TATA MOTORS

TATA

Q1 FY 17
BUSINESS REVIEW

Contact: ir_tml@tatamotors.com

Mr. Vijay B Somaiya
VP & Head (Treasury & IR)
Phone: 91-22-6665 7258

Mr. Prakash Pandey
Divisional Manager (Treasury & IR)
Phone: 91-22-6665 7908

Mr. Bikash Dugar
Manager (Treasury & IR)
Phone: 91-22-6665 7241

Mr. Piyush H Parekh
Manager (Treasury & IR)
Phone: 91-22-6665-7322

Index

I] Snapshot of Financials	3
II] Indian Economic Scenario	4-9
III] TML Consolidated Financials	
A] Financials (Rs. Crores)	10
B] Financials (USD Million)	11
C] TML Group Operating Profit Performance Q1 FY 17 Snapshot	12
D] TML Corporate Credit Rating	12
IV] TML Standalone including Joint Ventures	
A] Financials (Rs. Crores & USD Million)	13-14
B] Summary of Ind AS Changes	15
C] Commercial Vehicles Business	16
D] Passenger Vehicles Business	16
E] Exports	16
F] Highlights	17
G] Key Launches & Events in Q1 FY 17	18
H] Way Forward	19
V] Jaguar Land Rover PLC	
A] Market Environment, Industry Sales & JLR Sales	20
B] Financials (i) Under IFRS	21
(ii) Under IndAS	21
C] IFRS to INDAS Profit Reconciliation	22
D] Product Pipeline	22
E] Other Developments	23
F] June 23 Brexit Referendum	24
G] JLR Highlights	25
H] Way Forward	26
I] JLR Corporate Credit Rating	26
VI] Highlights of Key Subsidiaries	
A] Tata Motors Finance	27
B] Tata Technologies	27
C] Tata Daewoo	28
D]TML Drivelines Ltd	28
VII] Shareholding Pattern & Market Capitalisation	29

I] SNAPSHOT OF FINANCIALS

Particulars	NET REVENUE *			PAT *		
	Q1 FY17	Q1 FY16	Y-o-Y change	Q1 FY17	Q1 FY16	Y-o-Y change
TML Consolidated (Net of Excise Duty) (Rs Crores)*	66,005	60,451	9.2%	2,236	5,231	-57.2%
TML Standalone (incl Joint Operations) (Rs Crores)#	10,423	9,355	11.4%	26	290	-91.1%
TML Standalone (Rs Crores)	10,286	9,306	10.5%	15	203	-92.5%
Jaguar LandRover PLC (IFRS) (GBP Million)	5,461	5,002	9.2%	304	492	-38.2%

USD Million@						
Particulars	NET REVENUE *			PAT *		
	Q1 FY17	Q1 FY16	Y-o-Y change	Q1 FY17	Q1 FY16	Y-o-Y change
TML Consolidated (Net of Excise Duty)*	9,775	8,952	9.2%	331	775	-57.2%
TML Standalone(incl Joint Operations)#	1,544	1,385	11.4%	4	43	-91.1%
TML Standalone	1,523	1,378	10.5%	2	30	-92.5%
Jaguar LandRover PLC	7,269	6,658	9.2%	405	655	-38.2%

The Company has adopted Ind AS for its Standalone and Consolidated financials with effect from April 1, 2016, with comparatives being restated. Accordingly, the impact of transition has been provided in the Opening Reserves as at April 1, 2015 and all the periods presented have been restated accordingly.

#Joint Operations included in Standalone financials are Tata Cummins Private Ltd and Fiat India Automobile Private Limited

***Net Revenue is excluding excise duty and other income;**
PAT is after Non- controlling interest and share of Profit/(loss) in respect of Joint Ventures & associate companies;
@ At conversion rate of 1 USD = 67.5250 INR; 1 GBP = 1.3311 USD

II] INDIAN ECONOMIC SCENARIO: KEY HIGHLIGHTS OF Q1 FY17

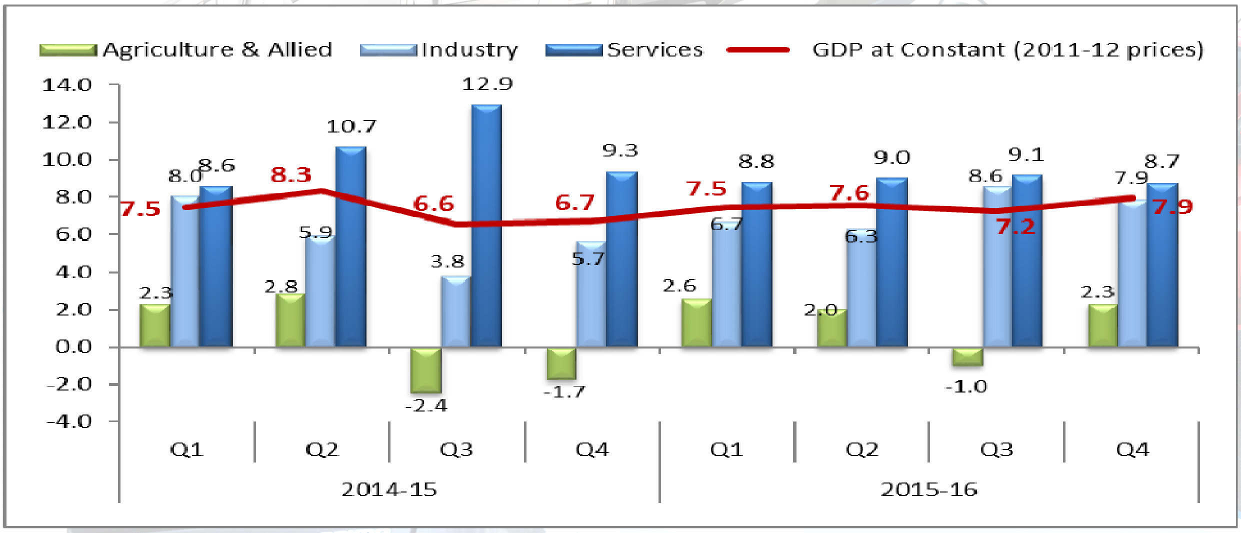
Source: Tata Department of Economics and Statistics (Tata DES)

1. GDP Growth

India's GDP grew at 7.6% in FY 2015-16 compared to 7.2% in FY 2014-15, faster than any other economy in the world. This has been supported by the 7.9% growth in Q4 FY 2015-16. A robust consumption provided the support whereas investment was weak due to capacity underutilization.

India's GDP growth at 7.9% in Q4 of 2015-16 was higher than 7.2% growth in Q3 of 2015-16 due to a pickup in agricultural growth.

Gross Value Added at Basic Prices (at 2011-12 prices): Sector wise growth rate y/y, %



Private Final Consumption Expenditure grew at 7.4% in FY 2015-16 as compared to 6.2% in FY 2014-15. Growth in Gross Fixed Capital Formation recorded 1% point lower growth in FY 2015-16 vis-à-vis the growth in FY 2014-15. GDP growth based on expenditure approach was led by higher growth in Private Final Consumption Expenditure

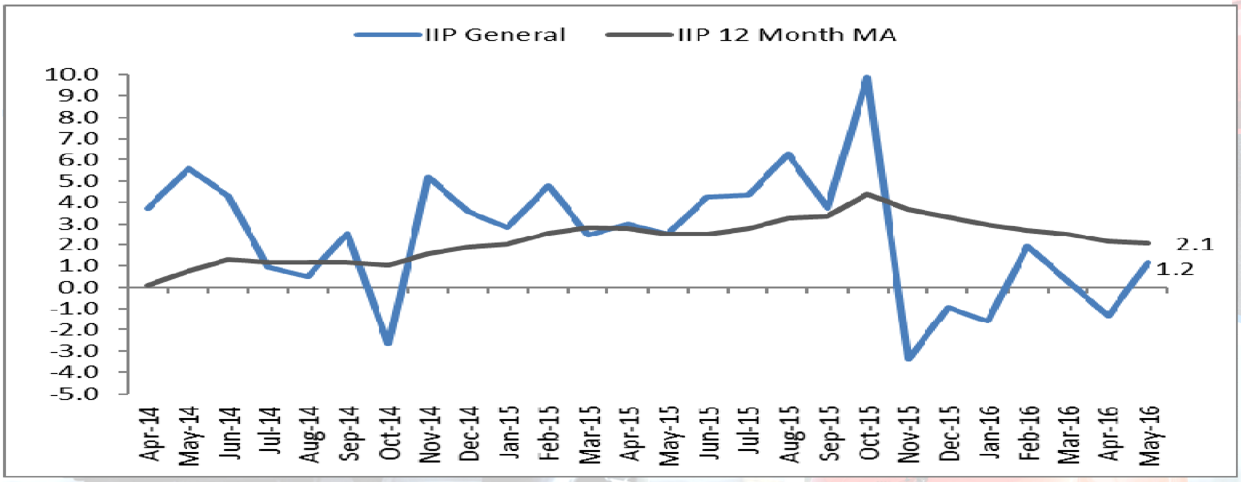
GDP by expenditure (% change y/y) in real terms

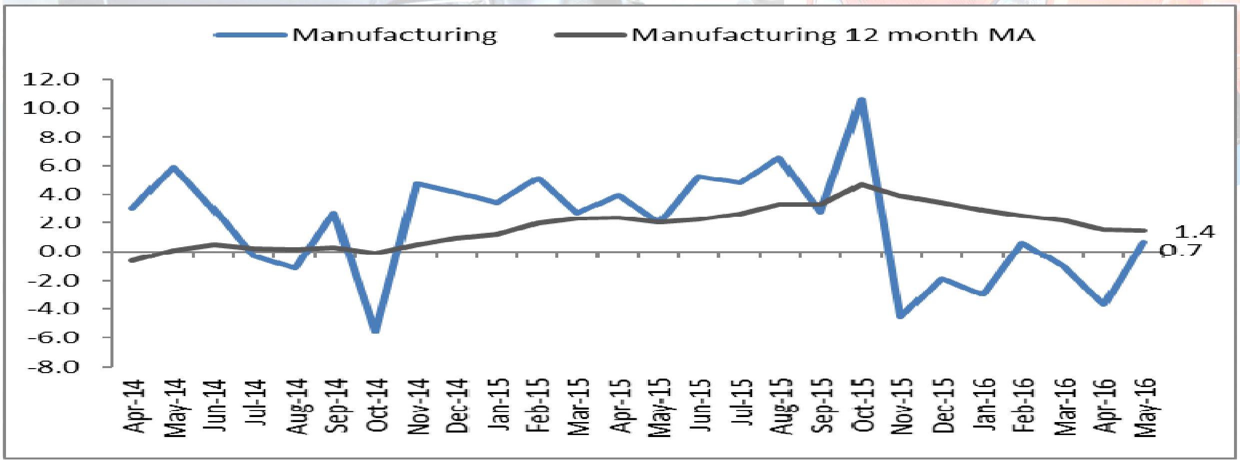
	GDP	Private final consumption expenditure	Government final consumption expenditure	Gross capital formation	Exports (Goods & Services)	Imports (Goods and Services)
Q1 FY15	7.5	8.2	9.0	9.3	11.6	-0.6
Q2 FY15	8.3	9.2	15.4	3.0	1.1	4.6
Q3 FY15	6.6	1.5	33.2	4.5	2.0	5.7
Q4 FY15	6.7	6.6	-3.3	7.3	-6.3	-6.1
Q1 FY16	7.5	6.9	-0.2	6.6	-5.7	-2.4
Q2 FY16	7.6	6.3	3.3	9.6	-4.3	-0.6
Q3 FY16	7.2	8.2	3.0	2.0	-8.9	-6.4
Q4 FY16	7.9	8.3	2.9	-2.4	-1.9	-1.6

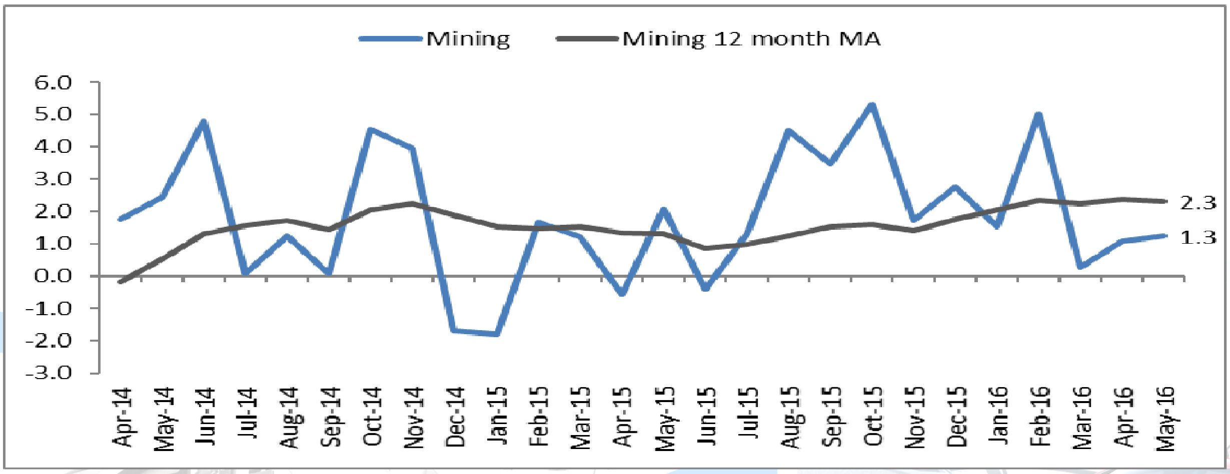
2. Industrial Growth

	Categories	Apr-May FY 17	Apr-May FY 16
IIP	General	-0.1	2.8
Sectoral	Mining	1.2	0.8
	Manufacturing	-1.5	3.0
	Electricity	9.4	2.8
Use-based	Basic	4.3	4.4
	Capital	-18.9	4.3
	Intermediate	3.0	1.8
	Consumer	-0.4	0.3
	- Consumer Durables	8.9	-1.4
	- Consumer Non-Durables	-6.6	1.4

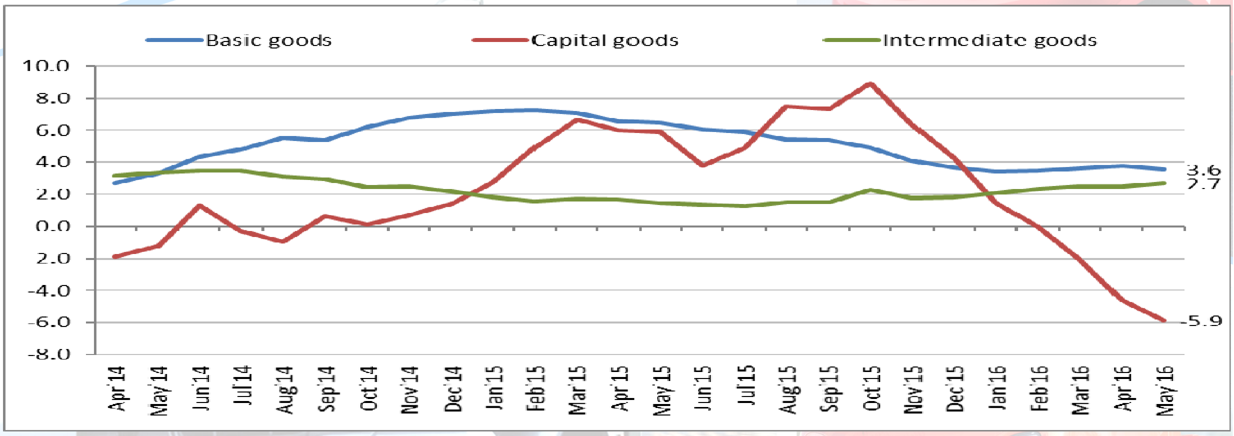
Source: MoSPI

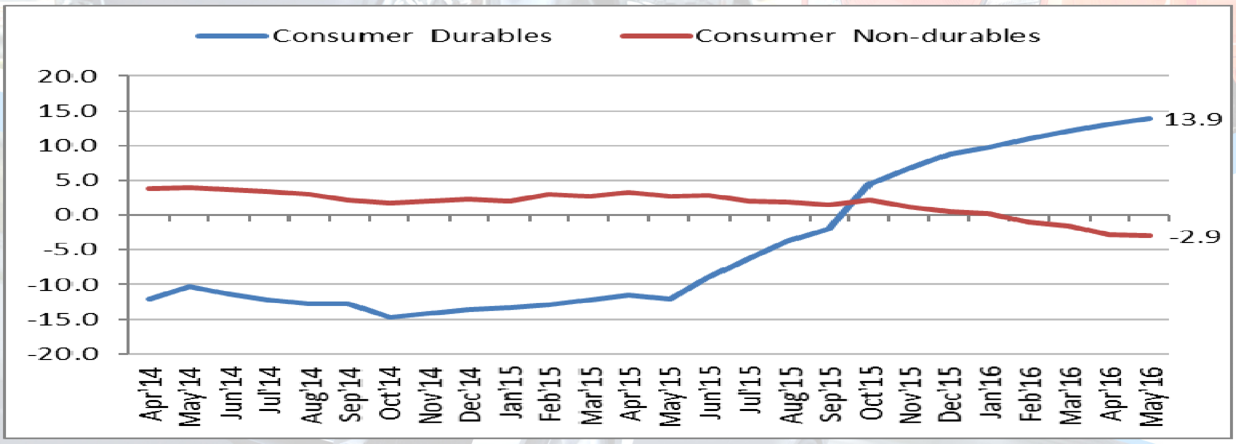






The IIP index recorded 0.6% y/y growth during Apr-June 2016-17 owing to weakness in manufacturing sector with growth further pulled down by steep decline in capital goods production reflecting subdued investment scenario. On the positive front, consumer durables have picked up fuelled by urban demand. However, consumer non-durables remained weak suggesting weakness in rural demand.





3. Infrastructure Index

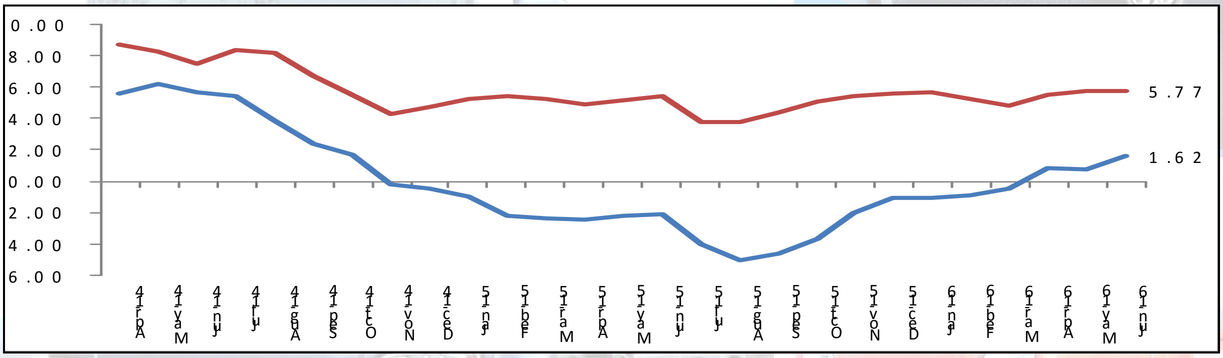
Performance of Core industries

Sector	Weight (%)	Apr-Jun 2016-17	Apr-Jun 2015-16
Overall Index	37.903	5.4	2.5
Coal	4.379	5.4	7.0
Crude Oil	5.216	-3.3	-0.8
Natural Gas	1.708	-6.1	-4.2
Refinery Products	5.939	7.1	4.2
Fertilizers	1.254	11.0	2.4
Steel	6.684	3.8	2.1
Cement	2.406	5.7	1.4
Electricity	10.316	9.0	2.3

(Source: GOI- MINISTRY OF COMMERCE & INDUSTRY)

Core Industries index which is an indicator of infrastructure industries performance reported higher growth in Q1 of FY17 led by improvement in refinery products, fertilizers, steel, cement and electricity.

4. Inflation



WPI inflation continued the upward trend for the third consecutive month with a spike in Jun'16. While fuel inflation continues to be in the negative territory, the spike was due to the higher inflation in food category. Retail inflation as measured by CPI Inflation also firmed up on account of higher food prices, especially that of pulses and vegetables. Inflation in manufactured products firmed up for the fourth month in a row.

5. Interest rates

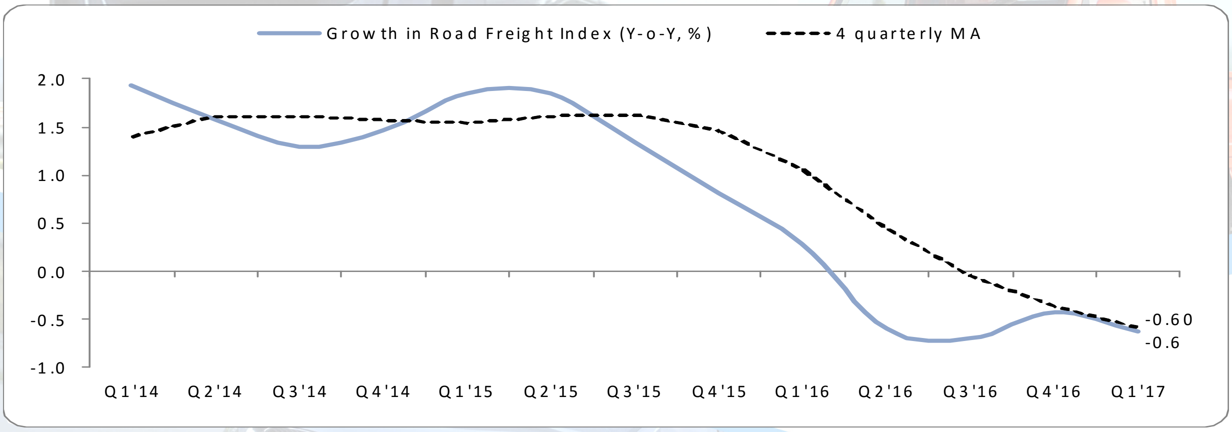
Movement in Key Policy Rates (%)

	Reverse Repo Rate	Repo Rate	Cash Reserve Ratio
01-04-2014	7.00 (0.00)	8.00 (0.00)	4.00
03-06-2014	7.00 (0.00)	8.00 (0.00)	4.00
05-08-2014	7.00 (0.00)	8.00 (0.00)	4.00
30-09-2014	7.00 (0.00)	8.00 (0.00)	4.00
02-12-2014	7.00 (0.00)	8.00 (0.00)	4.00
15-01-2015	6.75 (-0.25)	7.75 (-0.25)	4.00
04-03-2015	6.50 (-0.25)	7.50 (-0.25)	4.00
07-04-2015	6.50 (0.00)	7.50 (0.00)	4.00
02-06-2015	6.25 (-0.25)	7.25 (-0.25)	4.00
29-09-2015	5.75 (-0.50)	6.75 (-0.50)	4.00
01-12-2015	5.75 (0.00)	6.75 (0.00)	4.00
02-02-2016	5.75 (0.00)	6.75 (0.00)	4.00
05-04-2016	6.00 (+0.25)	6.50 (-0.25)	4.00
07-06-2016	6.00 (0.00)	6.50 (0.00)	4.00
09-08-2016	6.00 (0.00)	6.50 (0.00)	4.00

Note: 1. Reverse Repo indicates absorption of liquidity and repo indicates injection of liquidity.
2. Figures in parantheses indicate change in policy rates in per cent.

RBI has taken few steps in the past few days to step up liquidity and foster transmission of lower interest rates into the economy. However, in the third bimonthly review of FY 2016-17, RBI left the policy rates unchanged (after reducing it by 25 bps in the April 2016 monetary policy review) - repo rate 6.50% and the reverse repo rate 6.00%. This was owing to sharper-than-anticipated increase in inflationary pressures emanating from a number of food items (beyond seasonal effects), as well as a reversal in commodity prices. Transmission of policy into bank lending rates still remains work in progress. The authorities need to encourage the process of pass through by commercial banks to the lenders as only 70 basis points has been passed through.

6. Freight Rate



Average road freight rate index for Q3 (Oct-Dec) FY16 dropped by 0.7% y/y. Growth in freight rate index shows a decelerating trend since Q3'15 after remaining flattish for the last 4-5 quarters due to weak economic activity. The scope for fleet operators to increase the freight rates was limited given the decline in diesel prices and sluggish business activity.

7. National Highway Development Project (NHDP)

Status of NHDP

There has been progress on road projects; work has started on NHDP phase 6 after a gap of 6-7 years. There is also progress on port connectivity projects.

Status of NHDP & other NHAI Projects (31st May 2016)	Total length (kms)	Completed	Under Implementation	Balance to be awarded	
GQ	5846	100	0	0	
NS – EW Ph I & II	7142	90.51	5.89	3.6	
NHDP Phase III	11809	58.96	27.13	13.9	
NHDP Phase IV	13203	17.97	39.73	42.31	
NHDP Phase V	6500	37.14	11.11	51.75	**NHDP**
NHDP Phase VI	1000	0	16.5	83.5	
NHDP Phase VII	700	3.14	14	82.86	
Port Connectivity	435	87.13	12.87	0	
NHDP Total	**46635**	**52.45**	**21.25**	**26.3**	
Others (Ph I, II & Misc.)	1845	90.62	9.38	0	
SARDP-NE	110	95.45	4.55	0	
Total by NHAI	**48590**	**54**	**20.76**	**25.24**	

Source – National Highway Authority of India

Outlook by Tata DES (Tata Department of Economics and Statistics), 2016-17

- The monsoons seem to be normal and thus the agricultural growth in FY2016-17 could be in the range of 4-5% which can contribute around 0.6-0.8% to GDP growth. In FY2015-16, agricultural sector grew at 1.3% and contributed 0.2% to GDP growth. Higher agricultural growth could pull GDP to at least 8% in FY2016-17.

- Interest rates to come down only gradually. So far, repo rate has been reduced by 150 bps (starting from 2015) through five interest rate cuts announced starting January 2015, however, only 70-75 basis points has been passed on.

- The RBI targets 5% inflation rate by the end of FY2016-17. This is under the assumption of normal monsoon, current level of international crude oil prices and exchange rate. Oil prices have also recovered a bit which can pose a risk.

- Money supply growth: 10%

- INR/USD for FY 2016-17 is projected at 67.20/USD.

III] A] TATA MOTORS GROUP CONSOLIDATED FINANCIALS IN RS. CRORES

Rs. Crores	Q1 FY17	Q1 FY16	Y-o-Y change
Global Sales(Units)	261,298	233,547	11.9%
Revenue+	67,056.1	61,510.2	9.0%
Revenue(net of excise duty)	66,005	60,451	9.2%
EBITDA#	8,484.1	11,712.3	-27.6%
EBITDA Margin	12.9%	19.4%	(650) bps
Other Income	173.6	224.1	-22.5%
Profit before exceptional items and tax	2,066.3	6,339.8	-67.4%
Exceptional Items	485.1	633.8	-23.5%
Profit before Tax	2,551.4	6,973.6	-63.4%
Net Profit (PAT) ^	2,236.4	5,231.2	-57.2%
Basic EPS - Ordinary Shares	6.57	15.76	
Basic EPS - 'A' Ordinary shares	6.67	15.86	

The Company has adopted Ind AS for its Standalone and Consolidated financials with effect from April 1, 2016, with comparatives being restated. Accordingly, the impact of transition has been provided in the Opening Reserves as at April 1, 2015 and all the periods presented have been restated accordingly.

Higher volumes and revenue are more than offset by the adverse FX impact, higher depreciation and amortisation

 # EBITDA is calculated on Revenue net of Excise duty.

+ Excludes Other Income;

^ PAT is after Non-controlling interest and share of Profit/(Loss) in respect of Joint Ventures & Associate companies

EPS reported in the tables above for the quarter is not annualized;

B] TATA MOTORS GROUP CONSOLIDATED FINANCIALS IN USD MILLIONS

USD Million@	Q1 FY17	Q1 FY16	Y-o-Y change
Global Sales(Units)	261,298	233,547	11.9%
Revenue+	9,930.6	9,109.2	9.0%
Revenue(net of excise duty)	9,774.9	8,952.4	9.2%
EBITDA#	1,256.4	1,734.5	-27.6%
EBITDA Margin	12.9%	19.4%	(650) bps
Other Income	25.7	33.2	-22.5%
Profit before exceptional items and tax	306.0	938.9	-67.4%
Exceptional Items	71.8	93.9	-23.5%
Profit before Tax	377.8	1,032.7	-63.4%
Net Profit (PAT) ^	331.2	774.7	-57.2%
Basic EPS - Ordinary Shares	0.10	0.23	
Basic EPS - 'A' Ordinary shares	0.10	0.23	

The Company has adopted Ind AS for its Standalone and Consolidated financials with effect from April 1, 2016, with comparatives being restated. Accordingly, the impact of transition has been provided in the Opening Reserves as at April 1, 2015 and all the periods presented have been restated accordingly.

Higher volumes and revenue are more than offset by the adverse FX impact, higher depreciation and amortisation.

#EBITDA is calculated on Revenue net of Excise duty.

+ Excludes Other Income;

^ PAT is after Non-controlling interest and share of Profit/(Loss) in respect of Joint Ventures & associate companies

EPS reported in the tables above for the quarter is not annualized;

@ At conversion rate of USD 1 = 67.5250 INR for reference only

C] TATA MOTORS GROUP OPERATING PROFIT PERFORMANCE Q1 FY 17 SNAPHOT

Standalone Business Performance

Standalone business reported a improvement in Operating Margin to 5.7% **which is an improvement of 100 bps Y-o-Y** . This broadly reflects :-

- M&HCV growth of 7.8% (Y-o-Y)
- Solid LCV growth of 11.6% (Y-o-Y)
- Car segment growth of 15.1% (Y-o-Y)
- Ongoing cost reduction and other margin improvement initiatives

Jaguar Land Rover Business Performance

Jaguar land Rover **EBITDA** for Q1 FY17 was **£ 672 mn** ,**margin at 12.3%;** mainly impacted by :

- Higher wholesales and revenue offset by FX impact of £207 million including revaluation of £84 million, mainly EUR payables resulting from depreciation in the Pound following the BREXIT
- Lower local market incentive compared to Q1 FY16

EBITDA margin excluding FX revaluation is around 14%

D] TML CORPORATE CREDIT RATING

Credit Rating Agency	Long Term Rating as on 30th June 2016
Moody's	Ba2 / Stable
S&P*	BB / Stable
CRISIL	AA / Stable
ICRA	AA / Stable
CARE	AA+ /Stable

* S&P upgraded Long Term Rating to BB+ with Stable Outlook on August 16, 2016.

IV] TATA MOTORS GROUP STANDALONE BUSINESS (including Joint Operations) AS PER INDAS

A] FINANCIALS IN RUPEES CRORES

Rs. Crores	Q1 FY17	Q1 FY16	Y-o-Y change
Total Volumes: CV+PC+Exports (Units)	126,841	117,439	8.0%
CV (Units)	78,693	71,627	9.9%
PC (Units)	34,330	32,298	6.3%
Exports (Units)	13,818	13,514	2.2%
Revenue	11,464.7	10,400.4	10.2%
Revenue(net of excise duty)	10,422.6	9,354.5	11.4%
EBITDA#	690.4	565.1	22.2%
EBITDA Margin	6.6%	6.0%	60 bps
Other Income	624.6	907.2	-31.2%
Profit before exceptional items and tax	146.5	362.6	-59.6%
Exceptional Item	(108.7)	(30.6)	N.M
Profit before Tax @	37.9	332.0	-88.6%
Net Profit (PAT)	25.7	289.8	-91.1%
Basic EPS – Ordinary Shares	0.06	0.86	
Basic EPS- 'A' Ordinary shares	0.16	0.96	

EBITDA is calculated on Revenue net of Excise duty
* Excludes Other Income;
@ Q1 FY16 included additional other income (sale of investments) of Rs.324 crores.
EPS reported in the table above for the quarter is not annualized;

Joint Operations included in Standalone financials are Tata Cummins Private Ltd and Fiat India Automobile Private Limited.

TATA MOTORS GROUP STANDALONE BUSINESS

Rs. Crores	Q1 FY 17	Q1 FY 16	Y-o-Y change
Revenue	11,276.00	10,272.00	9.8%
EBITDA	588.00	441.00	33.3%
EBITDA %	5.7%	4.7%	100 bps
PBT	17.00	212.00	-92.0%
PAT	15.00	203.00	-92.6%

A] TATA MOTORS GROUP STANDALONE BUSINESS (including Joint Operations) AS PER INDAS

FINANCIALS IN USD MILLION

USD Million@	Q1 FY17	Q1 FY16	Y-o-Y change
Total Volumes: CV+PC+Exports (Units)	126,841	117,439	8.0%
CV (Units)	78,693	71,627	9.9%
PC (Units)	34,330	32,298	6.3%
Exports (Units)	13,818	13,514	2.2%
Revenue *	1,697.9	1,540.2	10.2%
Revenue(net of excise duty)	1,543.5	1,385.3	11.4%
EBITDA#	102.3	83.7	22.2%
EBITDA Margin	6.6%	6.0%	60 bps
Other Income	92.5	134.3	-31.2%
Profit before exceptional items and tax	21.7	53.7	-59.6%
Exceptional Item	(16.1)	(4.5)	N.M
Profit before Tax@	5.6	49.2	-88.6%
Net Profit (PAT)	3.8	42.9	-91.1%
Basic EPS - Ordinary Shares	-	-	
Basic EPS-'A' Ordinary shares	-	-	

EBITDA is calculated on Revenue net of Excise duty

* Excludes Other Income;

@ Q1 FY16 included additional other income (sale of investments) of USD 47.98 millions

EPS reported in the tables above for the quarter is not annualized;

Joint Operations included in Standalone financials are Tata Cummins Private Ltd and Fiat India Automobile Private Limited

@ At conversion rate of USD 1 = 67.5250 INR for reference only

TATA MOTORS GROUP STANDALONE BUSINESS

USD Million	Q1 FY 17	Q1 FY 16	Y-o-Y change
Revenue	1,669.90	1,521.21	9.8%
EBITDA	87.08	65.31	33.3%
EBITDA %	5.7%	4.7%	100 bps
PBT	2.52	31.40	-92.0%
PAT	2.22	30.06	-92.6%

B] TATA MOTORS GROUP SUMMARY OF IND AS CHANGES

(Figures are for the quarter April to June 2015)

Particulars	At Standalone level	At Consolidated level
	Rs. Crores	Rs. Crores
Profit Reported as per IGAAP	257.57	2,768.91
Profit as per Ind-AS	289.84	5,231.03
Changes :-		
Exchange movement impact on foreign currency instruments (earlier amortised over the life of the instrument)	(36.11)	2,145.35
Effect of reassessment of deemed cost of certain plant and equipment and intangibles	48.18	48.18
Profit from Joint Operations	86.74	
Reversal of gain on sale of Equity investments now taken to OCI	(80.38)	(80.38)
Early adoption in Ind-AS of IFRS-9 (accounting for cross currency basis spreads)		742.97
Provision under Ind-AS for expected credit losses		(330.57)
Others	13.84	(63.43)

C] COMMERCIAL VEHICLES BUSINESS

VOLUMES

Period/ Segments	Q1 FY17 Volumes	Q1 FY16 Volumes	Y-o-Y change
M/HCV	35,504	32,921	7.8%
LCV	43,189	38,706	11.6%
Total CV	78,693	71,627	9.9%

Note: For the analysis- LCV Includes Ace, Magic and Winger

D] PASSENGER VEHICLES BUSINESS

VOLUMES

Period/ Segments	Q1 FY17 Volumes	Q1 FY16 Volumes	Y-o-Y change
Micro	2,437	4,551	-46.5%
Compact	28,294	21,854	29.5%
Midsize	0	185	N.M
Premium/ Luxury	143	233	-38.6%
Utility Vehicles	3,350	5,313	-36.9%
Vans	106	162	-34.6%
Total PC	34,330	32,298	6.3%

Source: SIAM Industry Data and Company analysis

Note: Volume does not include Fiat Sales, For the analysis -
'Micro' comprises of Nano; 'Compact' comprises of Indica, Vista, Bolt, Indigo CS, Zest & Tiago;
'Midsize' comprises of Indigo XL and Manza;
'Premium/Luxury' includes Jaguar vehicles sold in India; 'Utility Vehicles' comprises of Safari, Sumo, Xenon, Aria and Land Rover Vehicles sold in India; 'Vans' comprises of Tata Venture

E] EXPORTS

VOLUMES

Period/ Segments	Q1 FY17 Volumes	Q1 FY16 Volumes	Y-o-Y change
Commercial Vehicles	13,154	12,895	2.0%
Passenger Vehicles	664	619	7.3%
Total Exports	13,818	13,514	2.2%

F] HIGHLIGHTS

COMMERCIAL VEHICLES

- Total CV Volumes (including Exports), up 8.7 % YoY in Q1 FY17
- Overall CV Industry continued its growth trajectory with a growth of 11.0% Y-o-Y in Q1 FY 17
- Overall domestic CV volumes of the Company grew by 9.9% Y-o-Y in Q1 FY 17 with:-
  - M &HCV segment growth of 7.8 % Y-o-Y and
  - LCV segment growth of 11.6 % Y-o-Y
- Variable marketing expenses continues to remain high in the Industry.
- Exports up 2 % Y-o-Y. Other key highlights in the Export markets were :-
  - Received order of 553 units of Tata Xenon from Malaysia
  - Launched PRIMA in Bhutan
  - Launched new 'ULTRA' in Kenya

PASSENGER VEHICLES

- Total PV volumes (including exports) up 6.3% Y-o-Y in Q1 FY 17
- Passenger vehicle industry witnessed a growth of 7.4 % y-o-y in Q1 FY 17. Domestic volume of TML in passenger vehicles segment grew by 6.3% in the same period.
- Passenger car industry declined by 1% y-o-y. The car segment of TML outperformed industry with a growth of 15.1% y-o-y on the back of strong growth of recently launched Tiago.
- In April 2016, Company has launched the much awaited Exciting, Dynamic Hatchback – TIAGO with
  - new Impact design
  - new standards of fuel efficiency
  - best in class connectivity and segment first applications like Turn-by-Turn Navi app and the Juke-Car app

G] **KEY LAUNCHES & EVENTS IN Q1 FY 17:**

APRIL

- Tata Motors launched the much awaited Exciting, Dynamic Hatchback – TIAGO with exciting features as new Impact design, new standards of fuel efficiency and best in class connectivity and segment first applications like Turn-by-Turn Navi app and the Juke-Car app
- Tata Motors launched its next-generation PRIMA range of heavy commercial vehicles, in Bhutan, with partners Samden Vehicles Pvt. Ltd. and STCBL.
- POS Malaysia Berhad (POS Malaysia), the postal service provider of Malaysia has introduced the Tata Xenon Single Cab 4×2 Pick-up to complement its logistics business, ordered a total of **553 units.**
- Tata Motors announced a set of stupendous records in a **18-day, non-stop high-speed drive with its three cars - Zest, Bolt and Tiago - on the 4.2 km long NCAT** (National Centre of Automotive Testing) high-speed test track at the Vehicle Research & Development Establishment (VRDE), a DRDO (Defence Research & Development Organization) facility in Ahmednagar. The new generation cars underwent the ultimate endurance run in scorching temperatures for the #GearedForGreat Challenge and achieved multiple record-breaking distances culminating at 50,000km each with an average speed of around 120 kmph, succesfully clocking a staggering 360 records in a single event – the first ever by any Indian OEM.

JUNE

- Tata Motors launched new **'ULTRA'** Business Utility Vehicle in **Kenya.**
- Tata Motors supported IIT Bombay Racing Team to introduce Orca, the fastest Indian electric race car.

H] WAY FORWARD

- ❑ Economy, driven by government led expenditures and stimulus, is expected to support the Auto Sales growth in FY 17
- ❑ Company will continue to explore capital optimization through better operating efficiencies in working capital etc and monetization of non-core assets and some of its investments

COMMERCIAL VEHCLES

- Despite market headwinds since June 2016, we continue to expect growth momentum for the full year in M&HCV, though somewhat uneven, mainly triggered by post good monsoon demand, continued replacement and fleet expansion and pre-buying before countrywide adoption of BS IV from 1st April 2017. Similarly, we expect positive growth in the buses & LCV segment during the year.

- Wide and compelling product range with several new launches in FY 17 provides strong foundation for growth:-

  M&HCV- Unfolding of Prima LX and new Signa Range across tonnages and applications

  LCV & ILCV- Unfolding of the new Ultra Range across tonnages and applications

  SCV & Pick up:- refreshes/variants to further complement and strengthen the ACE and Super ACE family
- Export growth will continue to be high focus.
- Company has a good pipeline of Defense orders- received and expected.

PASSENGER VEHICLES

- Company will launch new products consecutively into the market as per a robust product plan
- Focus on existing product volumes will continue
- Dealer network expansion will also be a focus area
- Customer centricity will be continuously strived for, as reflected in the recently improved ranking in JDP CSI of 3rd place last year

V] [A] TATA MOTORS GROUP -JAGUAR LAND ROVER AUTOMOTIVE PLC

MARKET ENVIRONMENT

Macroeconomic conditions have been more challenging during the quarter with increase uncertainty. The vote on the 23rd June to leave the EU has driven significant volatility in financial markets as the Pound depreciated against the US Dollar and other currencies, while 10 year UK government yields fell below 1%. Modest growth in Europe continued and US GDP growth remained solid supported by consumer spending, although labour market data has been more variable. China's economy continued to expand, albeit at a slowing pace, and the government is continuing policies to counter the slowdown. Emerging market economies generally continue to face difficulties, e.g. political uncertainty continues in Brazil whilst Russia remains in recession despite some recovery in the oil price.

Total automotive industry car volumes (units)

	Q1 FY17	Q1 FY16	Change (%)
China	5,356,200	4,789,500	11.8%
Europe (excluding UK)	2,810,128	2,522,019	11.4%
UK	648,856	642,301	1.0%
North America (US)	4,533,500	4,547,200	(0.3)%
All other markets	3,147,246	3,494,496	(9.9)%

The total industry car volume data above has been compiled using relevant data available at the time of publishing this interim report, compiled from national automotive associations such as the Society of Motor Manufacturers and Traders in the UK and the ACEA in Europe, according to their segment definitions, which may differ from those used by JLR.

JLR VOLUMES

JAGUAR LANDROVER WHOLESALE VOLUMES

Wholesale	Q1 FY17	Q1 FY16	Y-o-Y change
Jaguar	34,572	21,203	63.1%
Land Rover	99,762	93,250	7.0%
Total Jaguar	**134,334**	**114,453**	**17.37%**

Wholesales volume ***include*** China Joint Venture volumes. CJLR volumes stood at 13,558 for Q1 FY 17 and 3,804 for Q1 FY 16.

JAGUAR LANDROVER RETAIL VOLUMES

Retail	Q1 FY17	Q1 FY16	Y-o-Y change
Jaguar	31,797	18,108	75.6%
LandRover	100,946	96,797	4.3%
Total Jaguar	**132,743**	**114,905**	**15.52%**

Retail volume ***include*** China Joint Venture volumes. CJLR volumes stood at 14,039 for Q1 FY 17 and 5,304 for Q1 FY 16.

Please click on the link http://www.tatamotors.com/investors/jlr-volumes.php for looking at volume of Jaguar Land Rover on Carline basis as well as Regionwise basis

B] FINANCIALS

(i) IFRS AS APPROVED IN THE EU

GBP Million	Q1 FY17	Q1 FY16	Y-o-Y change
JLR Wholesales*	120,776	110,649	9.2%
Jaguar Wholesales	34,572	21,203	63.1%
Land Rover Wholesales	86,204	89,446	-3.6%
Net Revenue	5,461	5,002	9.2%
EBITDA	672	821	-18.1%
EBITDA %	12.3%	16.4%	(410 bps)
Profit before Tax (before exceptional items)	348	638	-45.5%
Profit before Tax	399	638	-37.5%
Net Profit (PAT)	304	492	-38.2%

*JLR wholesales excludes sale of CJLR which stood at 14,039 for the Q1 FY17 and 5,304 for Q1 FY 16.

(ii) JLR FINANCIALS UNDER IND-AS

GBP Million	Q1 FY17	Q1 FY16	Y-o-Y change
JLR Wholesales*	120,776	110,649	9.2%
Jaguar Wholesales	34,572	21,203	63.1%
Land Rover Wholesales	86,204	89,446	-3.6%
Net Revenue	5,523	5,102	8.2%
EBITDA	708	1,156	-38.8%
EBITDA %	12.8%	22.7%	(990 bps)
Profit before Tax (before exceptional items)	237	736	-67.9%
Profit before Tax	291	818	-64.4%
Net Profit (PAT)	253	630	-59.8%

*JLR wholesales excludes sale of CJLR which stood at 14,039 for the Q1 FY17 and 5,304 for Q1 FY 16.

C] JAGUAR LANDROVER IFRS TO INDAS PROFIT RECONCILIATION:

	Quarter ended	
Particulars (GBP in millions)	30-Jun-16	30-Jun-15
Profit as per reported under IFRS	304	492
IndAS Adjustment		
a. Options	-128	98
b. Forwards	64	75
c. Tax on above	12	-35
Profit as per reported under IndAS	253	630

D] TATA MOTORS GROUP- JAGUAR LANDROVER -PRODUCT PIPELINE RECENT AND UPCOMING PRODUCTS TO DRIVE FUTURE GROWTH

F-Pace launched in April 2016

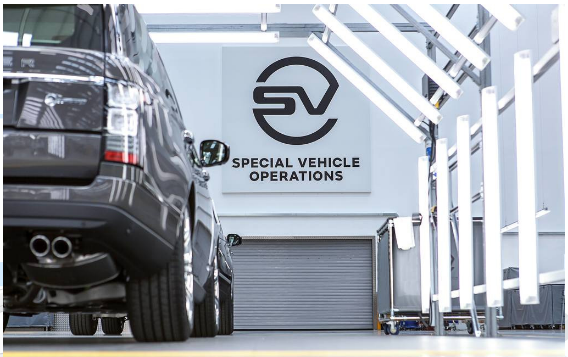
XE launched in the US May 2016

Evoque Convertible launched in June 2016

China JV XF L- Launching in H2 2016

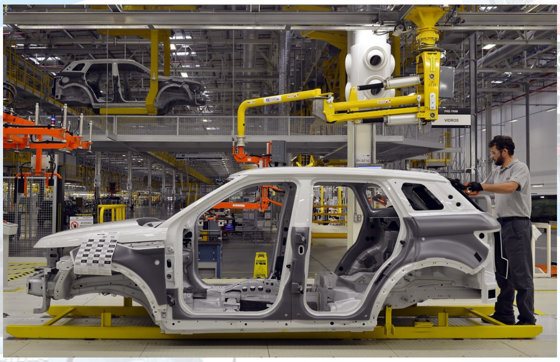
E] TATA MOTORS GROUP- JAGUAR LANDROVER -OTHER DEVELOPEMENTS

Special Vehicles Operations



- Brand new Technical Centre, near Coventry, representing a £20m investment
- Comprises Manufacturing Facilities, Paint Facilities, Technical Suite and VIP Commissioning/ Viewing Suites

Brazil Plant



- Plant opened in June 2016
- Producing Range Rover Evoque and Discovery Sport
- Sales of locally produced vehicles beginning later this year

Halewood Plant

- The Halewood plant, in Liverpool, earned two ‘Manufacturer of the Year’ awards during June
- 13 awards since 2011
- 5 years of production for the Range Rover Evoque with over 500k units produced to date

F] **JUNE 23 BREXIT REFERENDUM**

The implications for JLR of BREXIT include:

• The extent to which the Pound remains weaker

• Any incremental tariffs that might result following exit from the EU

• Any Any impact on economic growth and consumer confidence in the UK and the EU, recognizing over 50% of sales are to other markets and JLR’s strong and growing model line up.

Currency implications

• JLR sells about 80% of vehicles outside the UK (24% Europe, 19% China, 19% US, 18% other)

• JLR sources about 50% of components from the EU with the UK accounting for the majority of other material and operating costs

• JLR would benefit from a continued weaker Pound exchange rates as a result of Brexit (offset partially in the case of the Euro). Benefit would be realized over a period of time as past hedges unwinds.

Tariff implications

• UK vehicle exports into the EU (c. 24%) could become subject to tariffs depending on trade agreements to be negotiated with the EU. Similarly, vehicles manufactured in the EU and imported into the UK in the future could also be affected

• Components sourced from the EU could also become subject to tariffs, however, these would be recoverable on vehicles subsequently exported out of the UK (presently c. 80%)

G] JLR HIGHLIGHTS

- Wholesales and Retail volumes (excluding CJLR) for Q1 FY 17 stood at 120,776 units and 118,704 units, respectively. CJLR wholesales and retail volumes stood at 13,558 and 14,039 units

- Retail Sales up in all the Regions reflecting strong sales of F-PACE, XE and DISCOVERY SPORT. North America up 17%; UK up 18% , China (incl JV) up 19%, Europe up 16%, Overseas up 6%

- Total Capex and Product development spend for the quarter was £692 mn. Post this spend free cash flow was £(633)mn, driven by £646m of seasonal and launch-related increases in inventory. (Free Cash flow in Q1 FY16 was £(834)mn, however, full year free cash flow in FY 16 was £791mn)

- Cash and financial deposits stood at £3.7bn and undrawn committed bank lines at £1.9bn

- Further £50mn of recoveries related to the Tianjin Port explosion, recognized as exceptional item

- PBT of £399 mn, down from £ 638 mn in Q1 FY 16 broadly reflecting
  - Lower EBITDA due to the unfavourable FX impact and lower local market incentives compared to Q1 FY 16
  - Higher depreciation and amortisation

- Share of China JV Profits for Q1 FY 17 was £45 mn

H] WAY FORWARD - CONTINUING TO INVEST TO DRIVE PROFITABLE GROWTH

- JLR's strategy continues to be to invest in new products, technology and manufacturing capacity to grow profitability
- We expect investment spending in the region **of £3.75 bn** in 2016/17.
- Jaguar Land Rover plans to continue to build on recent successful product launches with the sales ramp up of the Jaguar F-PACE, XF long wheel base in China, the Evoque Convertible and future new model launches yet to be announced.
- We will continue to closely monitor and assess market conditions in the UK and EU post Brexit as well as China as the target GDP growth rate comes down
- These new products are expected to drive solid profitable volume growth for JLR going forward and operating cash-flow to help fund ongoing investment.

.

I] JLR CORPORATE CREDIT RATING

Credit Rating Agency	Long Term Rating as on 30th June 2016
Moody's	Ba2 / Positive
S&P*	BB / Stable

* S&P upgraded Long Term Rating to BB+ with Stable Outlook on August 16, 2016.

VI] HIGHLIGHTS OF OTHER KEY SUBSIDIARIES

A] TATA MOTORS FINANCE (On a Consolidated basis)

Particulars	Q1 FY 17	Q1 FY 16	Y-o-Y change
Net Revenue *	712.0	929.0	23.4%
PAT	19.0	168.0	-88.7%

*Include Other Income

HIGHLIGHTS

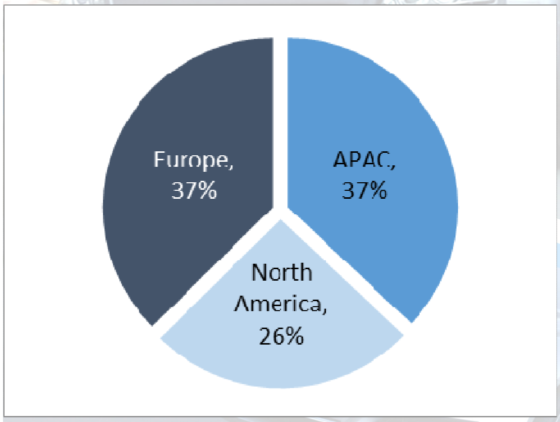
- Finance disbursed during Q1 FY17 stood at Rs. 2,071.25 Cr.
- The book size as on June 30, 2016 for TMFL stood at Rs 23,342.69 Cr.
- In Q1 FY17 market share stood at 21.73% (on a non- consolidated basis)
- NIM of vehicle financing business for Q1 FY 17 was 5.1%

B] TATA TECHNOLOGIES

Particulars	Q1 FY 17	Q1 FY 16	Y-o-Y change
Net Revenue *	670.8	623.7	7.6%
EBITDA *	102.8	100.7	2.1%
% of Revenue	15.3%	16.1%	(80 bps)
PAT	75.0	80.5	-6.8%

Excludes ‘Other Income’

Revenue Break - For Q1 FY17



HIGHLIGHTS

- Revenue continued upward trend with YOY growth of 7.6%
- PAT de-grew 6.8% Y-o-Y

C] TATA DAEWOO (As per Korean GAAP)

Particulars	Q1 FY 17	Q1 FY 16	Y-o-Y change
Sales (Units)	2,604	2,219	17.4%
Net Revenue *	267.0	193.2	38.2%
EBITDA *	21.6	19.7	9.6%
% of Revenue	8.1%	10.2%	(210 bps)
PAT	13.1	11.8	10.9%

*** Excludes 'Other Income'**

HIGHLIGHTS

- Performance improved owing to strong domestic performance.
- PAT increased by a strong 10.9% owing to strong performance.

D] TML DRIVELINES LTD (as per Indian AS)

Particulars	Q1 FY 17	Q1 FY 16	Y-o-Y change
Sales Revenue *	150.1	134.9	11.3%
EBITDA *	36.0	35.5	1.5%
% of Revenue	24.0%	26.3%	(230 bps)
PAT	16.0	18.6	-14.1%

*** Excludes 'Other Income'**

HIGHLIGHTS

- Revival in CV market due to higher demand helped revenue and EBITDA margin to grow YTD.

VII] SHAREHOLDING PATTERN

Shareholding Pattern as on June 30th, 2016

Ordinary Shares	%
Tata Companies	33.01
Indian Financial Institutions / MFs / Banks	16.72
ADR/GDR Holders / Foreign holders-DR status	16.87
Foreign Institutional Investors	25.27
Others	8.13
Total	**100%**

'A' Ordinary Shares	%
Tata Companies	0.51
Indian Financial Institutions / MFs / Banks	26.08
Foreign Institutional Investors	57.15
Others	16.26
Total	**100%**

Market Capitalization as on 30th June 2016 stood at Rs. 1,474.35 bn ($21.83bn)

Q1 FY17 represents the period from 1st April 2016 to 30th June 2016.
Q1 FY16 represents the period from 1st April 2015 to 30th June 2015.

JLR Financials contained in the review are as per IFRS as approved in the EU as well as in IndAS, Unaudited. All other subsidiaries' financials are in IndAS except TDCV(which is in Korean GAAP) and TMF (which is in IGAAP) .