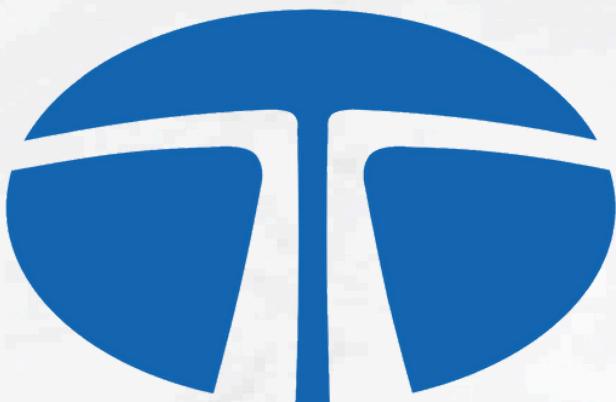




Sandeep Singh Jethuri

FINANCIAL MODELING REPORT

(A Comprehensive DCF and Comparable Comps Valuation)



TATA MOTORS

TATA MOTORS LTD

(NSE: TATAMOTORS | BSE: 500570)



TABLE OF CONTENTS

- 01 One Page Profile
- 02 Historical Statement
- 03 Ratio Analysis & Forecasting
- 04 Common Size Statement
- 05 Beta Drifting & WACC
- 06 DCF Valuation
- 07 Comparable Comps Valuation
- 08 VAR & Football Field Analysis
- 09 Dupont Analysis
- 10 Altman's Z Score

TATA MOTORS LTD - One Page Profile



Tata Motors Group is a leading global automobile manufacturer. Part of the illustrious multi-national conglomerate, the Tata group, it offers a wide and diverse portfolio of cars, sports utility vehicles, trucks, buses and defence vehicles to the world. It has 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).

INR (Cr\$)

Key Financial Metrics	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Share Price - 5Y
Total Sales	2,61,068	2,49,795	2,78,454	3,45,967	4,37,928	
Sales Growth (y-o-y)	-13.54%	-4.32%	11.47%	24.25%	26.58%	
Gross Profit Margins (%)	19.42%	21.81%	19.81%	20.69%	28.01%	
EBITDA Margins (%)	6.89%	12.93%	8.88%	9.20%	13.60%	
EBIT Margins (%)	-1.32%	3.50%	-0.04%	2.01%	7.37%	
Net Profit Margins (%)	-4.24%	-0.76%	-4.91%	-1.15%	5.97%	
Earnings per Share (in Rs)	-35.86	-5.72	-41.13	-11.97	78.63	
EPS Growth (y-o-y)	-360.68%	84.06%	-619.43%	70.91%	757.14%	
Dividend per Share (in Rs)	-	-	-	2.31	3.46	
Dividend Growth (y-o-y)	0.00%	0.00%	0.00%	-19.28%	4.40%	

Key Financial Ratios	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Volume - 5Y
Price to Earnings	-1.98x	-52.79x	-10.55x	-35.17x	12.63x	
EV/EBITDA	6.28x	6.06x	10.11x	7.44x	6.57x	
EV/Sales	0.43x	0.78x	0.90x	0.68x	0.89x	
Price to Book Value	0.35x	1.81x	3.23x	3.08x	3.89x	
Return on Equity (%)	-17.81%	-3.44%	-30.65%	-8.77%	30.78%	
Return on Capital Employed (%)	-1.84%	4.43%	-0.06%	3.88%	16.79%	

Top 10 Shareholders	N. Shares (in Crs)	% Holding	Market Value (in Crs)	Shareholding Pattern
Tata Sons Private Limited	145	43.69%	1,34,008	Public & Government 18.43%
Life Insurance Corporation Of India	10	3.01%	9,245	DILs 16.01%
SBI Nifty 50 ETF	8	2.35%	7,221	
Tata Industries Limited	7	2.17%	6,663	
Rekha Jhunjhunwala	4	1.29%	3,950	FII 19.20%
Axis Mutual Fund Trustee Limited	4	1.20%	3,668	
Uti - Nifty Exchange Traded Fund	3	1.03%	3,144	
Tata Investment Corporation Limited	1	0.33%	1,015	
Investor Education & Protection Fund	1	0.29%	899	
Ewart Investments Limited	0	0.09%	285	Promoters 46.36%

Managerial Remuneration	Designation	Remuneration	X of Median Salary	Capital Structure
Mr N Chandrasekaran	Chairman	-	-	Share Price as on Jun-24 923
Mr Girish Wagh	Executive Director	6.96	60.21x	Number of Share Outstanding 366
Mr P B Balaji	Chief Financial Officer	20.78	NA	Market Capitalisation 3,38,176
Mr Maloy Kumar Gupta	Company Secretary	1.69	NA	Less: Cash & Equivalents (45,807)

As a Policy, Mr N Chandrasekaran, Chairman, has abstained from receiving commission from the Company and hence not stated.

The median remuneration of employees for the FY24 is ₹11.57 lakh.

The percentage increased in the median remuneration of employees in the financial year was 6.1%.

Add: Total Debt 1,07,263
Add: Minority Interest 8,175

Enterprise Value 4,07,806

Key Points

Tata Passenger Vehicles: This includes Tata PV, EV India, FIAPL JO results and International business (PV + EV). VAHAN Domestic Market share in H1FY24 was 13.5%. The company has 287 dealers for EVs in 190+ cities in H1FY24 and ~75% market share in EV market. The charging infra also reached to ~77,800 in H1FY24.

Capex: The company spent Rs. ~3781 crs. in H1FY24. Major expenditure was done on PV + EV segment. FY24 capex estimated at ~ Rs. 8,000 crs. as electrification investments step up.

Expansion: The company is expanding its manufacturing capacity after acquiring the facility from Ford in Sanand. The annual capacity of 300,000 units - scalable to 420,000 units. Industrialization of Sanand plant to begin in CY2024.

Robust Infrastructure: The Group owns 10 manufacturing facilities in India, 5 in UK, 2 in Europe, and has also set up a manufacturing facility in China in a Joint Venture with Chery Automobiles. It also operates various R&D centres from UK, North America, Europe and India.

IPO of Tata Technologies: In Nov,23, Tata Technologies (a subsidiary of Tata Motors) issued its IPO at offer price of Rs. 500/-, IPO aggregated to ~Rs. 30,000 mn, comprising of an offer for sale of 46,275,000 Equity Shares by the Company amounting to Rs. 23,137.50 mn, 9,716,853 Equity Shares by Alpha TC Holdings Pte. Ltd. amounting to Rs. 4,858.43 mn and 4,858,425 Equity Shares by Tata Capital Growth Fund I amounting to Rs. 2,429.21 mn. Consequently, Company's shareholding in Tata Technologies Limited reduced from 64.79% to 53.39%

Years	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	LTM
Historical Financial Statement - TATA MOTORS LTD											
Income Statement											
Sales	₹ 2,63,159.0	₹ 2,73,045.6	₹ 2,69,692.5	₹ 2,91,550.5	₹ 3,01,938.4	₹ 2,61,068.0	₹ 2,49,794.8	₹ 2,78,453.6	₹ 3,45,967.0	₹ 4,37,927.8	₹ 4,43,739.4
<i>Sales Growth</i>	-	3.76%	-1.23%	8.10%	3.56%	-13.54%	-4.32%	11.47%	24.25%	26.58%	1.33%
COGS	₹ 2,02,856.9	₹ 2,05,509.1	₹ 2,05,454.2	₹ 2,28,429.8	₹ 2,42,845.5	₹ 2,10,376.1	₹ 1,95,326.0	₹ 2,23,300.0	₹ 2,74,403.6	₹ 3,34,551.8	₹ 3,81,634.1
<i>COGS % Sales</i>	77.09%	75.27%	76.18%	78.35%	80.43%	80.58%	78.19%	80.19%	79.31%	76.39%	86.00%
Gross Profit	₹ 60,302.10	₹ 67,536.53	₹ 64,238.27	₹ 63,120.65	₹ 59,092.87	₹ 50,691.90	₹ 54,468.71	₹ 55,153.61	₹ 71,563.33	₹ 1,03,375.98	₹ 62,105.31
<i>Gross Margins</i>	22.91%	24.73%	23.82%	21.65%	19.57%	19.42%	21.81%	19.81%	20.69%	23.61%	14.00%
Selling & General Expenses	₹ 21,063.45	₹ 29,141.28	₹ 34,649.58	₹ 31,662.97	₹ 34,428.54	₹ 32,704.83	₹ 22,181.28	₹ 30,433.52	₹ 39,747.53	₹ 43,837.64	
<i>S&G Exp % Sales</i>	8.00%	10.67%	12.85%	10.86%	11.40%	12.53%	8.88%	10.93%	11.49%	10.01%	0.00%
EBITDA	₹ 39,238.65	₹ 38,395.25	₹ 29,588.69	₹ 31,457.68	₹ 24,664.33	₹ 17,987.07	₹ 32,287.43	₹ 24,720.09	₹ 31,815.80	₹ 59,538.34	₹ 68,194.76
<i>EBITDA Margins</i>	14.91%	14.06%	10.97%	10.79%	8.17%	6.89%	12.93%	8.88%	9.20%	13.60%	15.37%
Interest	₹ 4,861.49	₹ 4,889.08	₹ 4,238.01	₹ 4,681.79	₹ 5,758.60	₹ 7,243.33	₹ 8,097.17	₹ 9,311.86	₹ 10,225.48	₹ 9,985.76	₹ 9,458.60
<i>Interest % Sales</i>	1.85%	1.79%	1.57%	1.61%	1.91%	2.77%	3.24%	3.34%	2.96%	2.28%	2.13%
Depreciation	₹ 13,388.63	₹ 16,710.78	₹ 17,904.99	₹ 21,553.59	₹ 23,590.63	₹ 21,425.43	₹ 23,546.71	₹ 24,835.69	₹ 24,860.36	₹ 27,270.13	₹ 27,211.42
<i>Depreciation%Sales</i>	5.09%	6.12%	6.64%	7.39%	7.81%	8.21%	9.43%	8.92%	7.19%	6.23%	6.13%
Earnings Before Tax	₹ 20,988.53	₹ 16,795.39	₹ 7,445.69	₹ 5,222.30	-₹ 4,684.90	-₹ 10,681.69	₹ 643.5	(₹ 9,427.5)	(₹ 3,270.0)	₹ 22,282.5	₹ 31,524.7
<i>EBT % Sales</i>	7.98%	6.15%	2.76%	1.79%	-1.55%	-4.09%	0.26%	-3.39%	-0.95%	5.09%	7.10%
Tax	₹ 7,642.9	₹ 3,025.1	₹ 3,251.2	₹ 4,341.9	(₹ 2,437.5)	₹ 395.3	₹ 2,541.9	₹ 4,231.3	₹ 704.1	(₹ 3,851.6)	(₹ 2,237.4)
<i>Effective Tax Rate</i>	36.41%	18.01%	43.67%	83.14%	52.03%	-3.70%	394.97%	-44.88%	-21.53%	-17.29%	-7.10%
Net Profit	₹ 13,345.6	₹ 13,770.3	₹ 4,194.5	₹ 880.4	(₹ 2,247.4)	(₹ 11,076.9)	(₹ 1,898.3)	(₹ 13,658.8)	(₹ 3,974.1)	₹ 26,134.1	₹ 33,762.1
<i>Net Margins</i>	5.07%	5.04%	1.56%	0.30%	-0.74%	-4.24%	-0.76%	-4.91%	-1.15%	5.97%	7.61%
No of Equity Shares	288.74	288.72	288.73	288.73	288.73	308.9	332.03	332.07	332.13	332.37	332.37
Earnings per Share	₹ 46.22	₹ 47.69	₹ 14.53	₹ 3.05	-₹ 7.78	-₹ 35.86	-₹ 5.72	-₹ 41.13	-₹ 11.97	₹ 78.63	₹ 101.58
<i>EPS Growth %</i>	3.19%	-69.54%	-79.01%	-355.28%	360.68%	-84.06%	619.43%	-70.91%	-757.14%	29.19%	
Dividend per Share	-	₹ 0.24	-	-	-	-	-	-	₹ 2.3	₹ 14.1	-
<i>Dividend payout ratio</i>	0.00%	0.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-19.28%	17.89%	0.00%
Retained Earnings	100.00%	99.51%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	82.11%	100.00%

Years	Historical Financial Statement - TATA MOTORS LTD										
	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	LTM
Balance Sheet											
Equity Share Capital	₹ 643.8	₹ 679.2	₹ 679.2	₹ 679.2	₹ 679.2	₹ 719.5	₹ 765.8	₹ 765.9	₹ 766.0	₹ 766.5	-
Reserves	₹ 55,618.1	₹ 78,273.2	₹ 57,382.7	₹ 94,748.7	₹ 59,500.3	₹ 61,491.5	₹ 54,480.9	₹ 43,795.4	₹ 44,555.8	₹ 84,151.5	-
Borrowings	₹ 73,610.4	₹ 69,360.0	₹ 78,604.0	₹ 88,950.5	₹ 1,06,175.3	₹ 1,24,787.6	₹ 1,42,130.6	₹ 1,46,449.0	₹ 1,34,113.4	₹ 1,07,262.5	-
Other Liabilities	₹ 1,07,442.5	₹ 1,14,871.8	₹ 1,35,914.5	₹ 1,42,813.4	₹ 1,39,348.6	₹ 1,33,180.7	₹ 1,44,192.6	₹ 1,38,051.2	₹ 1,55,239.2	₹ 1,77,340.1	-
Total Liabilities	₹ 2,37,314.8	₹ 2,63,184.1	₹ 2,72,580.4	₹ 3,27,191.8	₹ 3,05,703.5	₹ 3,20,179.4	₹ 3,41,569.9	₹ 3,29,061.5	₹ 3,34,674.4	₹ 3,69,520.6	-
Fixed Assets Net Block	₹ 88,479.5	₹ 1,07,231.8	₹ 95,944.1	₹ 1,21,413.9	₹ 1,11,234.5	₹ 1,27,107.1	₹ 1,38,707.6	₹ 1,38,855.5	₹ 1,32,079.8	₹ 1,21,285.5	-
Capital Work in Progress	₹ 28,640.1	₹ 25,918.9	₹ 33,698.8	₹ 40,033.5	₹ 31,883.8	₹ 35,622.3	₹ 20,963.9	₹ 10,251.1	₹ 14,274.5	₹ 35,698.4	-
Investments	₹ 15,336.7	₹ 23,767.0	₹ 20,337.9	₹ 20,812.8	₹ 15,770.7	₹ 16,308.5	₹ 24,620.3	₹ 29,379.5	₹ 26,379.2	₹ 22,971.1	-
Other Assets	₹ 30,891.2	₹ 29,579.4	₹ 37,360.8	₹ 48,286.9	₹ 56,155.7	₹ 58,784.9	₹ 61,718.0	₹ 62,223.8	₹ 68,432.1	₹ 79,018.9	-
Total Non Current Assets	₹ 1,63,347.5	₹ 1,86,497.1	₹ 1,87,341.6	₹ 2,30,547.0	₹ 2,15,044.8	₹ 2,37,822.9	₹ 2,46,009.8	₹ 2,40,709.8	₹ 2,41,165.5	₹ 2,58,973.8	-
Receivables	₹ 12,579.2	₹ 13,570.9	₹ 14,075.6	₹ 19,893.3	₹ 18,996.2	₹ 11,172.7	₹ 12,679.1	₹ 12,442.1	₹ 15,738.0	₹ 16,951.8	-
Inventory	₹ 29,272.3	₹ 32,655.7	₹ 35,085.3	₹ 42,137.6	₹ 39,013.7	₹ 37,456.9	₹ 36,088.6	₹ 35,240.3	₹ 40,755.4	₹ 47,788.3	-
Cash & Bank	₹ 32,115.8	₹ 30,460.4	₹ 36,077.9	₹ 34,613.9	₹ 32,648.8	₹ 33,727.0	₹ 46,792.5	₹ 40,669.2	₹ 37,015.6	₹ 45,806.7	-
Total Current Assets	₹ 73,967.3	₹ 76,687.0	₹ 85,238.7	₹ 96,644.8	₹ 90,658.7	₹ 82,356.5	₹ 95,560.1	₹ 88,351.7	₹ 93,508.9	₹ 1,10,546.8	-
Total Assets	₹ 2,37,314.8	₹ 2,63,184.1	₹ 2,72,580.4	₹ 3,27,191.8	₹ 3,05,703.5	₹ 3,20,179.4	₹ 3,41,569.9	₹ 3,29,061.5	₹ 3,34,674.4	₹ 3,69,520.6	-
<i>Check</i>	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
Cash Flow Statements											
Cash from Operating Activities	₹ 35,531.3	₹ 37,899.5	₹ 30,199.3	₹ 23,857.4	₹ 18,890.8	₹ 26,632.9	₹ 29,000.5	₹ 14,282.8	₹ 35,388.0	₹ 67,915.4	-
Cash from Investing Activities	(₹ 36,232.4)	(₹ 36,693.9)	(₹ 39,571.4)	(₹ 25,139.1)	(₹ 20,878.1)	(₹ 33,114.6)	(₹ 25,672.5)	(₹ 4,443.7)	(₹ 15,417.2)	(₹ 22,781.6)	-
Cash from Financing Activities	₹ 5,201.4	(₹ 3,795.1)	₹ 6,205.3	₹ 2,011.7	₹ 8,830.4	₹ 3,389.6	₹ 9,904.2	(₹ 3,380.2)	(₹ 26,242.9)	(₹ 37,006.0)	-
Net Cash Flow	₹ 4,500.4	(₹ 2,589.5)	(₹ 3,166.9)	₹ 730.0	₹ 6,843.1	(₹ 3,092.0)	₹ 13,232.2	₹ 6,459.0	(₹ 6,272.1)	₹ 8,127.8	-

Years	Ratio Analysis of - TATA MOTORS LTD											Mean	Median	
	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Trend			
SalesGrowth	3.76%	-1.23%	8.10%	3.56%	-13.54%	-4.32%	11.47%	24.25%	26.58%	28.00%	28.70%	28.70%	6.52%	3.76%
EBITDA Growth	-2.15%	-22.94%	6.32%	-21.60%	-27.07%	79.50%	-23.44%	28.70%	87.13%	87.13%	87.13%	87.13%	11.61%	-2.15%
EBIT Growth	-19.98%	-55.67%	-29.86%	-189.71%	128.00%	-106.02%	-1564.91%	-65.31%	-781.41%	-781.41%	-781.41%	-781.41%	-298.32%	-65.31%
Net Profit Growth	3.18%	-69.54%	-79.01%	-355.28%	392.87%	-82.86%	619.52%	-70.90%	-757.61%	-757.61%	-757.61%	-757.61%	-44.40%	-70.90%
Dividend Growth	0.00%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	509.94%	509.94%	509.94%	509.94%	45.55%	0.00%
Gross Margin	22.91%	24.73%	23.82%	21.65%	19.57%	19.42%	21.81%	19.81%	20.69%	23.61%	23.61%	23.61%	21.80%	21.73%
EBITDA Margin	14.91%	14.06%	10.97%	10.79%	8.17%	6.89%	12.93%	8.88%	9.20%	13.60%	13.60%	13.60%	11.04%	10.88%
EBIT Margin	9.82%	7.94%	4.33%	3.40%	0.36%	-1.32%	3.50%	-0.04%	2.01%	7.37%	7.37%	7.37%	3.74%	3.45%
EBT Margin	7.98%	6.15%	2.76%	1.79%	-1.55%	-4.09%	0.26%	-3.39%	-0.95%	5.09%	5.09%	5.09%	1.41%	1.02%
Net Profit Margin	5.07%	5.04%	1.56%	0.30%	-0.74%	-4.24%	-0.76%	-4.91%	-1.15%	5.97%	5.97%	5.97%	0.61%	-0.22%
SalesExpenses%Sales	8.00%	10.67%	12.85%	10.86%	11.40%	12.53%	8.88%	10.93%	11.49%	10.01%	10.01%	10.01%	10.76%	10.89%
Depreciation%Sales	5.09%	6.12%	6.64%	7.39%	7.81%	8.21%	9.43%	8.92%	7.19%	6.23%	6.23%	6.23%	7.30%	7.29%
OperatingIncome%Sales	9.82%	7.94%	4.33%	3.40%	0.36%	-1.32%	3.50%	-0.04%	2.01%	7.37%	7.37%	7.37%	3.74%	3.45%
Return on Capital Employed	19.90%	14.62%	8.55%	5.37%	0.65%	-1.84%	4.43%	-0.06%	3.88%	16.79%	16.79%	16.79%	7.23%	4.90%
Retained Earnings%	100.00%	99.51%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	82.11%	82.11%	82.11%	48.16%	41.05%
Return on Equity%	23.72%	17.44%	7.22%	0.92%	-3.73%	-17.81%	-3.44%	-30.65%	-8.77%	30.78%	30.78%	30.78%	1.57%	-1.26%
Self Sustained Growth Rate	23.72%	17.36%	7.22%	0.92%	0.00%	0.00%	0.00%	0.00%	0.00%	25.27%	25.27%	25.27%	7.45%	0.46%
Interest Coverage Ratio	5.32x	4.44x	2.76x	2.12x	0.19x	-0.47x	1.08x	-0.01x	0.68x	3.23x	3.23x	3.23x	1.93x	1.60x
Debtor Turnover Ratio	20.92x	20.12x	19.16x	14.66x	15.89x	23.37x	19.70x	22.38x	21.98x	25.83x	25.83x	25.83x	20.40x	20.52x
Creditor Turnover Ratio	2.45x	2.38x	1.98x	2.04x	2.17x	1.96x	1.73x	2.02x	2.23x	2.47x	2.47x	2.47x	2.14x	2.10x
Inventory Turnover	8.99x	8.36x	7.69x	6.92x	7.74x	6.97x	6.92x	7.90x	8.49x	9.16x	9.16x	9.16x	7.91x	7.82x
Fixed Asset Turnover	2.97x	2.55x	2.81x	2.40x	2.71x	2.05x	1.80x	2.01x	2.62x	3.61x	3.61x	3.61x	2.55x	2.58x
Capital Turnover Ratio	4.68x	3.46x	4.64x	3.06x	5.02x	4.20x	4.52x	6.25x	7.63x	5.16x	5.16x	5.16x	4.86x	4.66x
Debtor Days	17	18	19	25	23	16	19	16	17	14	14	14	18	18
Payable Days	149	154	184	179	168	186	211	181	164	148	148	148	172	174
Inventory Days	41	44	47	53	47	52	53	46	43	40	40	40	47	47
Cash Conversion Cycle (in days)	-91	-92	-117	-101	-98	-118	-139	-118	-104	-94	-94	-94	-107	-103
CFO/Sales	13.50%	13.88%	11.20%	8.18%	6.26%	10.20%	11.61%	5.13%	10.23%	15.51%	15.51%	15.51%	10.57%	10.71%
CFO/Total Assets	14.97%	14.40%	11.08%	7.29%	6.18%	8.32%	8.49%	4.34%	10.57%	18.38%	18.38%	18.38%	10.40%	9.53%
CFO/Total Debt	48.27%	54.64%	38.42%	26.82%	17.79%	21.34%	20.40%	9.75%	26.39%	63.32%	63.32%	63.32%	32.71%	26.60%

TATA MOTORS LTD

NSE: TATAMOTORS | BSE: 500570



Year Weight	Year	Sales	Sales Growth	Year Weight	Year	EBITDA	EBITDA Growth	Year Weight	Year	EPS	EPS Growth
1	2015A	2,63,159.0		1	2015A	39,879.3		1	2015A	46.2	
2	2016A	2,73,045.6	3.76%	2	2016A	36,204.2	-9.22%	2	2016A	47.7	3.19%
3	2017A	2,69,692.5	-1.23%	3	2017A	32,848.6	-9.27%	3	2017A	14.5	-69.54%
4	2018A	2,91,550.5	8.10%	4	2018A	39,566.2	20.45%	4	2018A	3.0	-79.01%
5	2019A	3,01,938.4	3.56%	5	2019A	-1,914.5	-104.84%	5	2019A	-7.8	-355.28%
6	2020A	2,61,068.0	-13.54%	6	2020A	16,993.2	-987.63%	6	2020A	-35.9	360.68%
7	2021A	2,49,794.8	-4.32%	7	2021A	20,734.4	22.02%	7	2021A	-5.7	-84.06%
8	2022A	2,78,453.6	11.47%	8	2022A	26,937.4	29.92%	8	2022A	-41.1	619.43%
9	2023A	3,45,967.0	24.25%	9	2023A	38,204.2	41.83%	9	2023A	-12.0	-70.91%
10	2024A	4,37,927.8	26.58%	10	2024A	64,803.3	69.62%	10	2024A	78.6	-757.14%
11	2025E	3,62,627.6	-17.19%	11	2025E	37,131.4	-42.70%	11	2025E	-6.5	-108.29%
12	2026E	3,74,512.7	3.28%	12	2026E	38,168.8	2.79%	12	2026E	-9.3	42.63%
13	2027E	3,86,397.7	3.17%	13	2027E	39,206.2	2.72%	13	2027E	-12.1	29.89%
14	2028E	3,98,282.8	3.08%	14	2028E	40,243.6	2.65%	14	2028E	-14.9	23.01%
15	2029E	4,10,167.9	2.98%	15	2029E	41,281.0	2.58%	15	2029E	-17.6	18.71%

Common Size Income Statement - TATA MOTORS LTD

Particulars	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	100.00%									
Raw Material Cost	62.03%	60.84%	64.26%	64.45%	64.34%	63.16%	61.49%	64.39%	66.84%	62.64%
Change in Inventory	1.27%	1.01%	2.74%	0.70%	-0.68%	-0.85%	-1.88%	-0.57%	1.38%	0.36%
Power and Fuel	0.43%	0.42%	0.43%	0.45%	0.53%	0.48%	0.45%	0.78%	0.73%	0.50%
Other Mfr. Exp	6.15%	4.43%	3.73%	3.76%	3.87%	4.42%	3.31%	3.39%	3.40%	3.91%
Employee Cost	9.74%	10.58%	10.51%	10.39%	11.01%	11.66%	11.07%	11.06%	9.73%	9.70%
Selling and admin	8.97%	8.05%	11.14%	10.63%	10.84%	11.20%	9.21%	10.49%	10.07%	9.77%
Other Expenses	-0.97%	2.62%	1.71%	0.23%	0.57%	1.32%	-0.33%	0.44%	1.42%	0.24%
Other Income	0.27%	-0.98%	0.69%	2.03%	-8.84%	0.04%	-4.45%	0.87%	1.93%	1.30%
Depreciation	5.09%	6.12%	6.64%	7.39%	7.81%	8.21%	9.43%	8.92%	7.19%	6.23%
Interest	1.85%	1.79%	1.57%	1.61%	1.91%	2.77%	3.24%	3.34%	2.96%	2.28%
Profit before tax	8.25%	5.17%	3.45%	3.83%	-10.39%	-4.05%	-4.19%	-2.52%	0.98%	6.38%
Tax	2.90%	1.11%	1.21%	1.49%	-0.81%	0.15%	1.02%	1.52%	0.20%	-0.88%
Net profit	5.31%	4.24%	2.76%	3.08%	-9.55%	-4.62%	-5.38%	-4.11%	0.70%	7.17%
Dividend Amount	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.22%	1.07%
EBITDA	0.15	0.13	0.12	0.14	-0.01	0.07	0.08	0.10	0.11	0.15

Common Size Balance Sheet - TATA MOTORS LTD

Particulars	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Total Liabilities	100.00%									
Equity Share Capital	0.27%	0.26%	0.25%	0.21%	0.22%	0.22%	0.22%	0.23%	0.23%	0.21%
Reserves	23.44%	29.74%	21.05%	28.96%	19.46%	19.21%	15.95%	13.31%	13.31%	22.77%
Borrowings	31.02%	26.35%	28.84%	27.19%	34.73%	38.97%	41.61%	44.51%	40.07%	29.03%
Other Liabilities	45.27%	43.65%	49.86%	43.65%	45.58%	41.60%	42.21%	41.95%	46.39%	47.99%
Total Assets	100.00%									
Net Block	37.28%	40.74%	35.20%	37.11%	36.39%	39.70%	40.61%	42.20%	39.47%	32.82%
Capital Work in Progress	12.07%	9.85%	12.36%	12.24%	10.43%	11.13%	6.14%	3.12%	4.27%	9.66%
Investments	6.46%	9.03%	7.46%	6.36%	5.16%	5.09%	7.21%	8.93%	7.88%	6.22%
Other Assets	13.02%	11.24%	13.71%	14.76%	18.37%	18.36%	18.07%	18.91%	20.45%	21.38%
Receivables	5.30%	5.16%	5.16%	6.08%	6.21%	3.49%	3.71%	3.78%	4.70%	4.59%
Inventory	12.33%	12.41%	12.87%	12.88%	12.76%	11.70%	10.57%	10.71%	12.18%	12.93%
Cash & Bank	13.53%	11.57%	13.24%	10.58%	10.68%	10.53%	13.70%	12.36%	11.06%	12.40%

Regression Beta - 5 Years Monthly

Avenue Supermart Returns			NIFTY Returns		Beta Drifting	
Date	Closing Price	Return	Closing Price	Return	Levered Raw Beta	1.80
01-09-2019	116.7	51.30%	11,474.5	3.51%	Raw Beta Weight	75.00%
01-10-2019	176.6	-9.12%	11,877.5	1.50%	Market Beta	1.00
01-11-2019	160.5	14.64%	12,056.0	0.93%	Market Beta Weight	25.00%
01-12-2019	184.0	-4.62%	12,168.5	-1.70%		
01-01-2020	175.5	-26.98%	11,962.1	-6.36%	Adjusted Beta	1.60
01-02-2020	128.2	-44.90%	11,201.8	-23.25%		
01-03-2020	70.6	31.25%	8,597.8	14.68%		
01-04-2020	92.7	-6.70%	9,859.9	-2.84%		
01-05-2020	86.5	12.93%	9,580.3	7.53%		
01-06-2020	97.6	6.51%	10,302.1	7.49%		
01-07-2020	104.0	36.84%	11,073.5	2.84%		
01-08-2020	142.3	-6.91%	11,387.5	-1.23%		
01-09-2020	132.5	-0.49%	11,247.5	3.51%		
01-10-2020	131.8	35.96%	11,642.4	11.39%		
01-11-2020	179.2	1.94%	12,969.0	7.81%		
01-12-2020	182.7	42.89%	13,981.8	-2.48%		
01-01-2021	261.1	22.93%	13,634.6	6.56%		
01-02-2021	321.0	-6.55%	14,529.2	1.11%		
01-03-2021	299.9	-2.63%	14,690.7	-0.41%		
01-04-2021	292.0	8.47%	14,631.1	6.50%		
01-05-2021	316.8	6.54%	15,582.8	0.89%		
01-06-2021	337.5	-13.44%	15,721.5	0.26%		
01-07-2021	292.1	-2.26%	15,763.0	8.69%		
01-08-2021	285.5	16.03%	17,132.2	2.84%		
01-09-2021	331.3	45.10%	17,618.2	0.30%		
01-10-2021	480.7	455.8	17,671.7	-5.19%		
01-11-2021	455.8	-12.30%	16,983.2	5.19%		
01-12-2021	479.4	-4.47%	17,354.1	-12.30%		
01-01-2022	514.6	431.1	17,339.8	-4.47%		
01-02-2022	451.2	434.9	16,793.9	0.89%		
01-03-2022	431.1	440.8	17,464.8	1.36%		
01-04-2022	434.9	409.3	17,102.6	-7.16%		
01-05-2022	440.8	446.8	16,584.6	9.18%		
01-06-2022	409.3	446.8	15,780.3	4.78%		
01-07-2022	446.8	468.2	17,158.3	4.78%		
01-08-2022	468.2	468.2	17,759.3	4.78%		

Weighted Average Cost of Capital

All figures are in INR unless stated otherwise.

Peer Comps

Name	Country	Total Debt	Total Equity	Tax Rate ¹	Debt/ Equity	Debt/ Capital	Levered Beta ²	Unlevered Beta ³
Tata Motors	India	1,07,262.5	3,92,243.9	30.00%	27.35%	21.47%	1.80	1.51
Maruti Suzuki	India	118.6	3,84,332.0	30.00%	0.03%	0.03%	0.65	0.65
M & M	India	1,08,647.3	3,41,864.7	30.00%	31.78%	24.12%	1.13	0.92
Eicher Motors	India	419.4	1,32,363.5	30.00%	0.32%	0.32%	0.99	0.98
Ashok Leyland	India	40,802.2	74,321.0	30.00%	54.90%	35.44%	1.40	1.01
		Average		30.00%	22.87%	16.28%	1.19	1.02
		Median		30.00%	27.35%	21.47%	1.13	0.98

Cost of Debt

Pre-tax Cost of Debt	9.31%
Tax Rate	30.00%
After Tax Cost of Debt	6.52%

Cost of Equity

Risk Free Rate	6.88%
Equity Risk Premium	6.58%
Levered Beta ⁴	1.22
Cost of Equity	14.93%

Capital Structure

		Current	Target
Total Debt	1,07,262.5	21.47%	16.28%
Market Capitalization	3,92,243.9	78.53%	83.72%
Total Capitalization	499506.39	100.00%	100.00%
Debt / Equity		27.35%	19.44%

Levered Beta

Comps Median Unlevered Beta	0.98
Target Debt/ Equity	19.44%
Tax Rate	30.00%
Levered Beta	1.22

Weighted Average Cost of Capital

Cost of Equity	14.93%
Equity Weight	83.72%
Cost of Debt	6.52%
Debt Weight	16.28%
WACC	13.56%



Calculation of ROIC	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Current Assets					
Inventories	37,457.0	36,089.0	35,240.0	40,755.0	47,788.0
Trade receivables	11,173.0	12,679.0	12,442.0	15,738.0	16,952.0
Short term loans	39.0	142.0	47.0	119.0	168.0
Other asset items	58,746.0	61,576.0	62,177.0	68,313.0	78,851.0
Total Current Assets	1,07,415.0	1,10,486.0	1,09,906.0	1,24,925.0	1,43,759.0
Current Liabilities					
Trade Payables	66,398.0	76,040.0	69,750.0	79,252.0	93,979.0
Advance from Customers	-	-	-	-	-
Other liability items	65,969.0	66,579.0	64,030.0	68,710.0	75,186.0
Total Current Liabilities	1,32,367.0	1,42,619.0	1,33,780.0	1,47,962.0	1,69,165.0
Net Working Capital	(24,952.0)	(32,133.0)	(23,874.0)	(23,037.0)	(25,406.0)
Non Current Assets					
Land	7,675.0	7,819.0	7,760.0	8,045.0	7,930.0
Building	32,665.0	35,537.0	36,466.0	38,674.0	40,584.0
Plant Machinery	1,24,158.0	1,38,868.0	1,48,585.0	1,53,672.0	1,51,878.0
Equipments	-	-	-	-	-
Computers	3,054.0	3,172.0	3,383.0	3,499.0	3,667.0
Furniture n fittings	1,890.0	1,956.0	1,984.0	2,084.0	2,029.0
Vehicles	601.0	845.0	725.0	788.0	956.0
Intangible Assets	91,157.0	1,14,809.0	1,14,323.0	1,12,538.0	1,16,714.0
Other fixed assets	9,380.0	10,686.0	10,870.0	11,841.0	10,724.0
Gross Block	2,70,580.0	3,13,692.0	3,24,096.0	3,31,141.0	3,34,482.0
Accumulated Depreciation	(1,43,471.0)	(1,74,985.0)	(1,85,241.0)	(1,99,062.0)	(2,13,197.0)
Net Non Current Assets	1,27,109.0	1,38,707.0	1,38,855.0	1,32,079.0	1,21,285.0
Invested Capital	1,02,157.0	1,06,574.0	1,14,981.0	1,09,042.0	95,879.0
EBIT	(3,438.4)	8,740.7	(115.6)	6,955.4	32,268.2
ROIC	-3.37%	8.20%	-0.10%	6.38%	33.66%

Calculation of Reinvestment Rate	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Capex	29,531.0	19,854.0	14,938.0	18,945.0	31,183.0
Change in Working Capital		(7,181.0)	8,259.0	837.0	(2,369.0)
EBIT	(3,438.4)	8,740.7	(115.6)	6,955.4	32,268.2
Marginal Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%
EBIT(1-T)	(2,578.8)	6,555.5	(86.7)	5,216.6	24,201.2
Reinvestment		12,673.0	23,197.0	19,782.0	28,814.0
Reinvestment Rate	193.32%	-26755.48%	379.21%	119.06%	
			4 Year Average	-6515.97%	
			4 Year Median	156.19%	

Calculation of Growth Rate	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Reinvestment Rate	193.32%	-26755.48%	379.21%	119.06%	
ROIC	8.20%	-0.10%	6.38%	33.66%	
Intrinsic Growth	15.86%	26.90%	24.19%	40.07%	
			4 Year Average	26.75%	
			4 Year Median	25.54%	

TATA MOTORS LTD

NSE: TATAMOTORS | BSE: 500570



Calculation of PV of FCFF	Mar-24'A'	Mar-25'F'	Mar-26'F'	Mar-27'F'	Mar-28'F'	Mar-29'F'
EBIT	37,533.21	47,120.76	59,157.37	74,268.64	93,239.96	1,17,057.34
Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
EBIT (1-T)	28,149.91	35,340.57	44,368.03	55,701.48	69,929.97	87,793.00
Less: Reinvestment Rate	85.50%	85.50%	85.50%	85.50%	85.50%	85.50%
Free Cash Flow to Firm	4,081.74	5,124.38	6,433.36	8,076.71	10,139.85	12,729.99
Mid Year Convention	0	0.5	1.5	2.5	3.5	4.5
Discounting Factor	1.00	0.94	0.83	0.73	0.64	0.56
PV of FCFF	4,081.74	4,808.77	5,316.36	5,877.53	6,497.94	7,183.83
Expected Growth	25.54%					
Terminal Growth	7.20%					
WACC	13.56%					

Calculation of Terminal Value	Sensitivity Analysis
	10.00% 12.00% 13.56% 15.00%
FCFF (n+1)	5.00% 511.3 313.7 224.1 166.6
WACC	6.00% 653.0 375.9 262.1 192.4
Terminal Growth Rate	6.80% 830.0 442.8 300.5 217.5
	7.20% 956.5 484.7 323.3 232.0
Terminal Value	251383.3856
	8.00% 1,361.2 593.6 378.9 266.0

Calculation of Enterprise Value

PV of FCFF	29,684.43
PV of Terminal Value	141861.6
Value of Operating Asset	1,71,546.07
Add: Cash	45807
Less: Debt	98501
Value of Equity	1,18,852.07
No. of Shares	367.37
Value per Share	323.52

Share Price	1,077.65
Discount/Premium	3.33x

TATA MOTORS LTD

NSE: TATAMOTORS | BSE: 500570



Amount in crores

Comparable Company Valuation

Company	Ticker	Market Data				Financials			Valuation			
		Share Price	Shares Outstanding	Equity Value	Net Debt	Enterprise Value	Revenue	EBITDA	Net Income	EV/Revenue	EV/EBITDA	P/E
Tata Motors		1,076	332	3,57,712	61,456	4,19,168	4,43,739	68,839	34,199	0.9x	6.1x	10.5x
Maruti Suzuki		12,273	31	3,85,871	-2,709	3,83,162	1,45,103	24,469	14,705	2.6x	15.7x	26.2x
M & M		2,718	124	3,37,940	96,635	4,34,574	1,42,404	28,852	12,132	3.1x	15.1x	27.9x
Eicher Motors		4,809	27	1,31,761	273	1,32,034	16,942	6,108	4,184	7.8x	21.6x	31.5x
Ashok Leyland		252	294	74,012	33,722	1,07,734	46,824	8,445	2,663	2.3x	12.8x	27.8x
Olectra Greentec		1,543	8	12,668	-54	12,614	1,154	186	79	10.9x	68.0x	161.1x
Force Motors		8,334	1	11,001	76	11,077	7,389	1,006	435	1.5x	11.0x	25.3x
SML ISUZU		2,038	1	2,954	373	3,327	2,310	218	122	1.4x	15.3x	24.1x
High										10.9x	68.0x	161.1x
75th Percentile										4.2x	17.1x	28.8x
Average										3.8x	20.7x	41.8x
Median										2.5x	15.2x	27.0x
25th Percentile										1.5x	12.3x	25.0x
Low										0.9x	6.1x	10.5x

Cipla Comparable Valuation	EV/Revenue	EV/EBITDA	P/E
Implied Enterprise Value	10,96,362	10,44,820	9,85,484
Net Debt	61,456	61,456	61,456
Implied Market Value	10,34,906	9,83,364	9,24,028
Shares Outstanding	332.40	332.40	332.40
Implied Value per Share	3,113.4	2,958.4	2,779.9

Source: The Valuation School, Screener.in

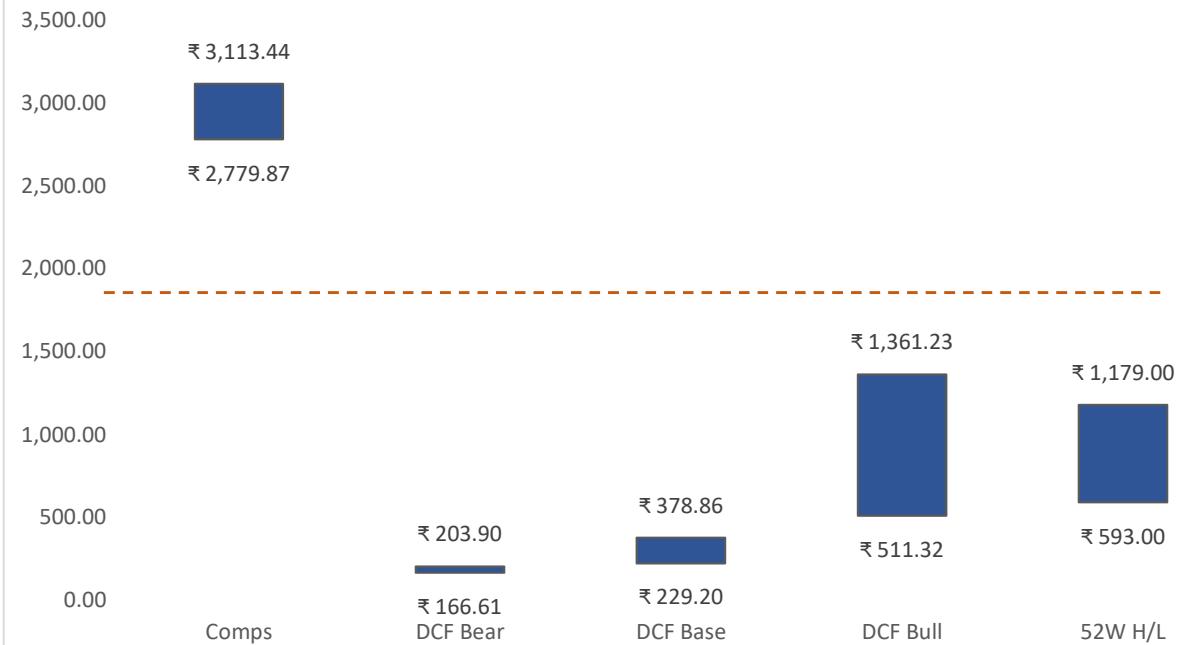
Undervalued Undervalued Undervalued

TATA MOTORS LTD

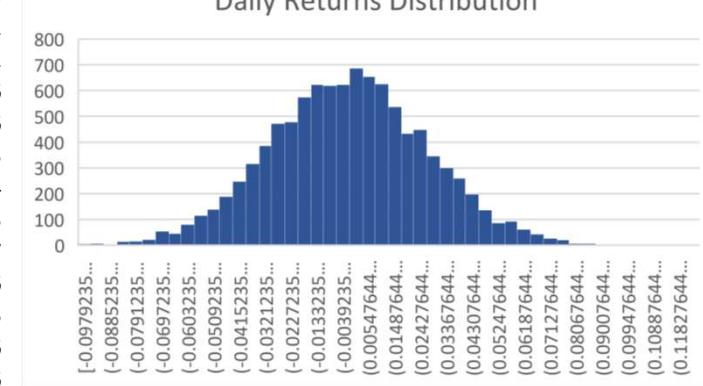
NSE: TATAMOTORS | BSE: 500570



Football Field Analysis - Valuation Summary (Rs)



Date	Adj Close	Return	Sorted Returns	Replication	Simulated Returns	Calculation of Value at Risk - Tata Motors (Simulation)				
12-08-2024	1076.15	0.007536793	0.007536793	1	0.019246353	Historical Approach				
09-08-2024	1068.10	0.025293953	0.025293953	2	-0.03545157	Mean	0.09%			
08-08-2024	1041.75	0.016044036	0.016044036	3	-0.041253517	Std Deviation	2.89%			
07-08-2024	1025.30	0.01139339	0.01139339	4	-0.028544221	Min	-40.51%			
06-08-2024	1013.75	-0.002656316	-0.002656316	5	-0.008911477	Max	67.24%			
05-08-2024	1016.45	-0.07313182	-0.07313182	6	0.028747291	CMP	1076.0			
02-08-2024	1096.65	-0.04172492	-0.04172492	7	0.038425678	Monte Carlo Simulation				
01-08-2024	1144.40	-0.01059093	-0.01059093	8	-0.023789835	Mean	-0.05%			
31-07-2024	1156.65	-0.00447558	-0.00447558	9	0.004233997	Std Deviation	2.87%			
30-07-2024	1161.85	0.033674356	0.033674356	10	0.002836012	Min	-9.79%			
29-07-2024	1124.00	0.005096978	0.005096978	11	-0.004882585	Max	12.68%			
26-07-2024	1118.30	0.025069984	0.025069984	12	-0.010367522	CMP	1076.0			
25-07-2024	1090.95	0.061545201	0.061545201	13	0.033233875	Percentile				
24-07-2024	1027.70	0.025853427	0.025853427	14	-0.009659382	Confidence	5.0%	95.0%	-4.61%	1026.3
23-07-2024	1001.80	-0.001345797	-0.001345797	15	-0.04807	VAR %	1.0%	99.0%	-6.65%	1004.5
22-07-2024	1003.15	0.013282853	0.013282853	16	-0.007246815	Stock Price	0.5%	99.5%	-7.19%	998.6
19-07-2024	990.00	-0.033722168	-0.033722168	17	-0.029420513	VAR (INR)	10%	90.0%	-3.59%	1037.4
18-07-2024	1024.55	0.003329604	0.003329604	18	-0.003446885	Daily Returns Distribution				
16-07-2024	1021.15	-0.00322117	-0.00322117	19	-0.037677382	800	700	600	500	400
15-07-2024	1024.45	0.007573102	0.007573102	20	-0.011643328	300	200	100	0	0
12-07-2024	1016.75	-0.003967465	-0.003967465	21	0.024499299	[-0.097935... (-0.088535... (-0.079123... (-0.069723... (-0.060335... (-0.050935... (-0.041535... (-0.032135... (-0.022723... (-0.013323... (-0.003923... (0.054764... (0.0430764... (0.0524764... (0.0618764... (0.0712764... (0.0806764... (0.0994764... (0.1088764... (0.1182764...				
11-07-2024	1020.80	0.015216298	0.015216298	22	-0.023045605	500	400	300	200	100
10-07-2024	1005.50	-0.009310815	-0.009310815	23	0.020802801	400	300	200	100	0
09-07-2024	1014.95	0.012318009	0.012318009	24	0.007990331	300	200	100	0	0
08-07-2024	1002.60	0.009007147	0.009007147	25	-0.001404666	200	100	0	0	0
05-07-2024	993.65	-0.004558193	-0.004558193	26	0.019757576	100	0	0	0	0
04-07-2024	998.20	0.023112784	0.023112784	27	0.002667343	0	0	0	0	0
03-07-2024	975.65	-0.005757632	-0.005757632	28	-0.004885194	0	0	0	0	0
02-07-2024	981.30	-0.02070755	-0.02070755	29	-0.038773323	0	0	0	0	0
01-07-2024	1002.05	0.012427369	0.012427369	30	0.015425217	0	0	0	0	0
28-06-2024	989.75	0.018156593	0.018156593	31	-0.043124306	0	0	0	0	0
27-06-2024	972.10	0.021274361	0.021274361	32	-0.023699915	0	0	0	0	0
26-06-2024	951.85	-0.003298454	-0.003298454	33	0.039158636	0	0	0	0	0
25-06-2024	955.00	-0.003183537	-0.003183537	34	-0.027382166	0	0	0	0	0



TATA MOTORS LTD

NSE: TATAMOTORS | BSE: 500570

INR 1071.85

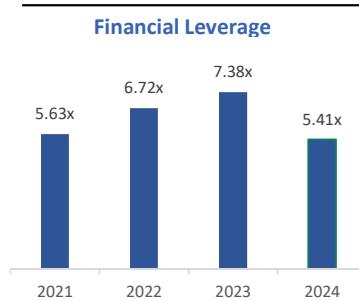
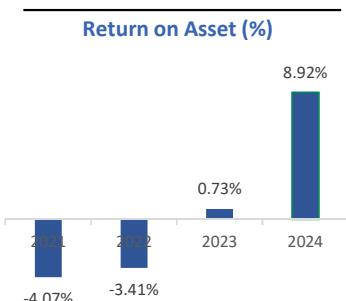
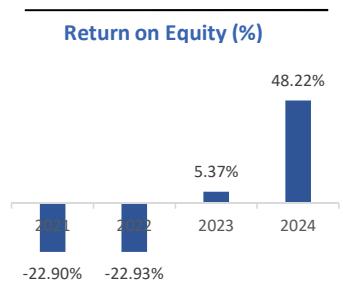
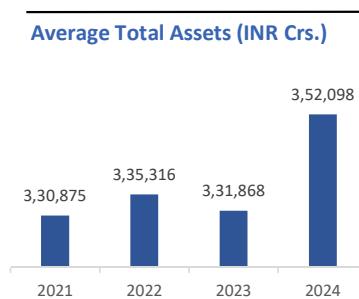
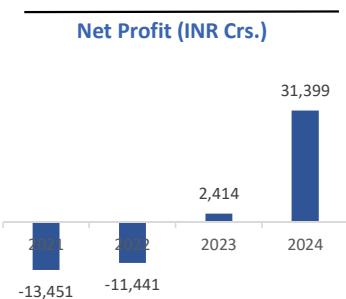
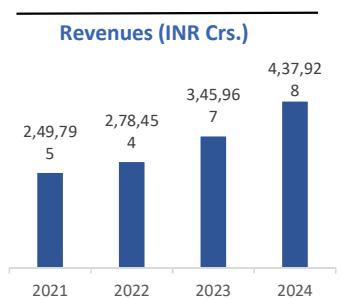
52 Week (High - INR 593 & Low - 1179)



About the company

Tata Motors Group is a leading global automobile manufacturer. Part of the illustrious multi-national conglomerate, the Tata group, it offers a wide and diverse portfolio of cars, sports utility vehicles, trucks, buses and defence vehicles to the world. It has 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.

Financial Summary



Recent Updates

Revenue Growth: Revenue surged by 27% to ₹4.4 lakh crore, marking a significant increase.

Profit Margins: EBITDA reached 14.3%, while EBIT stood at 8.3%, reflecting strong operational performance.

Record PBT: PBT before exceptional items hit a record ₹29,000 crore, the highest in the company's history.

Free Cash Flow: Generated robust free cash flow of ₹14,000 crore in Q4 and ₹27,000 crore for the full year, strengthening the balance sheet.

Debt Reduction: Automotive debt was substantially reduced; JLR's net debt decreased sharply to GBP 732 million from GBP 3 billion.

Dividend Payout: The board recommended dividends of ₹3 per share for ordinary shareholders and ₹3.1 per share for DVR shareholders.

Investment Spend: Total investment spend was kept under GBP 3.3 billion, focusing on strategic initiatives.

Commercial Vehicles: Achieved highest-ever revenues and profits, with a 12% EBITDA margin in Q4.

Passenger Vehicles: Improved market share to 14.3% in H2 FY 2024; EV volumes grew by 48%.

Dupont Analysis - Return on Equity & Return on Asset

	Return on Equity (ROE)						
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	8,988.9	-28,826.2	-12,070.9	-13,451.4	-11,441.5	2,414.3	31,399.1
Average Shareholder Equity	76,744.9	77,803.7	61,195.3	58,728.9	49,904.0	44,941.5	65,119.9
Return on Equity	11.71%	-37.05%	-19.73%	-22.90%	-22.93%	5.37%	48.22%

	ROE - Dupont Equation						
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	8,988.9	-28,826.2	-12,070.9	-13,451.4	-11,441.5	2,414.3	31,399.1
Revenue	2,91,550.5	3,01,938.4	2,61,068.0	2,49,794.8	2,78,453.6	3,45,967.0	4,37,927.8
Net Profit Margin (A)	3.08%	-9.55%	-4.62%	-5.38%	-4.11%	0.70%	7.17%
Revenue	2,91,550.5	3,01,938.4	2,61,068.0	2,49,794.8	2,78,453.6	3,45,967.0	4,37,927.8
Average Total Asset	2,99,886.1	3,16,447.7	3,12,941.4	3,30,874.7	3,35,315.7	3,31,868.0	3,52,097.5
Asset Turnover Ratio (B)	1.0x	1.0x	0.8x	0.8x	0.8x	1.0x	1.2x
Average Total Asset	2,99,886.1	3,16,447.7	3,12,941.4	3,30,874.7	3,35,315.7	3,31,868.0	3,52,097.5
Average Shareholder Equity	76,744.9	77,803.7	61,195.3	58,728.9	49,904.0	44,941.5	65,119.9
Equity Multiplier (C)	3.91x	4.07x	5.11x	5.63x	6.72x	7.38x	5.41x
Return on Equity (A*B*C)	11.71%	-37.05%	-19.73%	-22.90%	-22.93%	5.37%	48.22%

	Return on Asset						
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	8,988.9	-28,826.2	-12,070.9	-13,451.4	-11,441.5	2,414.3	31,399.1
Average Total Asset	2,99,886.1	3,16,447.7	3,12,941.4	3,30,874.7	3,35,315.7	3,31,868.0	3,52,097.5
Return on Asset	3.00%	-9.11%	-3.86%	-4.07%	-3.41%	0.73%	8.92%

	ROA - Dupont Equation						
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	8,988.9	-28,826.2	-12,070.9	-13,451.4	-11,441.5	2,414.3	31,399.1
Revenue	2,91,550.5	3,01,938.4	2,61,068.0	2,49,794.8	2,78,453.6	3,45,967.0	4,37,927.8
Net Profit Margin (A)	3.08%	-9.55%	-4.62%	-5.38%	-4.11%	0.70%	7.17%
Revenue	2,91,550.5	3,01,938.4	2,61,068.0	2,49,794.8	2,78,453.6	3,45,967.0	4,37,927.8
Average Total Asset	2,99,886.1	3,16,447.7	3,12,941.4	3,30,874.7	3,35,315.7	3,31,868.0	3,52,097.5
Asset Turnover Ratio (B)	1.0x	1.0x	0.8x	0.8x	0.8x	1.0x	1.2x
Return on Asset (A*B)	3.00%	-9.11%	-3.86%	-4.07%	-3.41%	0.73%	8.92%

Dupont Summary

1. ROE fluctuated significantly, from -37.05% in FY2019 to 48.22% in FY2024, showing strong recovery.
2. Net profit margin improved dramatically from -4.11% in FY2022 to 7.17% in FY2024, driving ROE growth.
3. Asset turnover ratio increased from 0.8x to 1.2x, indicating better asset utilization.
4. Financial leverage decreased from 7.38x to 5.41x, suggesting reduced reliance on debt.
5. ROA improved to 8.92% in FY2024, driven by higher profit margins and asset efficiency.
6. Tata Motors' turnaround is evident in its ₹31,399.1 crores profit in FY2024, a key factor in improved ROE and ROA.

***Disclaimer :** This report is made as part of educational assignment and is meant for educational purpose only. The author of the report is not liable for any losses due to actions taken basis this report. It is advisable to consult SEBI registered research analyst before making any investments*

TATA MOTORS LTD

NSE: TATAMOTORS | BSE: 500570

INR 1071.85

52 Week (High - INR 4609 & Low - 3292)

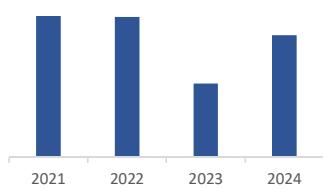


Altman's Z Score Analysis

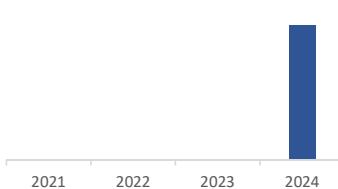
Tata Motors Group is a leading global automobile manufacturer. Part of the illustrious multi-national conglomerate, the Tata group, it offers a wide and diverse portfolio of cars, sports utility vehicles, trucks, buses and defence vehicles to the world. It has operations in India, the UK, South Korea, 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.

Financial Summary

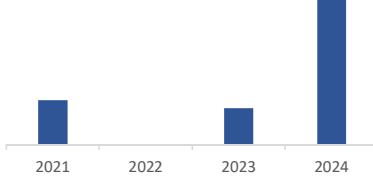
Working Capital / Total Assets



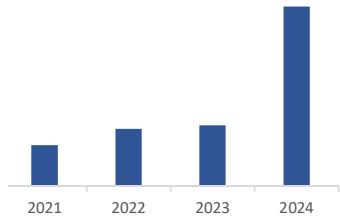
Retained Earnings / Total Assets



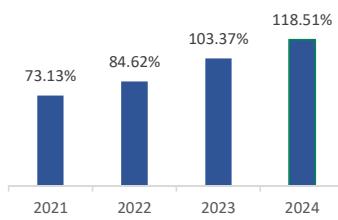
EBIT/Total Assets



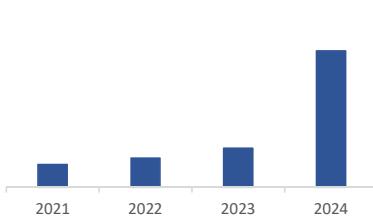
Market Cap / Long term Liabilities



Return on Asset



Altman's Z Score



Recent Updates

Revenue Growth: Revenue surged by 27% to ₹4.4 lakh crore, marking a significant increase.

Profit Margins: EBITDA reached 14.3%, while EBIT stood at 8.3%, reflecting strong operational performance.

Record PBT: PBT before exceptional items hit a record ₹29,000 crore, the highest in the company's history.

Free Cash Flow: Generated robust free cash flow of ₹14,000 crore in Q4 and ₹27,000 crore for the full year, strengthening the balance sheet.

Debt Reduction: Automotive debt was substantially reduced; JLR's net debt decreased sharply to GBP 732 million from GBP 3 billion.

Dividend Payout: The board recommended dividends of ₹3 per share for ordinary shareholders and ₹3.1 per share for DVR shareholders.

Investment Spend: Total investment spend was kept under GBP 3.3 billion, focusing on strategic initiatives.

Commercial Vehicles: Achieved highest-ever revenues and profits, with a 12% EBITDA margin in Q4.

Passenger Vehicles: Improved market share to 14.3% in H2 FY 2024; EV volumes grew by 48%.

Altman's Z Score Analysis Calculation

Working Capital / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Working Capital	2,118.3	7,465.9	7,960.8	13,085.5	12,524.2	6,701.8	12,225.6
Total Assets	3,27,191.8	3,05,703.5	3,20,179.4	3,41,569.9	3,29,061.5	3,34,674.4	3,69,520.6
Working Capital / Total Assets (A)	0.65%	2.44%	2.49%	3.83%	3.81%	2.00%	3.31%
Retained Earnings / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Retained Earnings	880.4	0.0	0.0	0.0	0.0	0.0	21,458.4
Total Assets	3,27,191.8	3,05,703.5	3,20,179.4	3,41,569.9	3,29,061.5	3,34,674.4	3,69,520.6
Retained Earnings / Total Assets (B)	0.27%	0.00%	0.00%	0.00%	0.00%	0.00%	5.81%
EBIT / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
EBIT	9,904.1	1,073.7	-3,438.4	8,740.7	-115.6	6,955.4	32,268.2
Total Assets	3,27,191.8	3,05,703.5	3,20,179.4	3,41,569.9	3,29,061.5	3,34,674.4	3,69,520.6
EBIT/Total Assets (C)	3.03%	0.35%	-1.07%	2.56%	-0.04%	2.08%	8.73%
Market Cap / Long term Liabilities							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Market Cap	1,11,001.6	59,177.1	25,561.8	1,15,561.1	1,66,100.9	1,61,170.5	3,80,489.8
Long term Liabilities	88,950.5	1,06,175.3	1,24,787.6	1,42,130.6	1,46,449.0	1,34,113.4	1,07,262.5
Market Cap / Long term Liabilities (D)	124.79%	55.74%	20.48%	81.31%	113.42%	120.17%	354.73%
Sales / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Total Sales	2,91,550.5	3,01,938.4	2,61,068.0	2,49,794.8	2,78,453.6	3,45,967.0	4,37,927.8
Total Assets	3,27,191.8	3,05,703.5	3,20,179.4	3,41,569.9	3,29,061.5	3,34,674.4	3,69,520.6
Return on Asset (E)	89.11%	98.77%	81.54%	73.13%	84.62%	103.37%	118.51%
Altman's Z Score							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Final Score	0.8	0.4	0.1	0.5	0.6	0.8	2.9
Financial Stability	Distressed	Distressed	Distressed	Distressed	Distressed	Distressed	Grey Zone

Disclaimer : This report is made as part of educational assignment and is meant for educational purpose only. The author of the report is not liable for any losses due to actions taken basis this report. It is advisable to consult SEBI registered research analyst before making any investments