectures, and investments in future battery electric vehicle (BEV) as part of the 'Reimagine' strategy. TML's ability to generate healthy free cashflows and maintain its net-auto debt-free status during an industry downturn can be severely tested in the backdrop of its huge capex requirements on a continuous basis for keeping itself abreast of evolving technologies, meeting regulatory norms on emission reduction, and the ongoing electrification drive.

Liquidity: Strong

The liquidity profile of JLR is strong, evinced by cash and cash equivalents of £4.3 billion as on December 31, 2023, and liquidity buffers of £1.5 billion (in the form of undrawn revolving credit facility). The available liquidity and liquidity buffers are more than sufficient for covering JLR's debt repayments in the near term.

TML (CV + PV + joint operations of Tata Cummins Private Limited [TCPL] and Fiat India Automobiles Private Limited [FIAPL]) business had cash and cash equivalents of about ₹6,960 crore and liquidity buffers of ₹4,810 crore (in the form of unutilised fund-based working capital lines) as on December 31, 2023. The available liquidity and liquidity buffers are more than sufficient for covering debt repayments of TML (CV + PV + joint operations of TCL and FIAPL) in the near term.

Environment, social, and governance (ESG) risks

CARE Ratings believes that TML's ESG profile supports its strong credit risk profile.

Environmental:

- TML has adopted a holistic approach towards net-zero, involving its business and operational impact and strategy. TML's decarbonisation journey is driven by its products, where it focuses on clean mobility solutions aspiring to achieve net-zero in its PV business by 2040 and in its CV business by 2045 and through its operations by focusing on maximising its renewable electricity share to 100% by 2030. JLR aims to become carbon-net-zero by 2039.
- TML is embedding sustainability into its business by focusing on the three interconnected pillars of driving decarbonisation of businesses and value chain, applying a systemic circular economy approach to reduce resource consumption and waste, and preserving and restoring the natural environment.
- TML's sustainability goals are aligned with global climate change mitigation targets, and the company follows universally accepted guidelines and commitments such as the Science Based Targets Initiative (SBTi) and RE100 to reach these goals.

- The company's operations are reflective of its pioneering objective of enabling more individuals to access and utilise clean mobility solutions.
- Considerable investments have been made in renewable energy sources, innovations in emissions reduction technologies, sustainable materials, and circular processes.
- In FY23, the company continued to add on-site renewable energy (solar) generation capacity, bringing the total installed capacity of solar photovoltaic (PV) installation to 5.8 MWp at Pimpri in Pune, 7.5 MWp at Jamshedpur, 7 MWp at Pantnagar, 0.435 MWp at Chinchwad, 4.07 MWp at Lucknow, 1 MWp at Dharwad, 15.5 MWp at Chikhali, and 2 MWp at Sanand. JLR is aiming for net-zero carbon emissions across its supply chain, products, and operations by 2039.

Social:

TML also actively promotes education in the country by supporting underprivileged children and development of community health and well-being.

Governance:

The company has been practicing principles of fair, ethical, and transparent governance over the years and lays strong emphasis on transparency, accountability, honesty, integrity, and ethical behaviour. Notably, 75% of its board comprises independent directors (six of eight directors).

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Commercial Vehicles](#)

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[Financial Ratios – Non financial Sector](#)

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[Short Term Instruments](#)

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Consumer discretionary	Automobile and auto components	Automobiles	Passenger cars and utility vehicles

Incorporated in 1945, TML is among the leading automotive manufacturers in India. Essentially a CV manufacturer, TML forayed into manufacturing PVs across product segments such as compact, mid-size, and utility in 1998-99, broadening the company's business horizon. The company forayed into the premium luxury car segment by acquiring JLR in June 2008, which has a presence across geographies such as Europe, the UK, the US, and China. Through its subsidiaries and associates, TML also has a presence in Thailand, South Africa, South Korea, and Indonesia. Its manufacturing base in India is spread across Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), Sanand (Gujarat), and Dharwad (Karnataka). In addition, outside India, the group has manufacturing units in the UK, South Korea, Thailand, China, and Indonesia.

Brief Financials (₹ crore) Consolidated (reported)	March 31, 2022 (A)	March 31, 2023 (A)	December 31, 2023 (UA)
Total operating income	280,578	348,984	317,941
PBILDT	25,489	34,847	42,403
PAT	(11,309)	2,690	14,278
Gross cash accruals	15,495	24,996	35,087
Overall gearing (times)*	1.14	0.87	NA
Adjusted net auto debt (excluding LC acceptances)/PBILDT*	2.15	1.33	0.52
Interest coverage (times)	2.74	3.41	5.47

A: Audited; UA: Unaudited; NA: Not available. Note: The above are latest financial results available.

*For arriving at the overall gearing, CARE Ratings has excluded the net worth and debt, respectively, of TMF. TMF is the holding company of TMFL and TMFBSL, which are NBFCs involved in captive financing of its vehicles. Cash and cash equivalents have also been subtracted from debt to arrive at the adjusted net auto debt/PBILDT.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer to Annexure-2

Covenants of rated instruments/facilities: Detailed explanation of covenants of rated instruments/facilities is given in Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Commercial paper- Commercial paper (standalone)*	-	-	-	7-365 days	6000.00	CARE A1+
Debentures-Non-convertible debentures	INE155A08191	August 20, 2014	9.81%	August 20, 2024	300.00	CARE AA+; Stable
Debentures-Non-convertible debentures	INE155A08209	September 12, 2014	9.77%	September 12, 2024	200.00	CARE AA+; Stable
Debentures-Non-convertible debentures*	-	-	-	-	7400.00	CARE AA+; Stable
Fund-based - LT-Working Capital Limits	-	-	-	-	3500.00	CARE AA+; Stable
Fund-based - ST-Working Capital Limits	-	-	-	-	1000.00	CARE A1+

*Proposed.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Debentures-Non-convertible debentures	LT	1500.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
2	Debentures-Non-convertible debentures	LT	2500.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
3	Fund-based - LT-Working capital limits	LT	3500.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
4	Debentures-Non-convertible debentures	LT	650.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
5	Debentures-Non-convertible debentures	LT	250.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
6	Debentures-Non-convertible debentures	LT	300.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
7	Debentures-Non-convertible debentures	LT	500.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
								2)CARE AA-; Negative (12-Aug-20)
8	Debentures-Non-convertible debentures	LT	500.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
9	Debentures-Non-convertible debentures	LT	1000.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
10	Commercial paper-Commercial paper (Standalone)	ST	6000.00	CARE A1+	1)CARE A1+ (15-Jun-23)	1)CARE A1+ (17-Aug-22)	1)CARE A1+ (19-Aug-21)	1)CARE A1+ (17-Mar-21) 2)CARE A1+ (12-Aug-20)
11	Debentures-Non-convertible debentures	LT	700.00	CARE AA+; Stable	1)CARE AA; Stable (15-Jun-23)	1)CARE AA-; Stable (17-Aug-22)	1)CARE AA-; Stable (19-Aug-21)	1)CARE AA-; Stable (17-Mar-21) 2)CARE AA-; Negative (12-Aug-20)
12	Fund-based - ST-Working capital limits	ST	1000.00	CARE A1+	1)CARE A1+ (15-Jun-23)	1)CARE A1+ (17-Aug-22)	1)CARE A1+ (19-Aug-21)	1)CARE A1+ (17-Mar-21) 2)CARE A1+ (12-Aug-20)

LT: Long term; ST: Short term; LT/ST: Long term/short term.

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Not available

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial paper-Commercial paper (standalone)	Simple
2	Debentures-Non-convertible debentures	Simple
3	Fund-based - LT-Working capital limits	Simple
4	Fund-based - ST-Working capital limits	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Annexure-6: List of entities consolidated as on March 31, 2023

Sr No	Name of Entity	Extent of Consolidation	Rationale for Consolidation
	Direct subsidiaries		
1	TML Business Services Limited	Full	As it is a subsidiary
2	Tata Motors Insurance Broking and Advisory Services Limited		
3	Tata Technologies Limited		
4	TMF Holdings Limited		
5	Tata Motors Body Solutions Limited (Formerly known as Tata Marcopolo Motors Limited)		
6	TML Holdings Pte. Limited		
7	Tata Hispano Motors Carrocera S.A.		
8	Tata Hispano Motors Carroceries Maghreb SA		
9	Tata Precision Industries Pte. Limited		
10	Brabo Robotics and Automation Limited		
11	Jaguar Land Rover Technology and Business Services India Private Limited (Formerly known as JT Special Vehicles Pvt. Limited)		
12	TML CV Mobility Solutions Limited		
13	Tata Passenger Electric Mobility Limited		
14	Tata Motors Passenger Vehicles Limited		
15	TML Smart City Mobility Solutions Limited (Incorporated on May 25, 2022)		
	Indirect subsidiaries		
16	Tata Motors European Technical Centre PLC	Full	As it is a subsidiary
17	Trilix S.r.l.		
18	Tata Daewoo Commercial Vehicle Company Limited		
19	Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited		
20	Tata Motors (Thailand) Limited		
21	Tata Motors (SA) (Proprietary) Limited*		
22	PT Tata Motors Indonesia		
23	Tata Technologies (Thailand) Limited		
24	Tata Technologies Pte Limited		
25	INCAT International Plc.		
26	Tata Technologies Europe Limited		
27	Tata Technologies Nordics AB		
28	Tata Technologies GmbH		
29	Tata Technologies Inc. (Formerly known as INCAT GmbH)		
30	Tata Technologies de Mexico, S.A. de C.V.		

Sr No	Name of Entity	Extent of Consolidation	Rationale for Consolidation
31	Cambric Limited		
32	Tata Technologies SRL Romania		
33	Tata Manufacturing Technologies (Shanghai) Limited		
34	Jaguar Land Rover Automotive Plc		
35	Jaguar Land Rover Limited		
36	Jaguar Land Rover Austria GmbH		
37	Jaguar Land Rover Belux NV		
38	Jaguar Land Rover Japan Limited		
39	Jaguar Cars South Africa (Pty) Limited		
40	JLR Nominee Company Limited		
41	The Daimler Motor Company Limited		
42	Daimler Transport Vehicles Limited		
43	S.S. Cars Limited		
44	The Lanchester Motor Company Limited		
45	Jaguar Land Rover Deutschland GmbH		
46	Jaguar Land Rover Classic Deutschland GmbH		
47	Jaguar Land Rover Holdings Limited		
48	Jaguar Land Rover North America LLC		
49	Land Rover Ireland Limited		
50	Jaguar Land Rover Nederland BV		
51	Jaguar Land Rover Portugal - Veiculos e Pecas, Lda.		
52	Jaguar Land Rover Australia Pty Limited		
53	Jaguar Land Rover Italia Spa		
54	Jaguar Land Rover Espana SL		
55	Jaguar Land Rover Korea Company Limited		
56	Jaguar Land Rover (China) Investment Co. Limited		
57	Jaguar Land Rover Canada ULC		
58	Jaguar Land Rover France, SAS		
59	Jaguar Land Rover (South Africa) (pty) Limited		
60	Jaguar e Land Rover Brasil industria e Comercio de Veiculos LTDA		
61	Limited Liability Company "Jaguar Land Rover" (Russia)		
62	Jaguar Land Rover (South Africa) Holdings Limited		
63	Jaguar Land Rover India Limited		
64	Jaguar Cars Limited		
65	Land Rover Exports Limited		
66	Jaguar Land Rover Pension Trustees Limited		
67	Jaguar Racing Limited		
68	InMotion Ventures Limited		
69	In-Car Ventures Limited		
70	InMotion Ventures 2 Limited		
71	InMotion Ventures 3 Limited		
72	Shanghai Jaguar Land Rover Automotive Services Company Limited		
73	Jaguar Land Rover Slovakia s.r.o		
74	Jaguar Land Rover Singapore Pte. Ltd		
75	Jaguar Land Rover Columbia S.A.S		
76	PT Tata Motors Distribusi Indonesia		
77	Tata Motors Finance Solutions Limited		
78	Tata Motors Finance Limited		
79	Jaguar Land Rover Ireland (Services) Limited		
80	Jaguar Land Rover Taiwan Company Limited		
81	Jaguar Land Rover Servicios Mexico, S.A. de C.V.		
82	Jaguar Land Rover Mexico, S.A.P.I. de C.V.		

Sr No	Name of Entity	Extent of Consolidation	Rationale for Consolidation
83	Jaguar Land Rover Hungary KFT		
84	Jaguar Land Rover Classic USA LLC		
85	Jaguar Land Rover Ventures Limited		
86	Bowler Motors Limited		
87	Jaguar Land Rover (Ningbo) Trading Co. Limited		
88	TML Smart City Mobility Solutions (J&K) Private Limited (Incorporated with effect from October 13, 2022)		
89	Tata Technologies Limited Employees Stock Option Trust		
90	INCAT International Limited ESOP 2000		
	Joint Operations		
91	Fiat India Automobiles Private Limited		
92	Tata Cummins Private Limited		
	Joint Ventures		
93	Tata HAL Technologies Limited	Equity method	As it is a joint venture
94	Chery Jaguar Land Rover Automotive Company Limited		
95	Loginomic Tech Solutions Private Limited ("TruckEasy")		
96	Jaguar Land Rover Switzerland AG		
	Associates		
97	Automobile Corporation of Goa Limited	Equity method	As it is an associate
98	Nita Company Limited		
99	Tata Hitachi Construction Machinery Company Private Limited		
100	Tata Precision Industries (India) Limited		
101	Tata AutoComp Systems Limited		
102	Jaguar Cars Finance Limited		
103	Cloud Car Inc		
104	Synaptiv Limited		
105	DriveClubService Pte. Ltd.		
106	Inchcape JLR Europe Limited		
107	Sertec Corporation Limited (acquired on June 17, 2022)		

*TML has recently divested stake in Tata Motors (SA) (Proprietary) Limited, and as a result it ceases to be a subsidiary of TML.

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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