

Tata Motors Limited

August 19, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	3,500.00	CARE AA-; Negative (Double A Minus; Outlook: Negative)	Revised from CARE AA; Stable (Double A; Outlook: Stable)
Short-term Bank Facilities	1,000.00	CARE A1+ (A One Plus)	Reaffirmed
Total bank facilities	4,500.00 (Rupees four thousand five hundred crore only)		
Non-Convertible Debentures	7,900.00	CARE AA-; Negative (Double A Minus; Outlook: Negative)	Revised from CARE AA; Stable (Double A; Outlook: Stable)
Commercial Paper	6,000.00	CARE A1+ (A One Plus)	Reaffirmed

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The revision in the rating of Tata Motors Limited (TML) factors in the subdued operating performance reported by its key subsidiary Jaguar Land Rover Automotive PLC (JLR) for FY19 and Q1FY20. The retail sales volume under JLR continued to remain weak and reported the YoY decline of 5.8% in FY19 and 11.6% for Q1FY20 on back of headwinds faced in China and weak consumer demand amidst uncertainties around diesel vehicles in Europe. Sales volume backed decline in consolidated revenue, coupled with relatively higher Variable Marketing Expenses and warranty expense led to JLR reporting operating loss (EBIT – Earnings before Interest and Tax) for Q1FY20. The revision also factors in elevation in Net Automotive Debt (adjusting for liquid investments and debt raised by financing entities) as against the weak cash accruals, resulting into the moderation of its debt coverage indicators for Q1FY20. The incremental debt was deployed in product development, which is critical for maintenance of JLR's competitive position in luxury automobile segment. CARE believes, the uncertainties revolving around Brexit, geopolitical risks like possibility of tariffs imposition by US government on import of vehicles, slowdown witnessed in China and uncertainties related to diesel powertrain are expected to keep sales volume under pressure in medium term.

The rating factors in the management's concrete plan to turn around the JLR operations through project 'Charge' (short term) and 'Accelerate' (long term) which are progressing as envisaged. The project Charge is expected to yield estimated benefits of GBP 2.5 billion within the envisaged timelines, while project 'Accelerate' is targeted towards achieving robust and sustainable business going forward.

TML (standalone; domestic business) reported weak Q1FY20 performance wherein, the revenue declined by 19.9% (on YoY basis) consequent to sharp decline witnessed in sales volume (for both passenger vehicle and commercial vehicle segment) during the quarter. The revenue from commercial vehicles segment witnessed major drop during Q1FY20. The weak CV sales was industry wide phenomenon as CV industry continue to remain impacted by weak consumer sentiment, liquidity stress and axle load norms implemented by government during last (calendar) year. Despite weak sales volume (in Q1FY20), TML gained market-share in some of the key segments under commercial vehicles. Under Passenger vehicle segment (standalone) TML reported weak Q1FY20 on back of decline in sales volume. However, some of its products like Nexon and Harrier continue to find traction in the market.

The ratings continue to favorably factor in the established track record of TML as India's largest automobile Original Equipment Manufacturer (OEM) coupled with its strong market share in domestic CV industry, its strong product portfolio under JLR, which is one of the strong brands in global luxury automobile segment and geographically diversified presence aided by large sales and distribution network. Ratings also favorably factor in TML being part of Tata group which provides immense financial flexibility to TML.

The ratings, however, continue to be tempered by large scale capital expenditure commitments in near future for product development in JLR and Bharat Stage VI (BS6) implementation (in domestic market), which would continue to negatively

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

affect its Free Cash Flow in medium term. Competitive pressure in the entire product segment limits the scope of operating margin expansion through price revision. The ratings also factor in the limited product offerings in domestic passenger vehicle segment with modest market share with high degree of competition from both incumbents and new entrants. Movement of products and supply chain integration in JLR post Brexit, improvement in sales volume translating into sustained improvement in operating margins would be key rating monitorable.

Outlook Revised to Negative

The revision in outlook reflects CARE's belief that the consolidated operating profit margin would remain subdued in medium term on back of headwinds faced by JLR and subdued demand for CV in domestic market. CARE also believes that the debt coverage indicators are expected to remain weak on back of necessitated planned capital expenditure for both global and domestic business sustainability.

Detailed description of the key rating drivers

Key Rating Strengths

Strategic importance of TML for the Tata group; established track record and leadership of TML:

TML is a part of the USD 100 billion Tata Group which comprises over 100 operating companies in seven business sectors namely information technology, Auto, engineering, materials, services, energy, consumer products and chemicals. The group has operations in more than 100 countries across six continents, and its companies export products and services to 85 countries. TML continues to be strategically important to the Tata group which provides immense financial flexibility to TML.

Strong market position in the Indian Commercial Vehicle business; market share in Passenger Vehicle business continues to be low:

TML is one of the largest automobile manufacturers in Asia as well as largest commercial vehicle manufacturer in India. It is the leading player in the CV segment, with a market share of 45.1% during FY19 as against that of 45.1% during FY18. The market share in the CV segment has marginally declined to 44% in Q1FY20. In the PV segment, TML's market share is improving and as at the end of FY19, TML had a market share of 6.3% on account of some product launches made in the Utility vehicle segment like Harrier and Nexon. However, there has been a decline in the market share to 5.2% in Q1FY20.

Well-diversified product portfolio across categories, widespread geographical presence:

TML offers a broad portfolio of automotive products, with CVs ranging from sub-1 ton to 49-ton gross vehicle weight, or GVW, trucks (including pickup trucks) to small, medium, and large buses and coaches to passenger cars and defence vehicles. TML has six principal automotive manufacturing facilities in India at Jamshedpur, Pune, Lucknow, Pantnagar and Sanand and Dharwad. By acquisition of JLR by TML in 2008, TML has been able to penetrate premium car markets like US, Europe, UK, China as well as several emerging markets like Russia, Brazil, South Africa.

Key Rating Weaknesses

Subdued performance of JLR especially in China and Europe:

In FY19, JLR volumes were down 5.8%, compared to FY18, on account of weak market conditions in China as well as production downtime to reduce inventory which was partially offset by growth in UK sales volumes. Decline in sales in China was on account of slowdown in the economy, weak market conditions and trade tensions with US. This phenomenon continued in Q1FY20 as well. In Europe, the performance was impacted on account of confluence of factors like slow economic growth in some countries in Europe, decline in diesel cars sales and Brexit uncertainty. In Q1FY20 as well, the sales volumes declined in Europe as TML had undertaken additional plant shut-down time resulting from Brexit contingency planning. After assessing the recoverable value of JLR, TML has also undertaken an impairment charge of Rs.27,837.91 crore in FY19. This has also led to depletion in the consolidated net-worth of TML.

Significant capital expenditure in the near term:

TML is required to invest in new products and technologies to meet consumer and regulatory requirements. These investments are intended to enable TML to pursue further growth opportunities and improve competitive positioning. For FY20, TML plans to invest approximately £3.8 billion towards product development in JLR. In the domestic business as well, the expected capex is around Rs.5,000 crore (includes capex for transmission to BS VI). The leverage indicators of TML have deteriorated as evinced by overall gearing of 1.80x at the end of FY19 as against that of 0.98x at the end of FY18. However, considering Net Automotive debt, the overall gearing stood at 0.47x at the end of FY19 as against that of 0.13x at the end of FY18. The total debt at the end of

June 30, 2019 is also elevated at stood at Rs.1,14,344 crore (includes lease liability of Rs.5,965 crore) as compared to Rs.1,06,175 crore at the end of March 2019.

Exposed to inherent cyclical nature of automobile industry and competitive pressures:

TML continues to remain exposed to the cyclical nature of the automobile industry. The auto industry is currently facing slowdown in India as well as globally. JLR reported 5.8% volume decline in FY19 especially on account weak demand in China. The impact of slowdown in global automobile industry is continuing in Q1FY20 with volume decline of 11.6% on a YoY basis.

In India, in FY19, the demand of CV has been impacted on account of revised axle load norms which has led to increase in load carrying capacity of CVs by around 20-25% on an average across categories coupled with liquidity crisis. Growth was subdued in the PV industry as well in FY19 on account of factors like postponement of purchase decisions and unavailability of finance. The slowdown continued in CV as well as PV segment in Q1FY20 as well resulting into lower volume sales in CV (wholesale volume decline of 19.5% and retail volume decline of 14.8% on YoY basis) and PV segment (wholesale volume decline of 30.1% and retail volume decline of 7.4% on YoY basis). PBILDT margin has declined both on a YoY basis and QoQ basis on account of negative operating leverage from lower volume sales. TML has also reported higher loss of Rs.3679.66 crore in Q1FY20 as against that of Rs.1862.57 crore in Q1FY19 on account of weak operating performance and higher interest cost.

TML is also exposed to competitive intensity in the global as well as the Indian market (especially in the PV segment). Global players have the advantage of advanced technology, financial resources and operating leverage. In the Indian market, especially in the Utility Vehicle segment, there have been a number of launches in the past couple of years resulting into pricing pressure and impacting operating margins of OEMs.

Liquidity position:

TML at consolidated level operates with adequate liquidity cover, marked by expected cash accruals of around Rs.23,000 crore for FY20, Cash & cash equivalents and current investments of Rs.32,820 crore as on June 30, 2019. Over and above this, company also has substantial amount of unutilized credit lines, which acts as liquidity cushion. CARE believes the available liquidity cover by the virtue of cash accruals, cash & bank balance, and unutilized limits is sufficient to cover the repayment liabilities due for payment in medium term. Even on standalone basis, the liquidity cover is adequate, marked by envisaged cash generation of approximately Rs.3000 crore for FY20, and unutilized bank facilities.

Analytical approach: Consolidated

CARE has considered consolidated financials of TML and its key subsidiaries including JLR. However, necessary adjustments are made to net worth and debt position of TML by excluding the net worth and debt, respectively, of Tata Motors Finance Limited and Tata Motors Finance Solutions Limited, which are Non-Banking Financial Companies (NBFCs) involved in the activity of captive financing of its vehicles. These NBFCs are wholly-owned subsidiaries of TMF Holdings Limited (TMF) which in turn is a wholly owned subsidiary of TML.

Further, the comfort is also derived from TML being part of Tata Group which provides immense financial flexibility to TML.

Applicable Criteria

[Criteria on assigning Outlook to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Short Term Instruments](#)

[Rating methodology: Manufacturing companies](#)

[Rating Methodology - Commercial Vehicle Industry](#)

[Rating Methodology: Factoring Linkages in Ratings](#)

[Financial ratios – Non-Financial Sector](#)

About the Company

Incorporated in 1945, Tata Motors Limited (TML) is one of the leading automotive manufacturers in India. Essentially a Commercial Vehicle (CV) manufacturer, TML forayed into manufacturing of passenger vehicles across all product segments viz compact, mid-size and utility in 1998-99, broadening the business horizon of the company. TML forayed into the premium luxury car segment through acquisition of JLR (Jaguar Land Rover Automotive PLC) in June 2008, which has a presence across various geographies such as Europe, US, China, Russia and Brazil. Through its subsidiaries and associates, TML also has a presence in Thailand, South Africa, South Korea and Indonesia.

TML's manufacturing base in India is spread across Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), Sanand (Gujarat) and Dharwad (Karnataka). In addition, JLR has four manufacturing units and two product development centers in the UK, manufacturing unit in Slovakia and China and a contract manufacturing facility in Austria.

Brief Consolidated Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	298,082.72	304,027.07
PBILDT	36,804.64	26,668.25
PAT	9,091.36	(28,724.20)
Overall Gearing (times)	0.98	1.80
Adjusted Overall Gearing (times)*	0.14	0.47
Adjusted Net Auto Debt / PBILDT (times)*	0.36	1.03
Interest coverage (times)	7.86	4.63

A: Audited

For arriving at Adjusted overall gearing and Adjusted Net Auto Debt / PBILDT, CARE has excluded the net worth and debt, respectively, of TMF Holdings Limited (TMF). TMF is the holding company of Tata Motors Finance Limited (TMFL) and Tata Motors Finance Solutions Limited (TMFSL) which are Non-Banking Financial Companies (NBFCs) involved in the activity of captive financing of its vehicles.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Bank Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Working Capital Limits	-	-	March 2026	2500.00	CARE AA-; Negative
Fund-based - LT-Working Capital Limits	-	-	-	1000.00	CARE AA-; Negative
Fund-based - ST-Working Capital Limits	-	-	-	1000.00	CARE A1+

Details of Non-Convertible Debentures

ISIN	Name of the instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr)	Rating assigned along with Rating Outlook
INE155A08217	Debentures-Non Convertible Debentures	1-Oct-14	9.71%	1-Oct-19	300	CARE AA-; Negative
INE155A07219	Debentures-Non Convertible Debentures	2-Mar-10	9.95%	2-Mar-20	200	CARE AA-; Negative
INE155A08043	Debentures-Non Convertible Debentures	7-May-10	9.90%	7-May-20	150	CARE AA-; Negative
INE155A08050	Debentures-Non Convertible Debentures	24-May-10	9.75%	24-May-20	100	CARE AA-; Negative
INE155A08068	Debentures-Non Convertible Debentures	18-Jun-10	9.70%	18-Jun-20	150	CARE AA-; Negative
INE155A08357	Debentures-Non Convertible Debentures	28-Jul-17	7.28%	29-Jul-20	500	CARE AA-; Negative
INE155A08225	Debentures-Non Convertible Debentures	1-Oct-14	9.73%	1-Oct-20	400	CARE AA-; Negative
INE155A	Debentures-Non Convertible	26-May-	8.40%	26-May-	300	CARE AA-; Negative

ISIN	Name of the instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr)	Rating assigned along with Rating Outlook
08282	Debentures	16		21		
INE155A 08365	Debentures-Non Convertible Debentures	28-Jul-17	7.40%	29-Jun-21	500	CARE AA-; Negative
INE155A 08332	Debentures-Non Convertible Debentures	27-Mar-17	7.84%	27-Sep-21	500	CARE AA-; Negative
INE155A 08316	Debentures-Non Convertible Debentures	20-Oct-16	7.50%	20-Oct-21	300	CARE AA-; Negative
INE155A 08258	Debentures-Non Convertible Debentures	11-Dec-14	9.02%	10-Dec-21	300	CARE AA-; Negative
INE155A 08324	Debentures-Non Convertible Debentures	3-Mar-17	7.71%	3-Mar-22	500	CARE AA-; Negative
INE155A 08340	Debentures-Non Convertible Debentures	22-Jun-17	7.50%	22-Jun-22	500	CARE AA-; Negative
INE155A 08233	Debentures-Non Convertible Debentures	29-Oct-14	9.60%	29-Oct-22	400	CARE AA-; Negative
INE155A 08241	Debentures-Non Convertible Debentures	10-Nov-14	9.35%	10-Nov-23	400	CARE AA-; Negative
INE155A 08191	Debentures-Non Convertible Debentures	20-Aug-14	9.81%	20-Aug-24	300	CARE AA-; Negative
INE155A 08209	Debentures-Non Convertible Debentures	12-Sep-14	9.77%	12-Sep-24	200	CARE AA-; Negative
-	Proposed Debentures-Non Convertible Debentures	-	-	-	1,900	CARE AA-; Negative
	Total				7900	

Details of Commercial Paper issue

Name of the instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Rating assigned along with Rating Outlook
Commercial Paper issue	12-Apr-19	7.25%	30-Aug-19	100	CARE A1+
Commercial Paper issue	12-Apr-19	7.25%	30-Aug-19	100	CARE A1+
Commercial Paper issue	11-Jun-19	6.57%	9-Sep-19	200	CARE A1+
Commercial Paper issue	2-Apr-19	7.40%	24-Sep-19	200	CARE A1+
Commercial Paper issue	2-Apr-19	7.40%	30-Sep-19	200	CARE A1+
Commercial Paper issue	3-Apr-19	7.40%	30-Sep-19	100	CARE A1+
Commercial Paper issue	3-Apr-19	7.40%	30-Sep-19	100	CARE A1+
Commercial Paper issue	14-Jun-19	7.40%	30-Oct-19	200	CARE A1+
Commercial Paper issue	24-May-19	7.40%	31-Oct-19	250	CARE A1+
Commercial Paper issue	21-May-19	7.50%	28-Nov-19	100	CARE A1+
Commercial Paper issue	21-May-19	7.50%	28-Nov-19	100	CARE A1+
Commercial Paper issue	21-May-19	7.48%	29-Nov-19	100	CARE A1+
Commercial Paper issue	14-Jun-19	7.40%	29-Nov-19	200	CARE A1+
Commercial Paper issue	12-Jun-19	7.07%	11-Dec-19	200	CARE A1+
Commercial Paper issue	5-Apr-19	7.58%	30-Dec-19	200	CARE A1+
Commercial Paper issue	5-Apr-19	7.58%	31-Dec-19	200	CARE A1+
Commercial Paper issue	20-Jun-19	7.58%	31-Jan-20	200	CARE A1+
Commercial Paper issue	4-Apr-19	7.72%	14-Feb-20	200	CARE A1+
Commercial Paper issue	27-May-19	7.60%	28-Feb-20	200	CARE A1+
Commercial Paper issue	17-May-19	7.79%	10-Mar-20	100	CARE A1+

Commercial Paper issue	17-May-19	7.79%	10-Mar-20	100	CARE A1+
Commercial Paper issue	21-Jun-19	7.60%	27-Mar-20	200	CARE A1+
Proposed Commercial Paper issue	-	-	-	2,450	CARE A1+
Total				6,000	

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (15-Mar-17) 2)CARE AA+ (21-Jul-16)
2.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (29-Mar-17) 2)CARE AA+; Stable (15-Mar-17) 3)CARE AA+ (21-Jul-16)
3.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (29-Mar-17) 2)CARE AA+; Stable (15-Mar-17) 3)CARE AA+ (21-Jul-16)
4.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (21-Jul-16)
5.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (21-Jul-16)
6.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (21-Jul-16)
7.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (29-Mar-17) 2)CARE AA+; Stable (15-Mar-17) 3)CARE AA+ (21-Jul-16)
8.	Debentures-Non Convertible Debentures	LT	1500.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (29-Mar-17) 2)CARE AA+; Stable (15-Mar-17) 3)CARE AA+ (21-Jul-16)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
9.	Debentures-Non Convertible Debentures	LT	2500.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (29-Mar-17) 2)CARE AA+; Stable (15-Mar-17) 3)CARE AA+ (21-Jul-16)
10.	Fund-based - LT-Working Capital Limits	LT	3500.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (08-Mar-18) 2)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (15-Mar-17) 2)CARE AA+ (21-Jul-16)
11.	Debentures-Non Convertible Debentures	LT	650.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (29-Mar-17) 2)CARE AA+; Stable (15-Mar-17) 3)CARE AA+ (04-Nov-16) 4)CARE AA+ (21-Jul-16)
12.	Debentures-Non Convertible Debentures	LT	250.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (29-Mar-17) 2)CARE AA+; Stable (15-Mar-17) 3)CARE AA+ (04-Nov-16)
13.	Debentures-Non Convertible Debentures	LT	300.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (29-Mar-17) 2)CARE AA+; Stable (15-Mar-17)
14.	Debentures-Non Convertible Debentures	LT	500.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17)	1)CARE AA+; Stable (29-Mar-17)
15.	Debentures-Non Convertible Debentures	LT	500.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17) 2)CARE AA+; Stable (01-Aug-17)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
							3)CARE AA+; Stable (04-Jul-17)	
16.	Debentures-Non Convertible Debentures	LT	1000.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	1)CARE AA+; Stable (04-Oct-17) 2)CARE AA+; Stable (01-Aug-17) 3)CARE AA+ (04-Jul-17)	-
17.	Commercial Paper	ST	6000.00	CARE A1+	-	1)CARE A1+ (18-Feb-19) 2)CARE A1+ (07-Sep-18)	1)CARE A1+ (04-Oct-17)	-
18.	Debentures-Non Convertible Debentures	LT	700.00	CARE AA-; Negative	-	1)CARE AA; Stable (18-Feb-19) 2)CARE AA+; Stable (07-Sep-18)	-	-
19.	Fund-based - ST-Working Capital Limits	ST	1000.00	CARE A1+	-	1)CARE A1+ (18-Feb-19) 2)CARE A1+ (07-Sep-18)	-	-

Annexure-3: List of subsidiaries which are consolidated

Sr. No	Name of the subsidiary	Percentage holding in Subsidiary
1	Concorde Motors (India) Limited	100.00
2	Tata Motors European Technical Centre PLC	100.00
3	Tata Motors Insurance Broking and Advisory Services Limited	100.00
4	TML Holdings Pte Ltd	100.00
5	TML Distribution Company Limited	100.00
6	Tata Hispano Motors Carrocera S.A.	100.00
7	Tata Hispano Motors Carroceries Maghreb SA	100.00
8	TMF Holdings Limited	100.00
9	Trilix S.r.l	100.00
10	Tata Precision Industries Pte Ltd	78.39
11	Tata Technologies Limited	72.28
12	Tata Marcopolo Motors Limited	51.00
13	Tata Daewoo Commercial Vehicle Company Limited	100.00
14	Tata Motors (Thailand) Ltd	95.87
15	Tata Motors (SA)(Proprietary) Ltd	60.00
16	PT Tata Motors Indonesia	100.00
17	Jaguar Land Rover Automotive Plc	100.00
18	TMNL Motor Services Nigeria Limited	100.00
19	Tata Technologies Pte Limited	72.28
20	Tata Motors Finance Solutions Limited	100.00
21	Tata Motors Finance Limited	100.00

Sr. No	Name of the subsidiary	Percentage holding in Subsidiary
22	Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited	100.00
23	PT Tata Motors Distribusi Indonesia	100.00
24	Jaguar Land Rover Holdings Limited	100.00
25	Tata Technologies (Thailand) Limited	72.28
26	Tata Manufacturing Technologies (Shanghai) Co. Ltd	72.28
27	INCAT International Plc	72.28
28	Jaguar Land Rover Limited	100.00
29	Jaguar Land Rover (China) Investment Company Limited	100.00
30	Limited Liability Company "Jaguar Land Rover" (Russia)	100.00
31	INCAT GmbH	72.28
32	Tata Technologies Europe Limited	72.28
33	JLR Nominee Company Limited	100.00
34	Jaguar Cars South Africa (Pty) Limited	100.00
35	Jaguar Cars Limited	100.00
36	Land Rover Exports Limited	100.00
37	Land Rover Ireland Limited	100.00
38	The Daimler Motor Company Limited	100.00
39	Daimler Transport Vehicles Limited	100.00
40	S.S Cars Limited	100.00
41	The Lanchester Motor Company Limited	100.00
42	Jaguar Land Rover Pension Trustees Limited	100.00
43	Spark 44 (JV) Limited	50.50
44	Jaguar Land Rover Austria GmbH	100.00
45	Jaguar Land Rover Japan Limited	100.00
46	Jaguar Land Rover Deutschland GmbH	100.00
47	Jaguar Land Rover Classic Deutschland GmbH (Incorporated w.e.f. August	100.00
48	Jaguar Land Rover North America LLC	100.00
49	Jaguar Land Rover Nederland BV	100.00
50	Jaguar Land Rover Portugal - Veiculose Pecas, Lda	100.00
51	Jaguar Land Rover Australia Pty Ltd	100.00
52	Jaguar Land Rover Italia SpA	100.00
53	Jaguar Land Rover Korea Company Limited	100.00
54	Jaguar Land Rover Canada ULC	100.00
55	Jaguar Land Rover France, SAS	100.00
56	Jaguar Land Rover India Limited	100.00
57	Jaguar e Land Rover Brasil Industria e Comercio de Veiculos LTDA	100.00
58	Jaguar Land Rover (South Africa) Holdings Limited	100.00
59	Jaguar Land Rover Espana SL	100.00
60	Jaguar Land Rover Belux N.V.	100.00
61	Jaguar Land Rover Slovakia s.r.o	99.90
62	Jaguar Land Rover Singapore Pte Ltd	100.00
63	Jaguar Racing Limited	100.00
64	InMotion Ventures Limited	100.00
65	Jaguar Land Rover Colombia S.A.S	100.00
66	Jaguar Land Rover Ireland (Services) Limited	100.00
67	Jaguar Land Rover Taiwan Company Limited	100.00
68	Jaguar Land Rover Servicios Mexcio S.A. de C.V.	100.00
69	Jaguar Land Rover Mexico S.A.P.I de CV	100.00
70	Jaguar Land Rover Hungary KFT (Incorporated w.e.f. July 30, 20	100.00
71	Jaguar Land Rover Classic USA LLC (Incorporated w.e.f. June	100.00
72	Shanghai Jaguar Land Rover Automotive Services Company Limited	100.00

Sr. No	Name of the subsidiary	Percentage holding in Subsidiary
73	Tata Technologies Inc	72.34
74	Escenda Engineering AB	72.28
75	Spark 44 (Pty) Ltd (Sydney, Australia)	50.50
76	Spark 44 GmbH (Frankfurt, Germany)	50.50
77	Spark 44 LLC (LA & NYC, USA)	50.50
78	Spark 44 Limited (Shanghai, China)	50.50
79	Spark 44 DMCC (Dubai, UAE)	50.50
80	Spark 44 Demand Creation Partners Private Limited (Mumbai, India)	50.50
81	Spark 44 Limited (London & Birmingham, UK)	50.50
82	Spark 44 Pte Ltd (Singapore)	50.50
83	Spark 44 Communications SL (Madrid, Spain)	50.50
84	Spark 44 S.r.l (Rome, Italy)	50.50
85	Spark 44 Limited (Seoul, South Korea)	50.50
86	Spark 44 K.K. (Tokyo, Japan)	50.50
87	Spark 44 Canada Inc (Toronto)	50.50
88	Spark 44 Pty. Lintied (South Africa)	50.50
89	Spark 44 Colombia S.A.S (Colombia) (Incorporated w.e.f. May	50.50
90	Spark 44 Taiwan Limited (Taiwan)	50.50
91	Jaguar Land Rover (South Africa) (Pty) Limited	100.00
92	InMotion Ventures	100.00
93	InMotion Ventures 2 Limited	100.00
94	InMotion Ventures 3 Limited	100.00
95	InMotion Venrures 4 Limited	100.00
96	Tata Technologies SRL Romania	72.31
97	Tata Technologies de Mexico, S.A. de C.V.	72.34
98	Cambric GmbH	72.34
99	Cambric Limited	72.31
100	TAL Manufacturing Solutions Limited	100.00
101	TML Drivelines Limited	100.00
102	The Jaguar Collection Limited	100.00

List of associates

Sr. No	Name of the Associate	Percentage holding in Associate
103	Automobile Corporation of Goa Limited	47.19
104	Nita Company Limited	40.00
105	Tata Hitachi Construction Machinery Company Private Limited	39.99
106	Tata Precision Industries (India) Limited	39.19
107	Tata AutoComp Systems Limited	26.00
108	Jaguar Cars Finance Limited	49.90
109	Cloud Car Inc	26.30
110	Synaptiv Limited	37.50
111	DriveClubService Pte Ltd	25.07
112	Loginomic Tech Solutions Private Limited	26.00

List of Joint Operations Subsidiaries and Joint Ventures Subsidiaries

Sr. No	Name of Joint Operations Subsidiaries and Joint Ventures Subsidiaries	Percentage holding in Joint Operations Subsidiaries and Joint Ventures Subsidiaries
113	Tata Cummins Private Limited	50.00
114	Fiat India Automobiles Private Limited	50.00
115	Chery Jaguar Land Rover Automotive Company	50.00

Sr. No	Name of Joint Operations Subsidiaries and Joint Ventures Subsidiaries	Percentage holding in Joint Operations Subsidiaries and Joint Ventures Subsidiaries
	Limited	
116	Chery Jaguar Land Rover Auto Sales Company Limited	50.00
117	JT Special Vehicles Private Limited	50.00
118	Tata HAL Technologies Limited	36.14

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact 1

Name: Mr. Kunal B Shah

Contact no.- 022 6754 3451

Email ID- kunalb.shah@careratings.com

Analyst Contact 2

Name: Mr. Milind Gadkari

Contact no.- 022 6754 3466

Email ID- milind.gadkari@careratings.com

Business Development Contact

Name: Kunal Shah

Contact no. : 022 6754 3468

Email ID: kunal.shah@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**