



Tata Motors Ltd.

Investor Presentation

February - March 2007

Statements in this presentation describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors

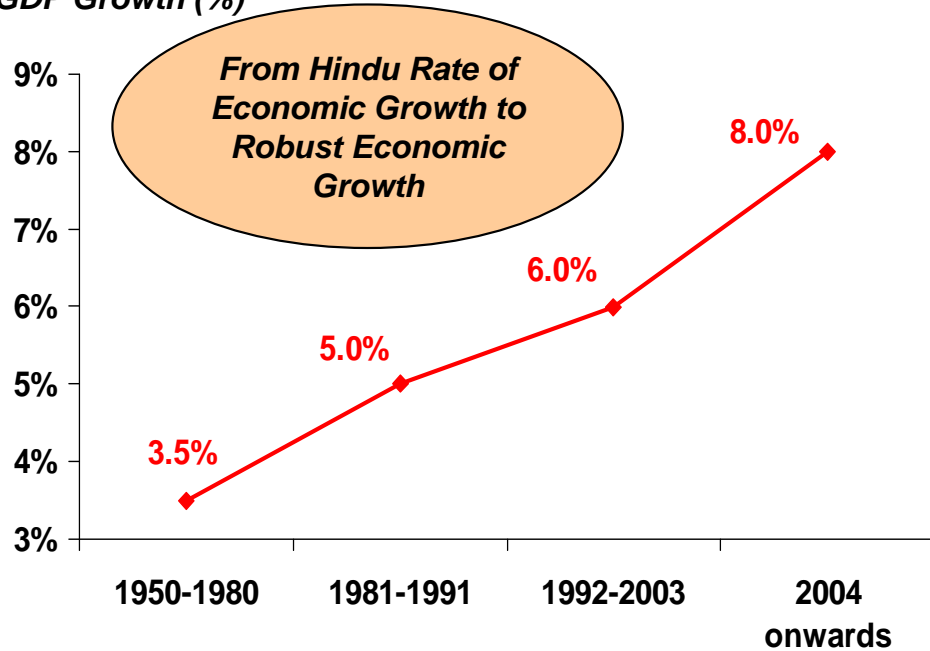
**Economic and Industry
Overview**

**Business Overview
& Future Plans**

Business Results

India - A Convincing Growth Story

GDP Growth (%)

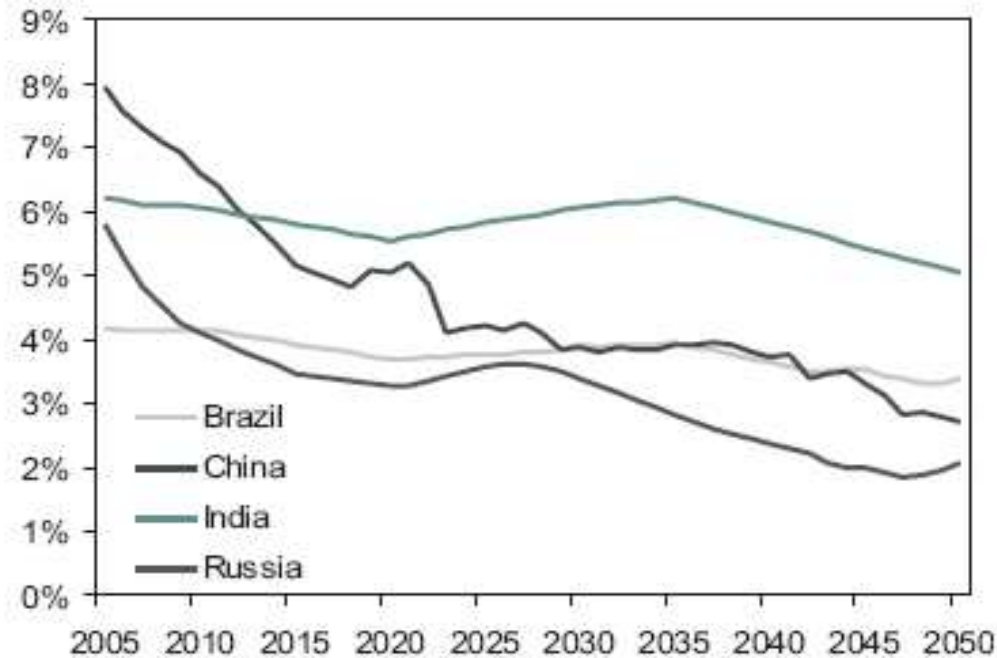


From Hindu Rate of Economic Growth to Robust Economic Growth

Source: Central Statistical Organization (CSO)

- **Current GDP growth rate at 8%**
- **Growth target of 9% set by the Govt. during the eleventh five year plan,**
- **As per Goldman Sachs Brics Report GDP of India is expected to grow at 6% in the long term**

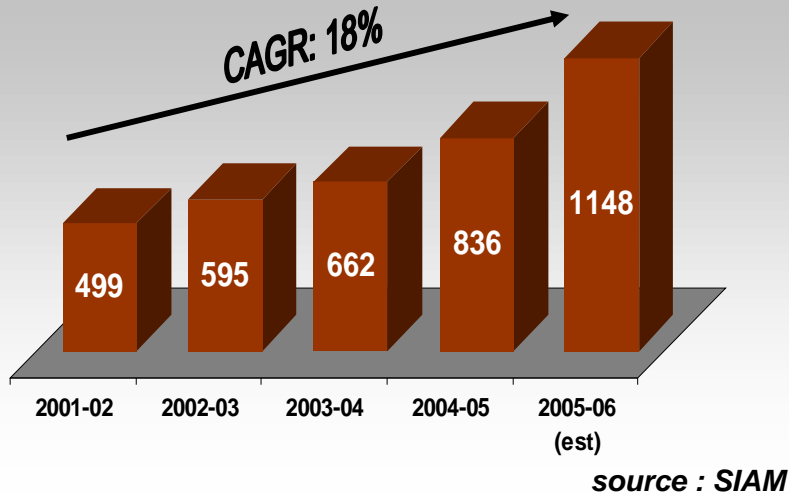
India has potential for most rapid growth amongst BRIC countries in the long term



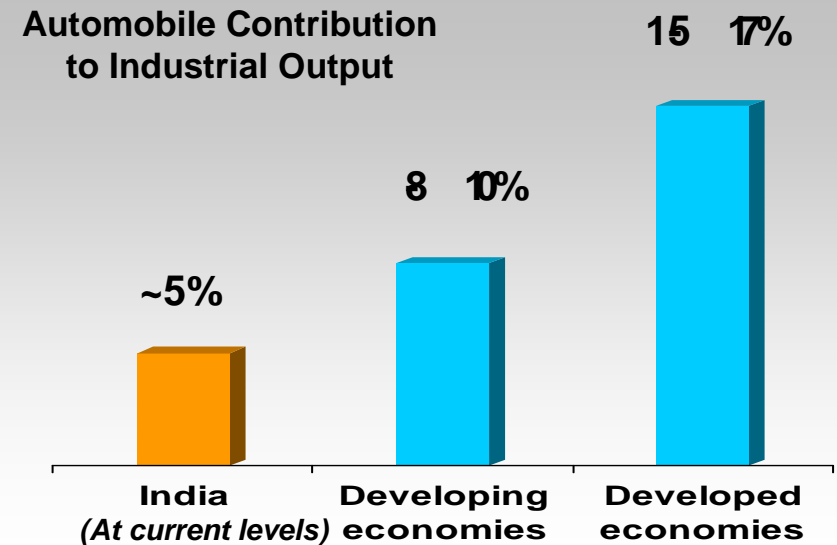
Source : Goldman Sachs Brics Report

Indian Automobile Industry – Also On a Growth trajectory

Turnover of Automobile Manufacturers (Rs. BI)

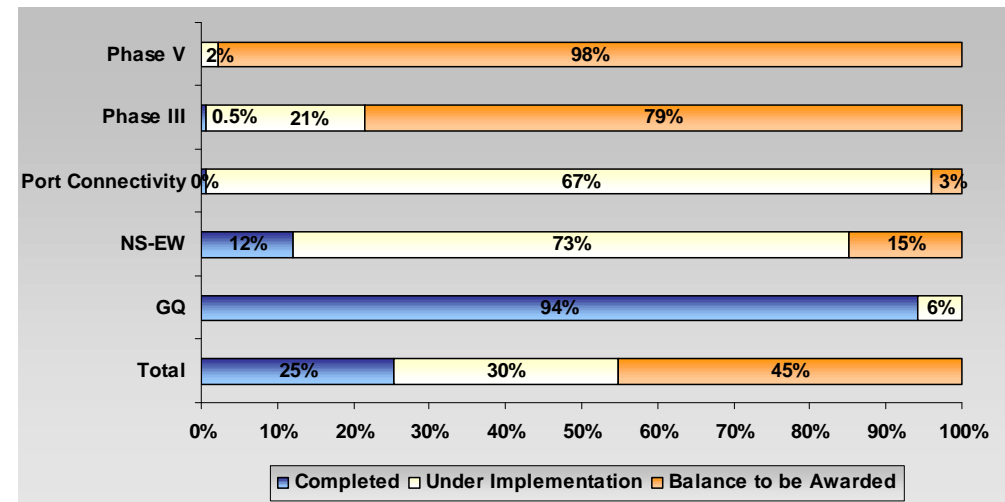
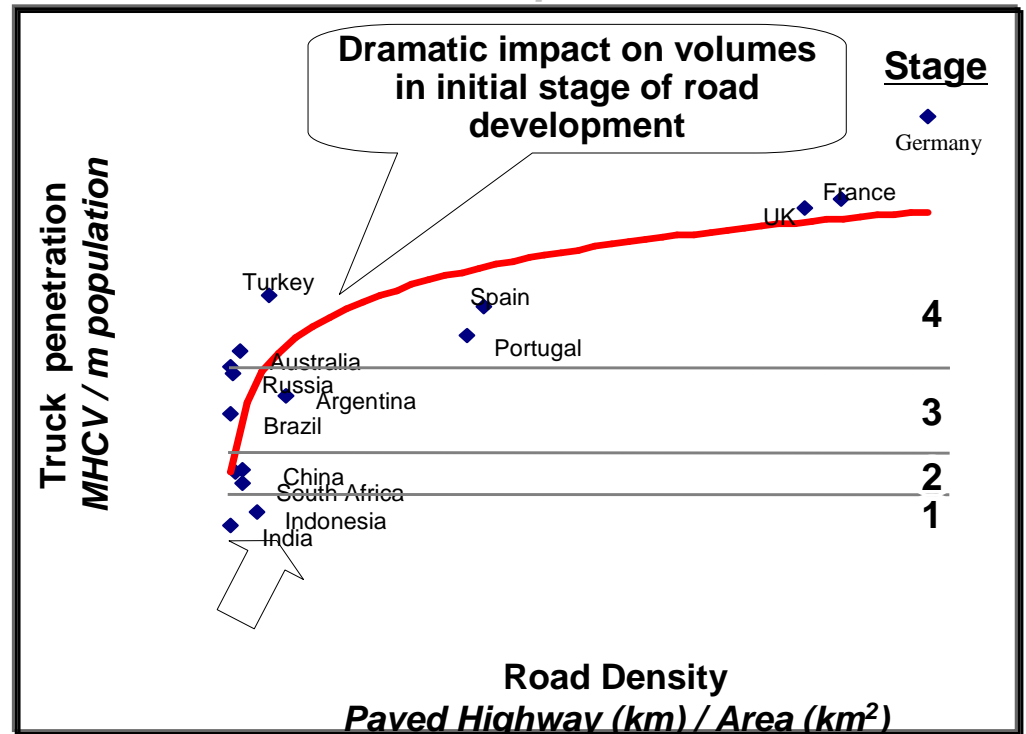
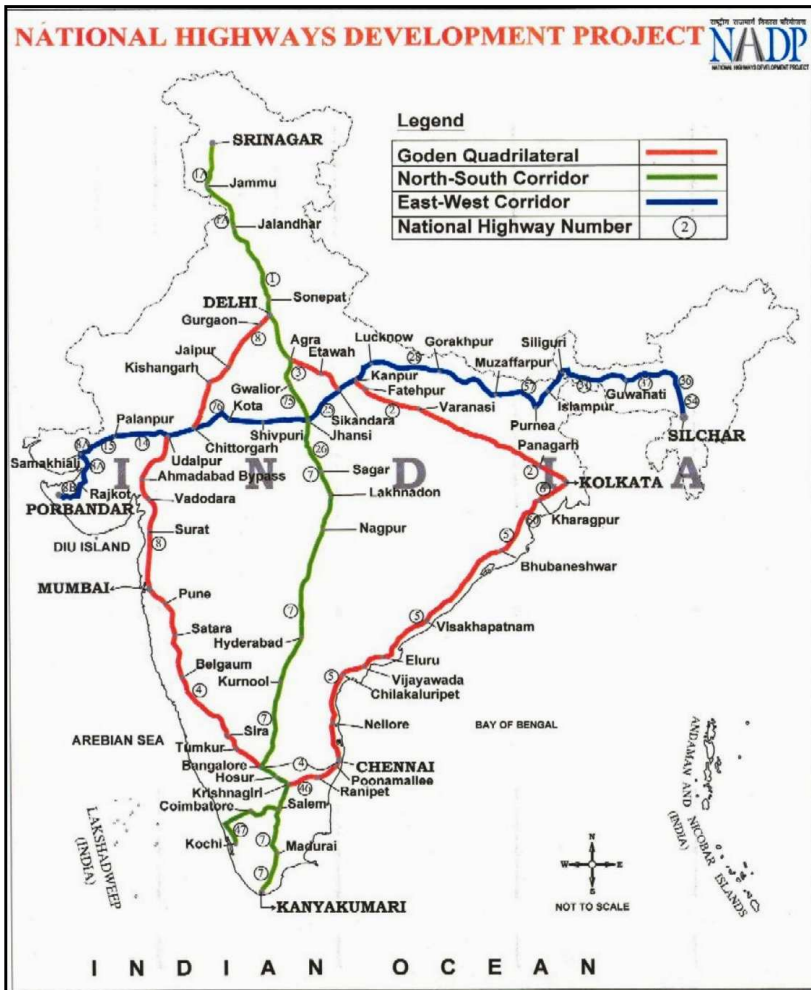


Indian Automobile Industry has Tremendous Potential to Grow



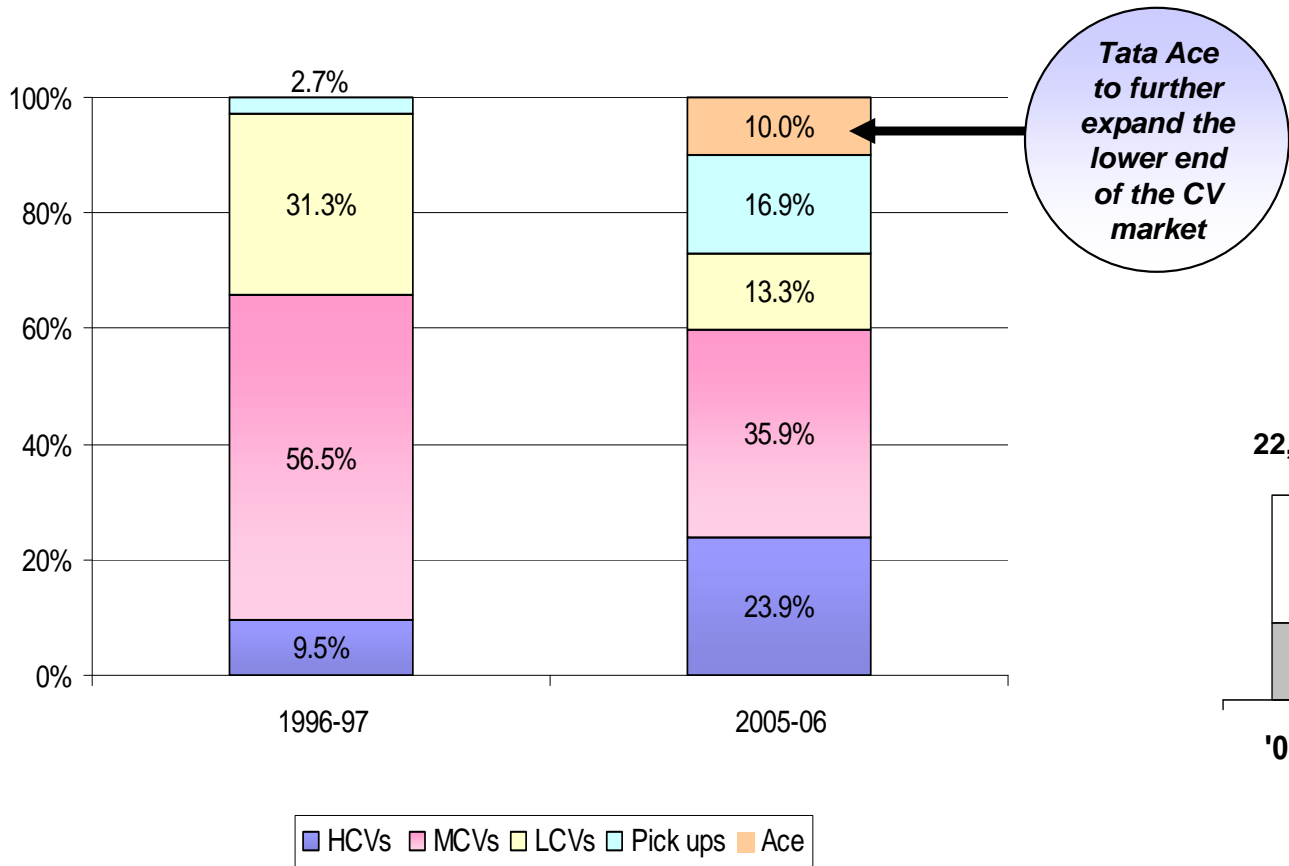
- Emergence of India as a manufacturing and design hub for Automotive Industry
- Investment in the industry expected to reach Rs 800 bn by the end of FY07
(source : Economic Survey : 2005-06)
- Automobile Industry contribution to GDP expected to increase to 10% by 2016 from the current 5% level (source : Draft Automotive Mission Plan)
- Presently provides direct and indirect employment to 10.1 million people in the country. Expected to employ 25 million people by 2016 (source : Draft Automotive Mission Plan)

Road Development Program, Industrial and Infrastructure Development to drive the growth of Indian CV Industry

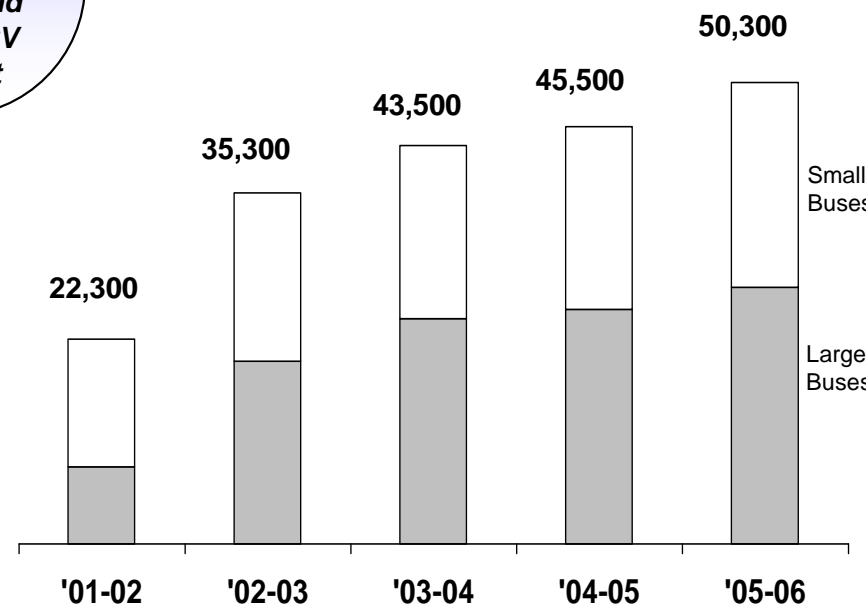


As on 31st December '06

Growth and Structural changes in CV Industry



Bus Industry growth



With better roads and new technology, hub and spoke model is expected to emerge in the Indian Commercial Vehicle Industry in the near future

- Buses as a % of CV in Russia & China is 40%-50% but only 13% in India
- Strong growth potential for Tata Motors

Indian Commercial Vehicles Industry

Developments expected in near future

New joint ventures

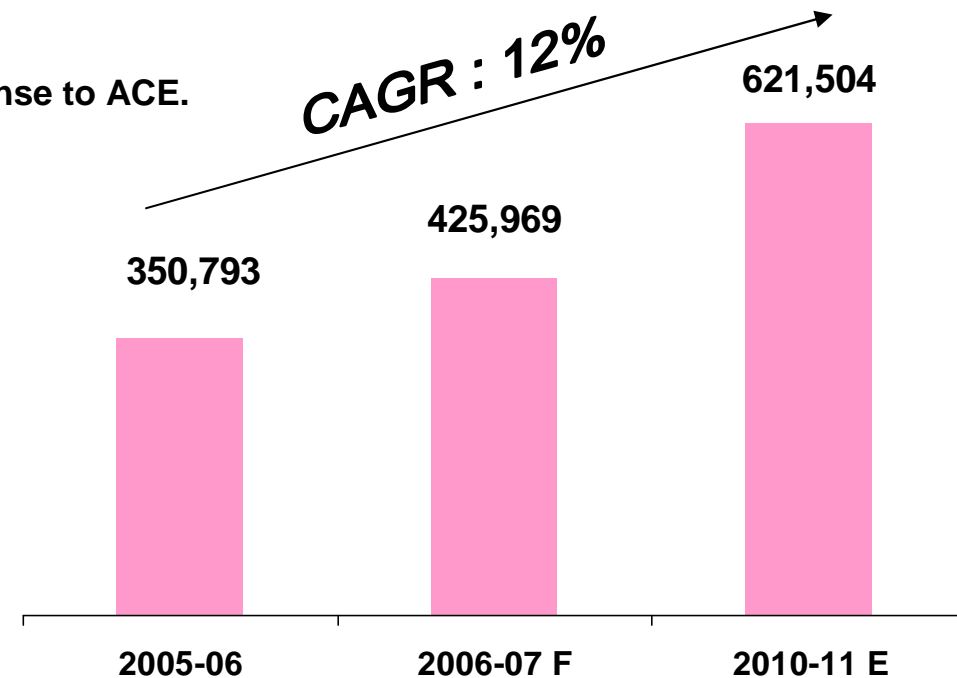
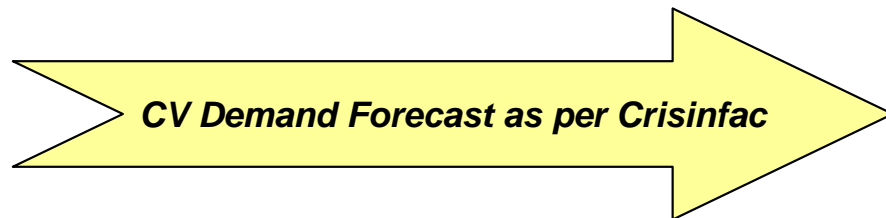
- Scania, Man and International Truck & Engine Corp. to produce commercial vehicles, especially in the M/HCV category

New players

- DaimlerChrysler and Tatra Vectra introduce off-road commercial vehicles.

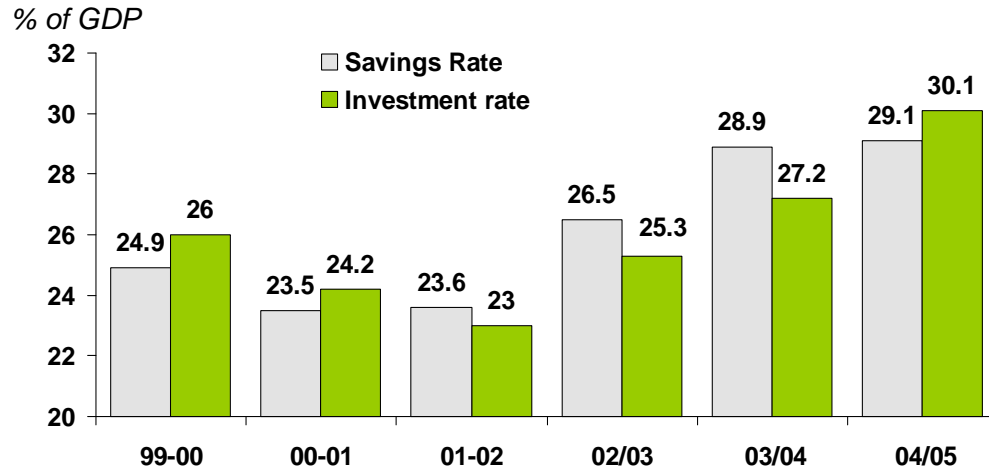
Existing Players

- Competitors are expected to launch Mini Trucks in response to ACE.



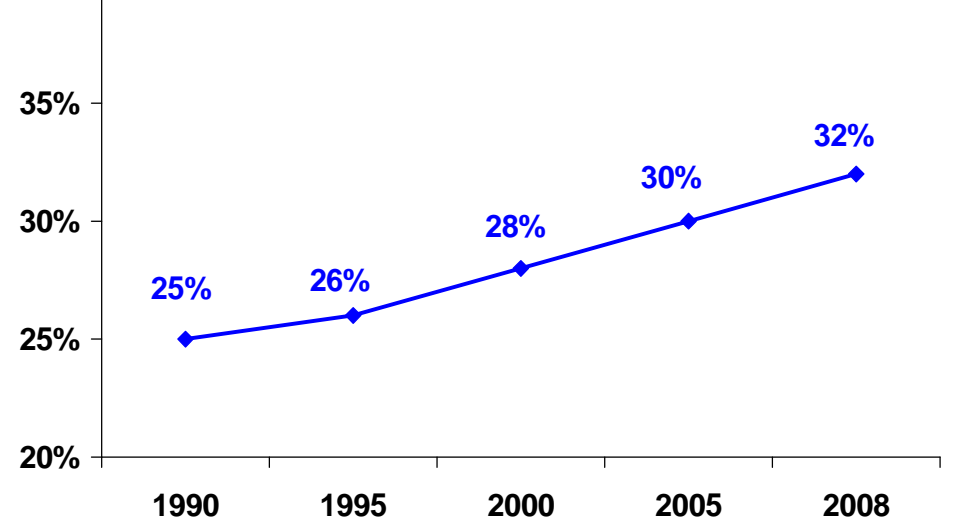
Increasing income, urbanization, aspiration and wider product choice to drive growth in Indian P V Industry

Saving-investment rates are high and improving

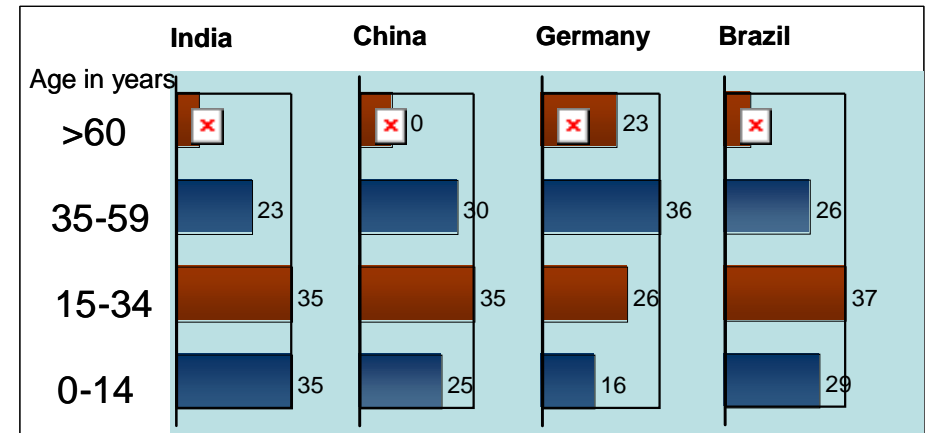
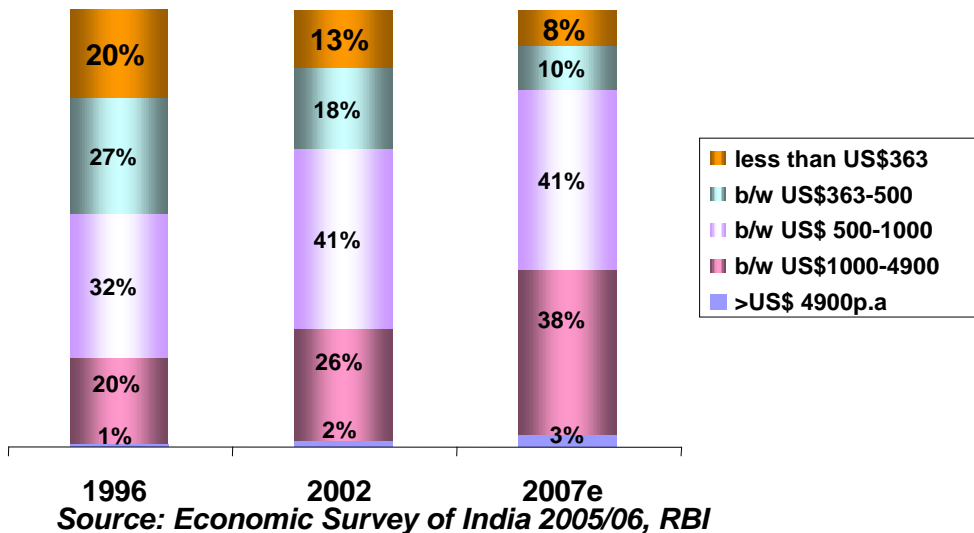


Source: Economic Survey of India 2005/06, RBI

India : Urban Population as % of Total Population



Increasing Proportion of Middle Income Class

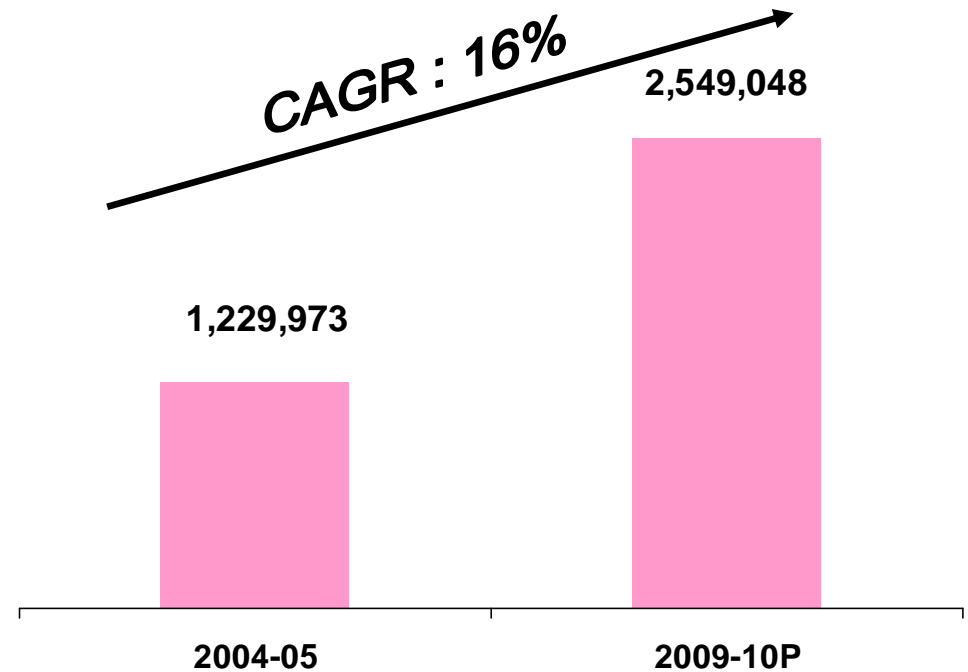
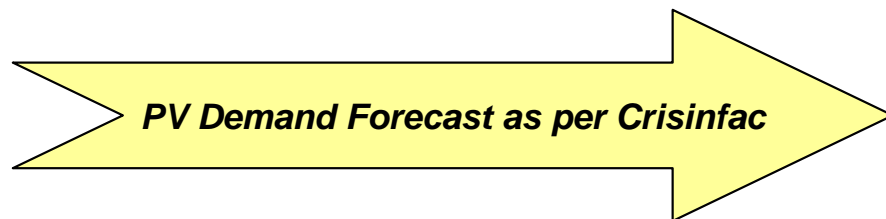


Highest proportion of population below 35 years (70%) in India...

Developments expected in Indian P V Industry in the next five years

Developments expected in near future

- India expected to emerge as a hub for small car manufacturing
 - *Suzuki and Hyundai*
- Almost all players looking at expanding capacities
- Competition in diesel car segment to intensify
 - *New diesel vehicle launches by Hyundai and Maruti*
- Tata Motors to launch small car
- New entrants
 - *Renault Logan through JV with Mahindra*
 - *Nissan, Volkswagon*

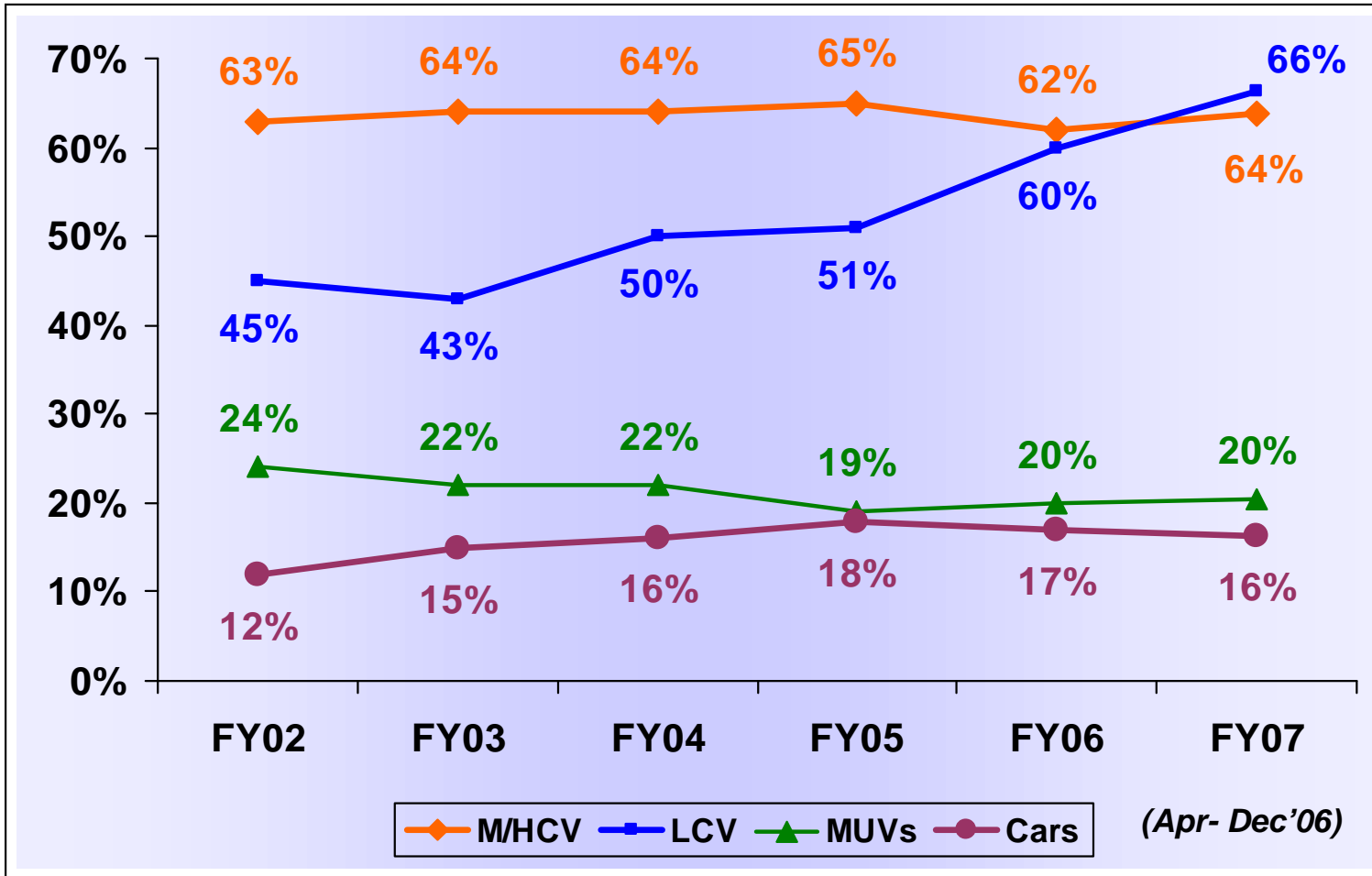


**Economic and Industry
Overview**

**Business Overview
& Future Plans**

Business Results

Tata Motors' continues to be a dominant automobile player in India with 28% market share



Share of Market

LCV : 10%

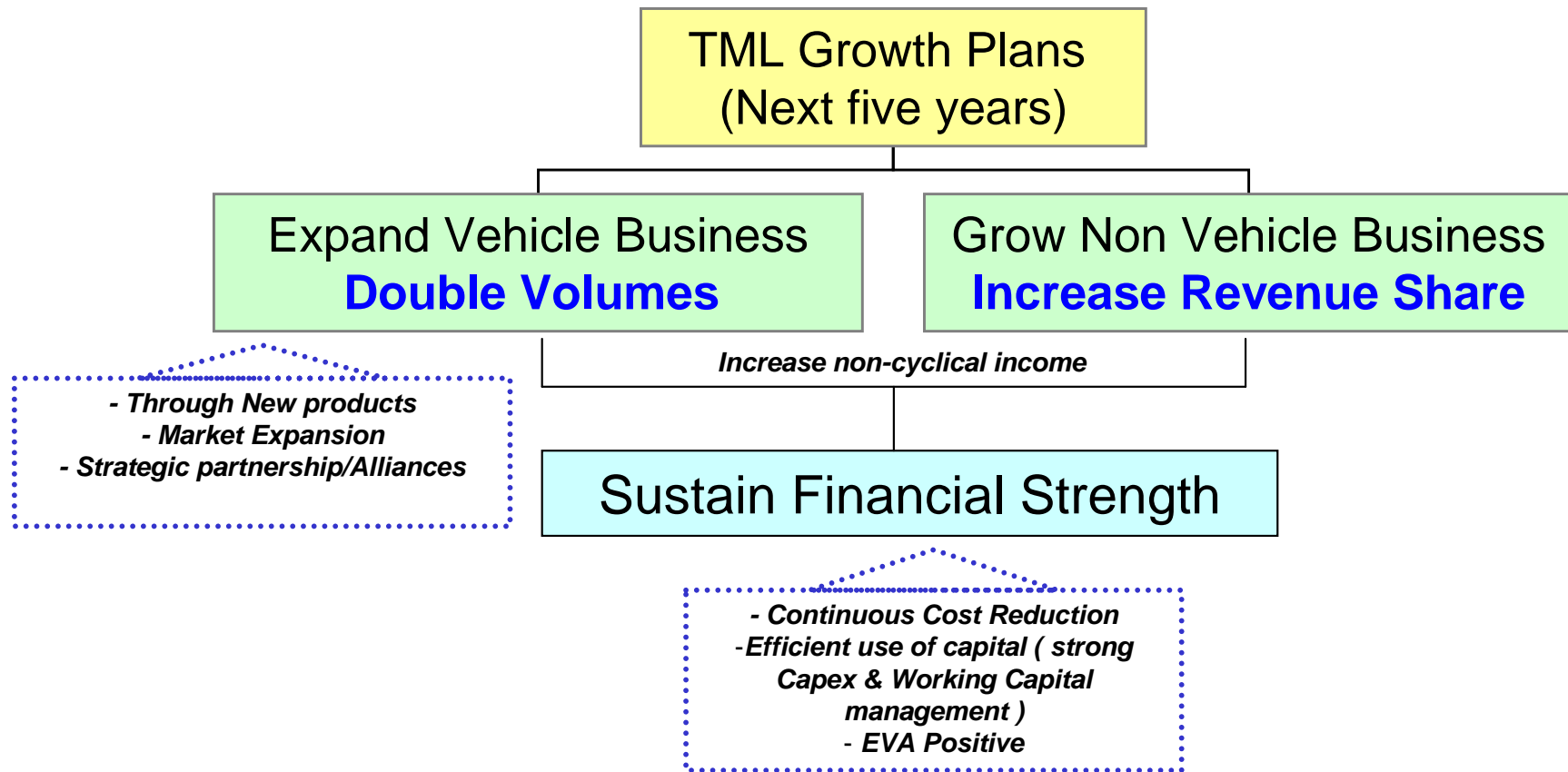
M/HCV : 15%

UVs : 15%

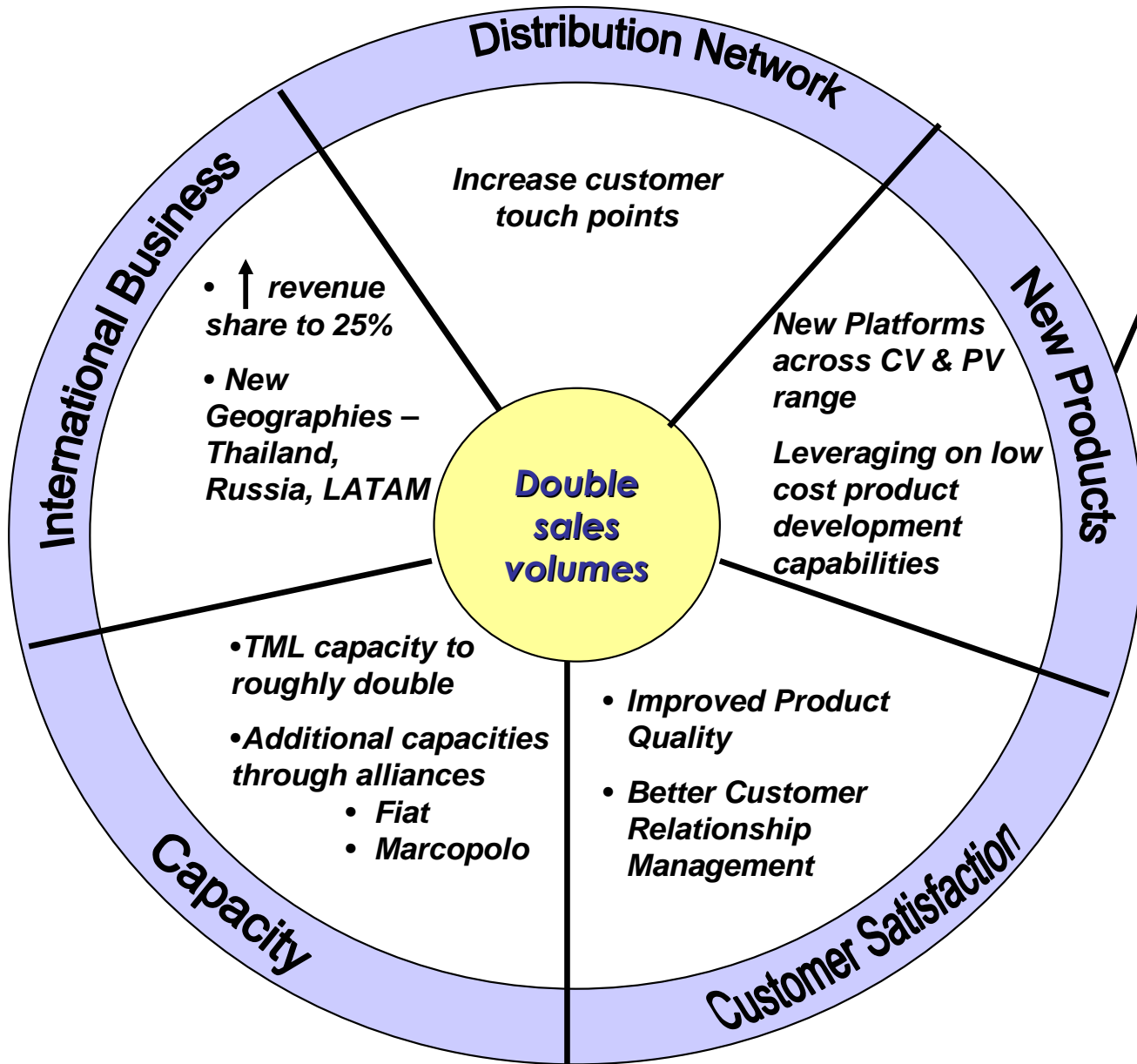
Cars : 60%

Market leader in Indian CV industry
2nd largest player in Indian PV industry

Tata Motors' Future Plans

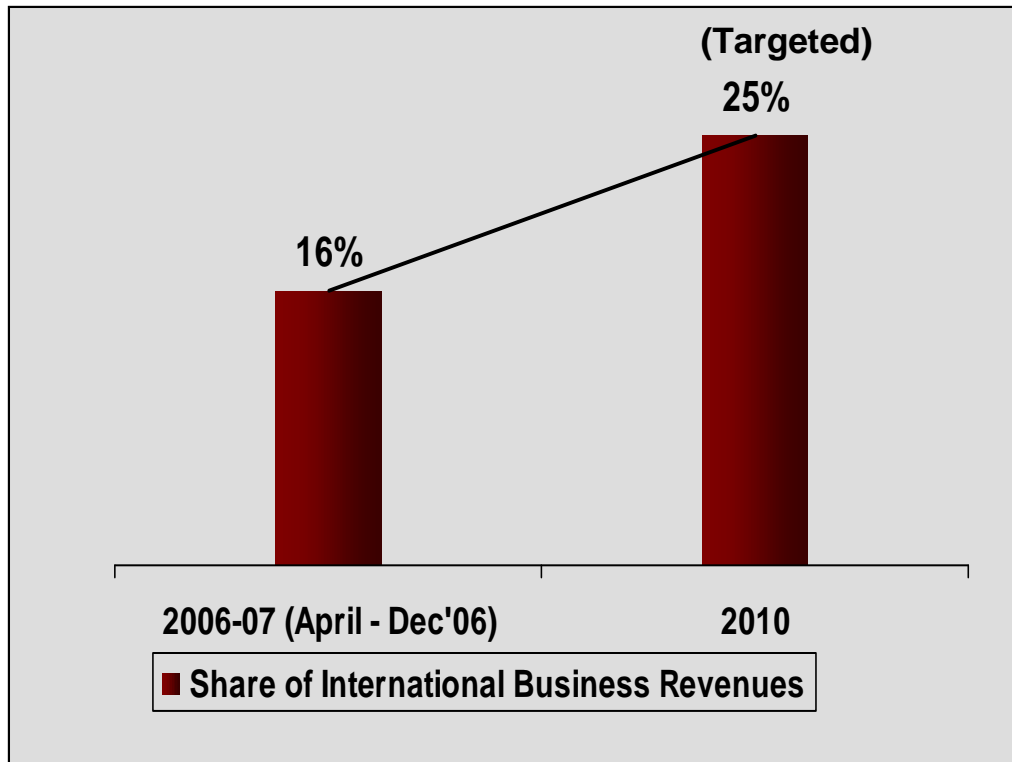


Goal : Maintain / Improve market position across all vehicle segments



Commercial Vehicles
<ul style="list-style-type: none"> • Panel Van • Passenger variant of Tata Ace • World Truck • World Pickup • World LCV • New bus
Passenger Vehicles
<ul style="list-style-type: none"> • Indica Platform • New Utility Vehicle Platform • Small car platform • New Variants • Fiat Vehicles

Exploring Off – shore Markets for De-risking



Exploring New Geographies

- *LATAM*
- *Russia*
- *Thailand*

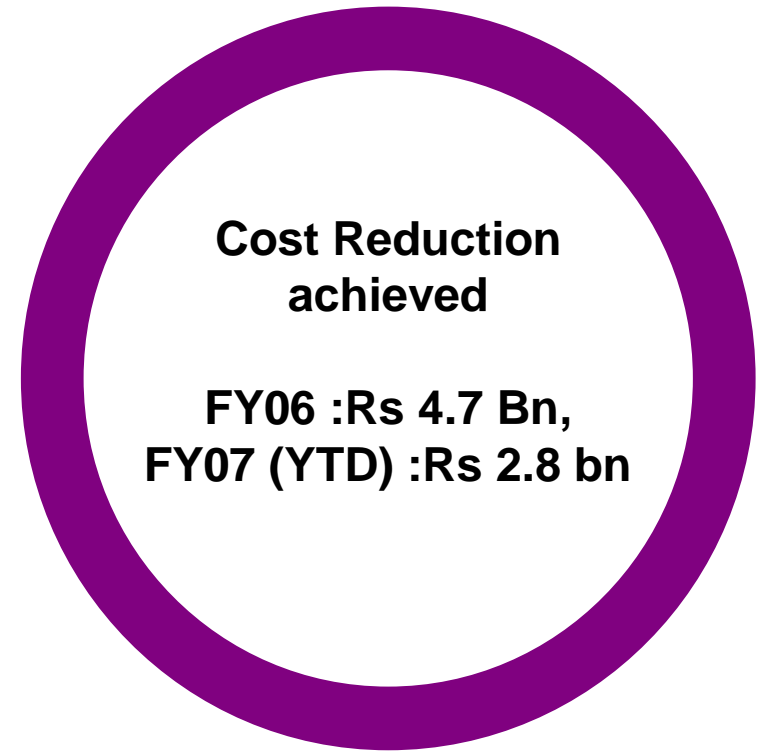
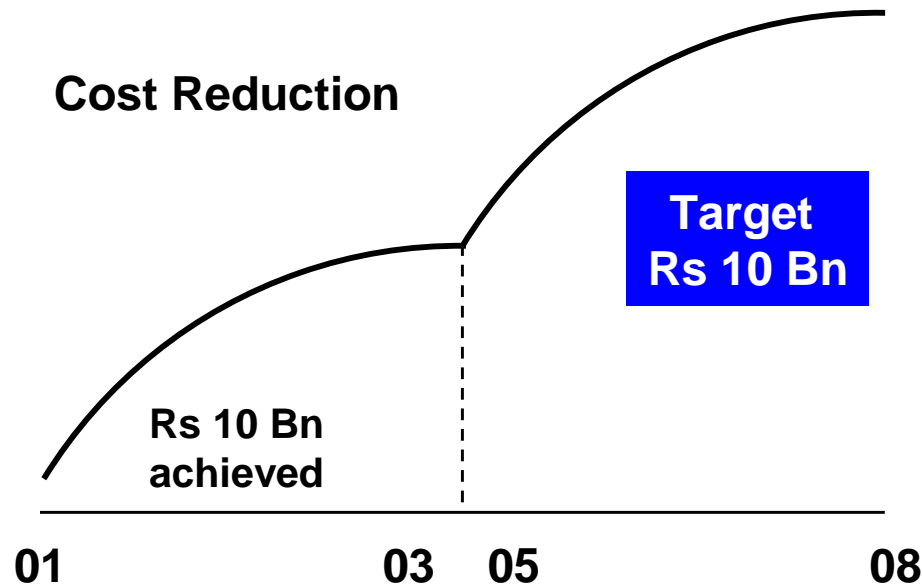
Strengthening position in existing Markets

- *New Products*
- *Deeper penetration*

International Alliances

- *Thonburi JV in Thailand*
- *Fiat JV in India*
- *Marcopolo JV in India*
- *Stake in Hispano Carrocera, Spain*
- *Acquisition of INCAT, UK*
- *Acquisition of TDCV, Daewoo*

TATA Motors aggressively pursuing its Cost reduction efforts



Outsourcing

Value Engineering

Target Costing

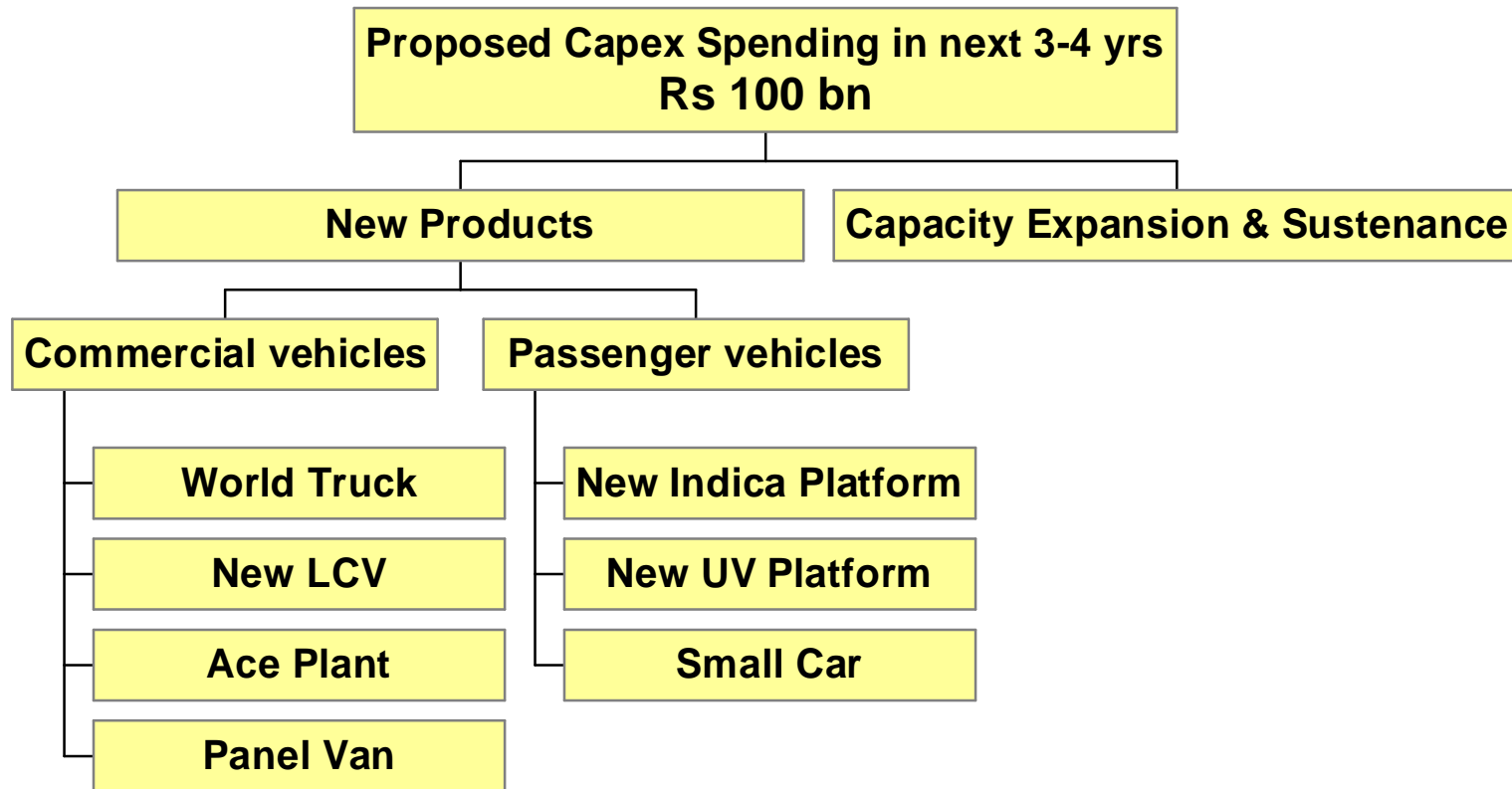
E sourcing and Global Sourcing

Productivity Improvement

Process Improvement

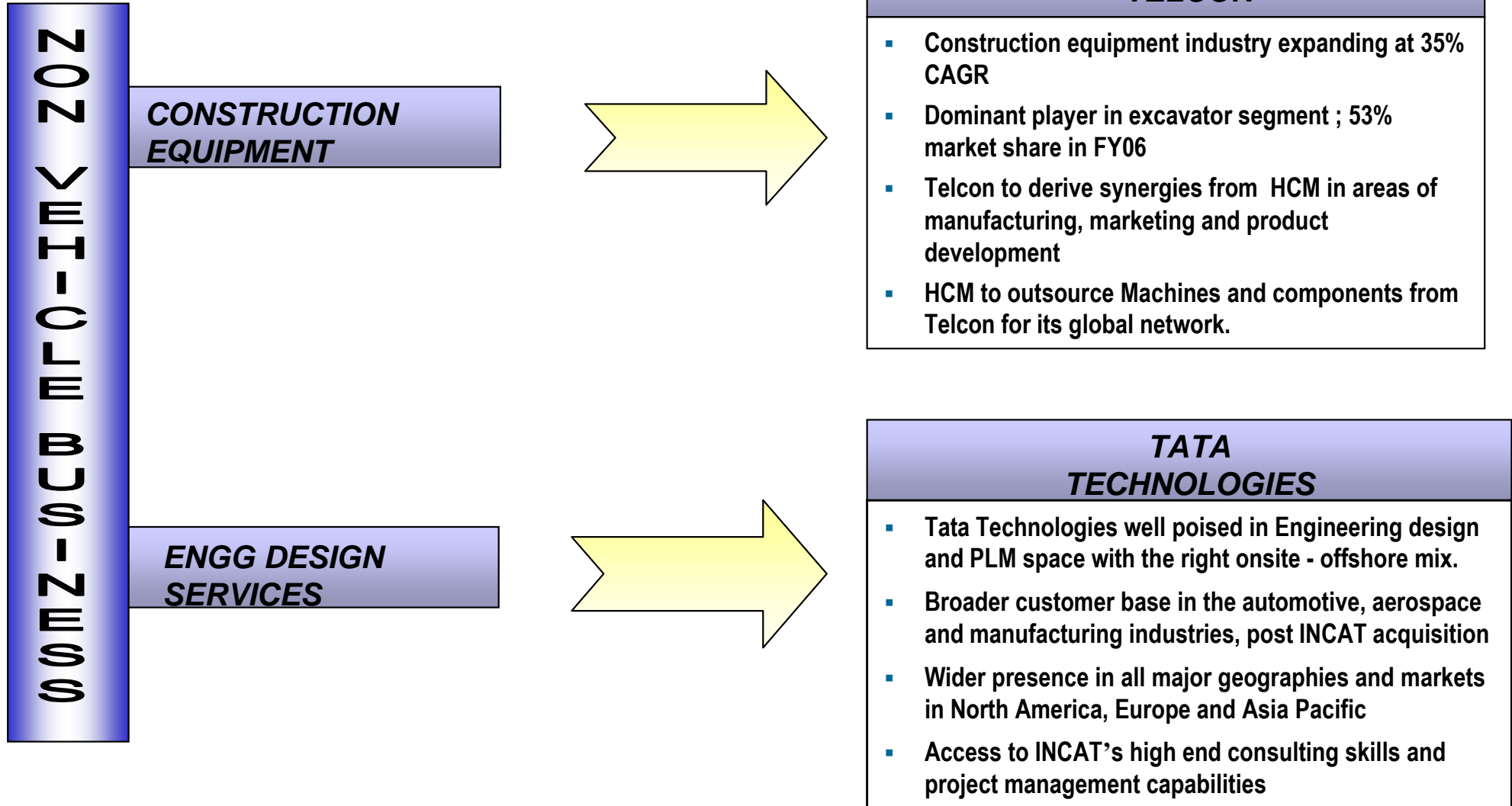
Supplier base Rationalization

Capex Plans

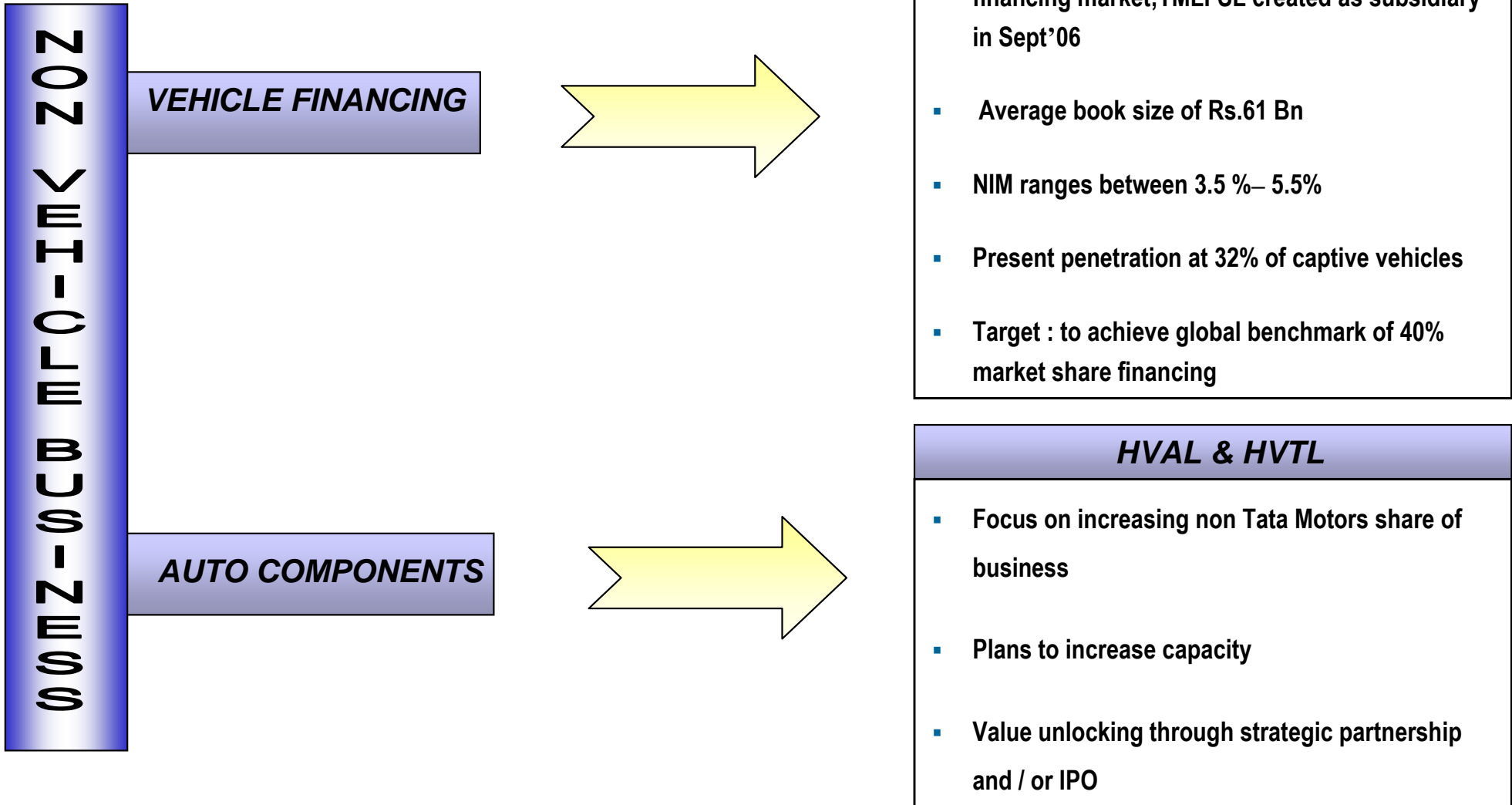


The Company proposes to fund the capex through internal accruals and borrowings

Grow Non Vehicle Business



Grow Non Vehicle Business

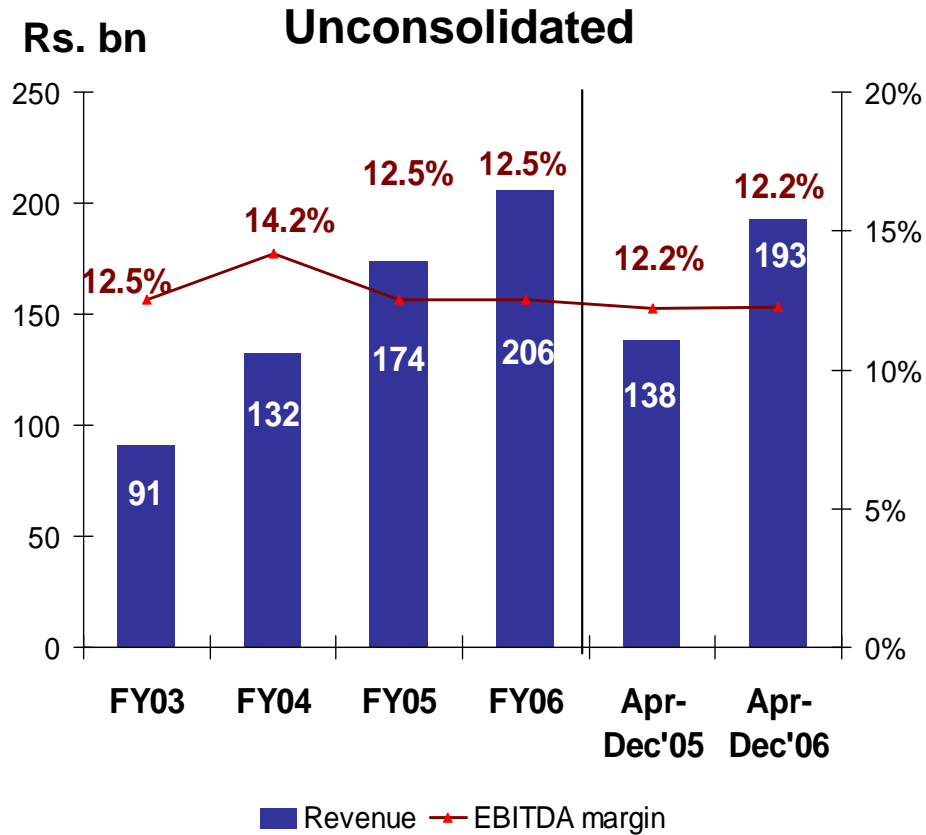


**Economic and Industry
Overview**

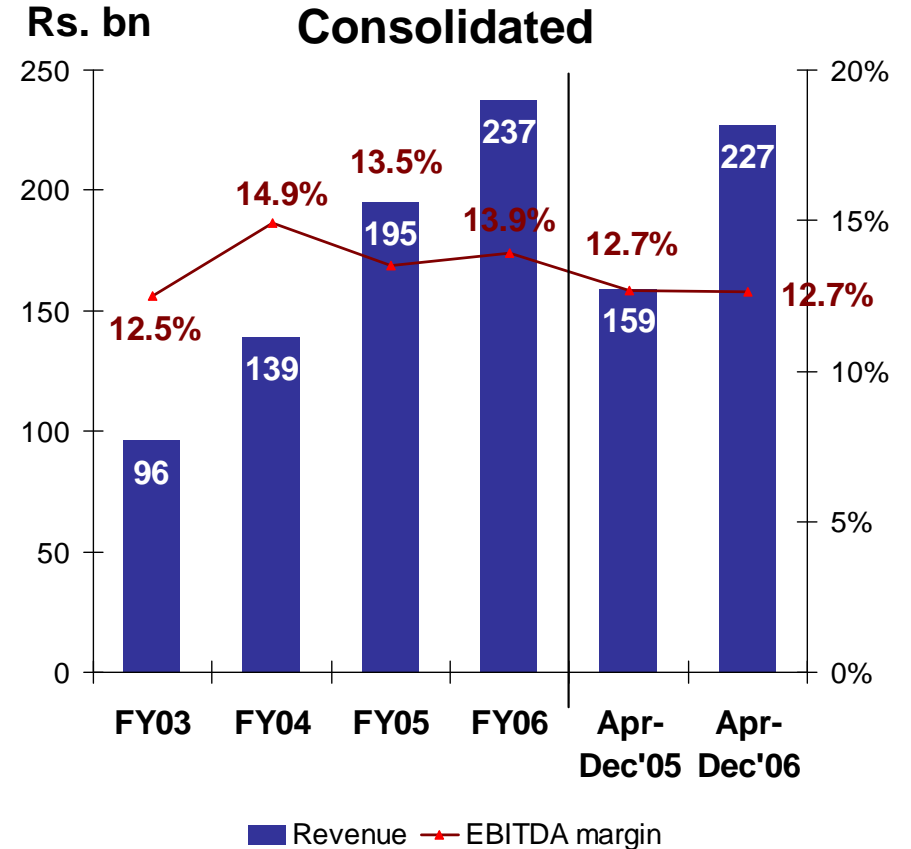
**Business Overview
& Future Plans**

Business Results

Revenue and Operating Margin – Annual Trend



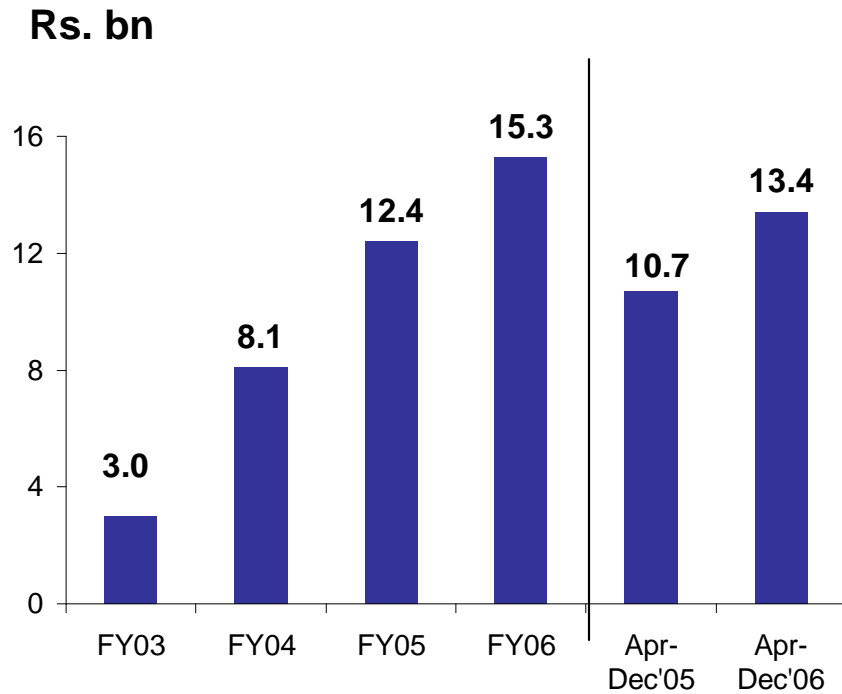
CAGR (FY02 F06) : 31.3%



CAGR (FY02 F06) : 35.1%

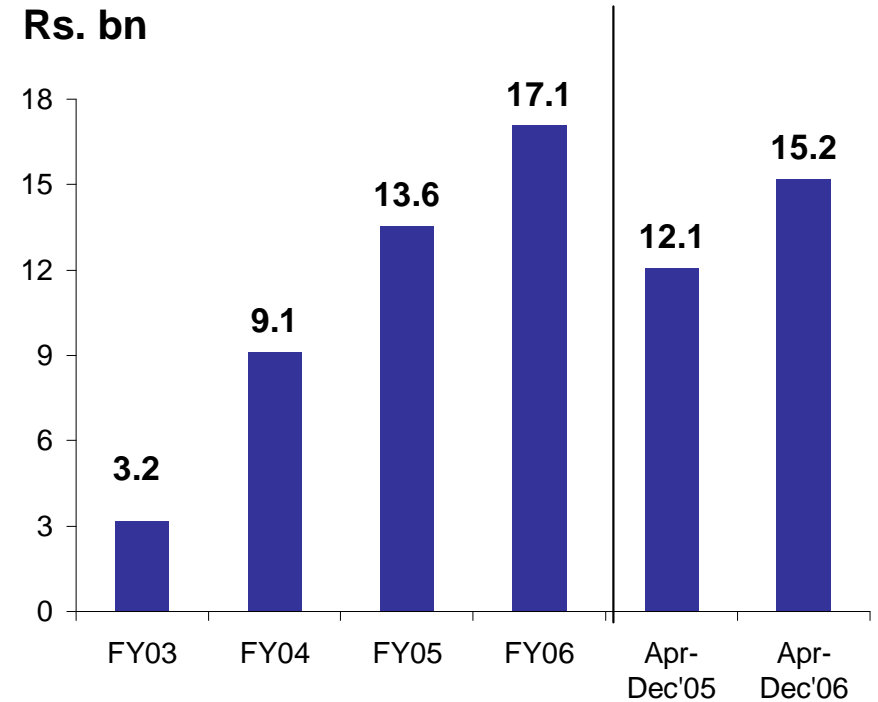
Profit after Tax – Annual Trend

Unconsolidated



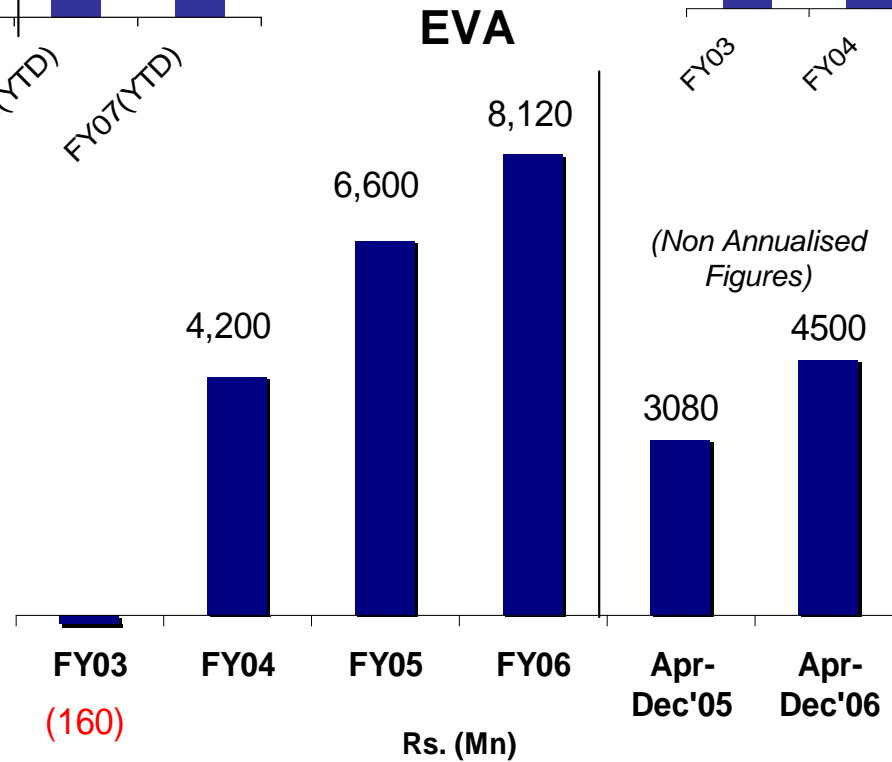
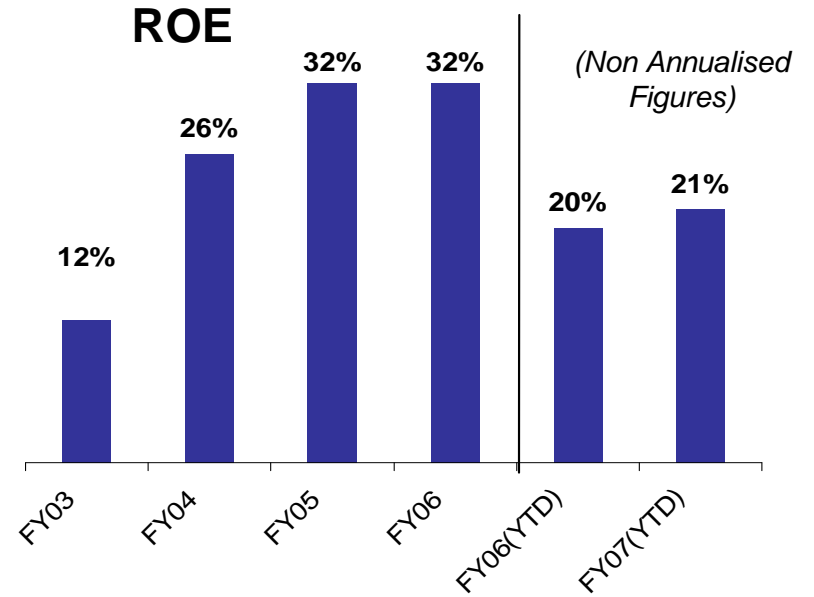
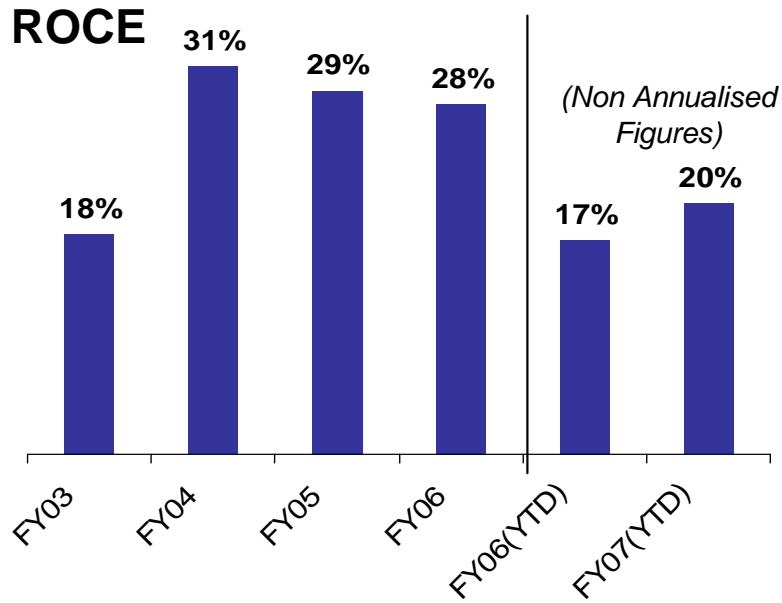
CAGR (FY02 - F06) : 72.0%%

Consolidated

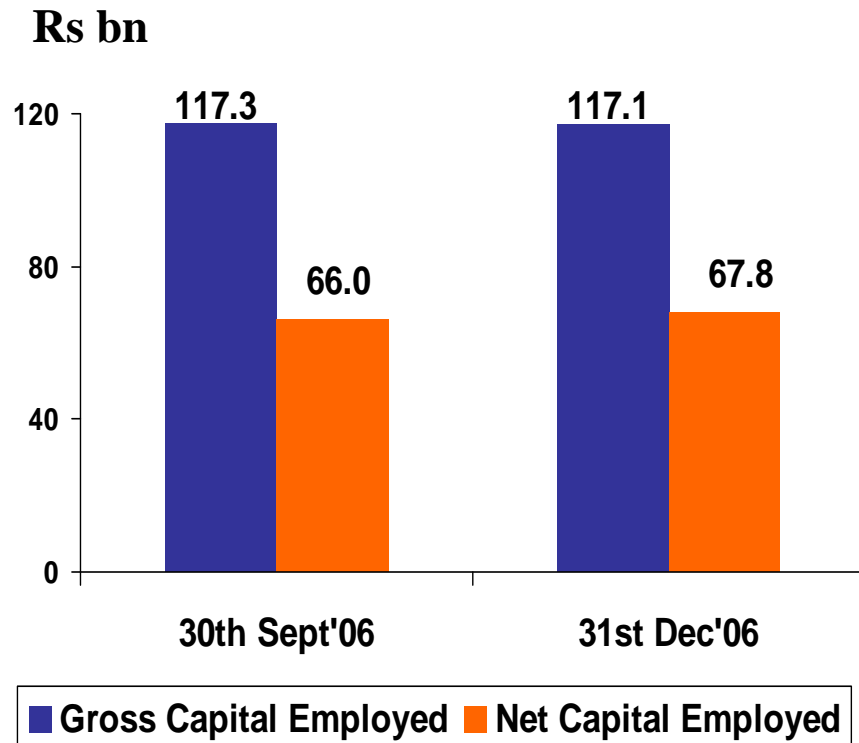


CAGR (FY02 - F06) : 74.7%

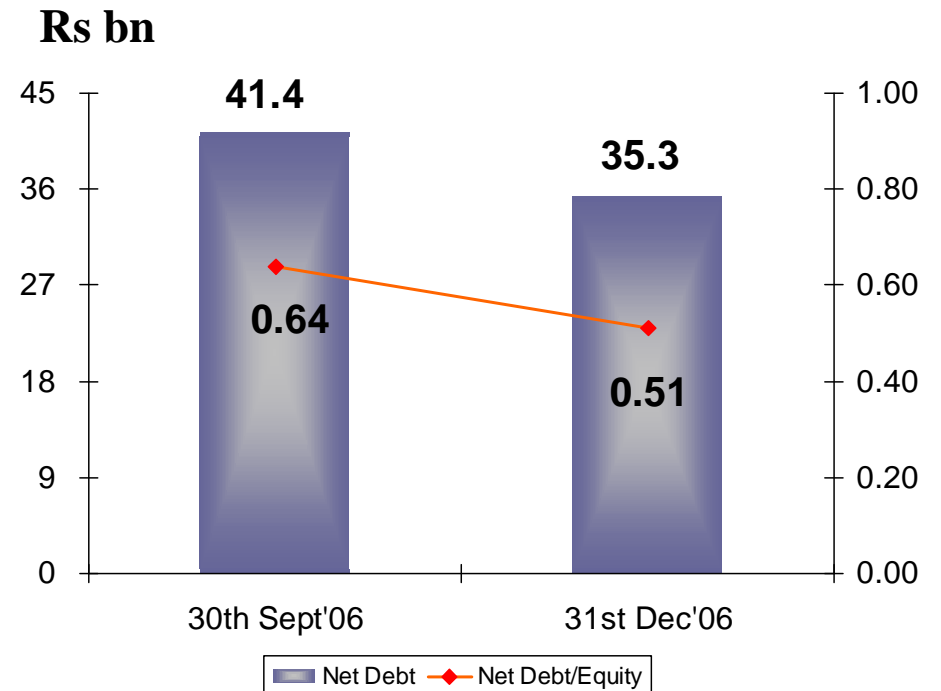
Optimizing Returns on Capital – Annual Trend



Balance Sheet Size (Standalone)



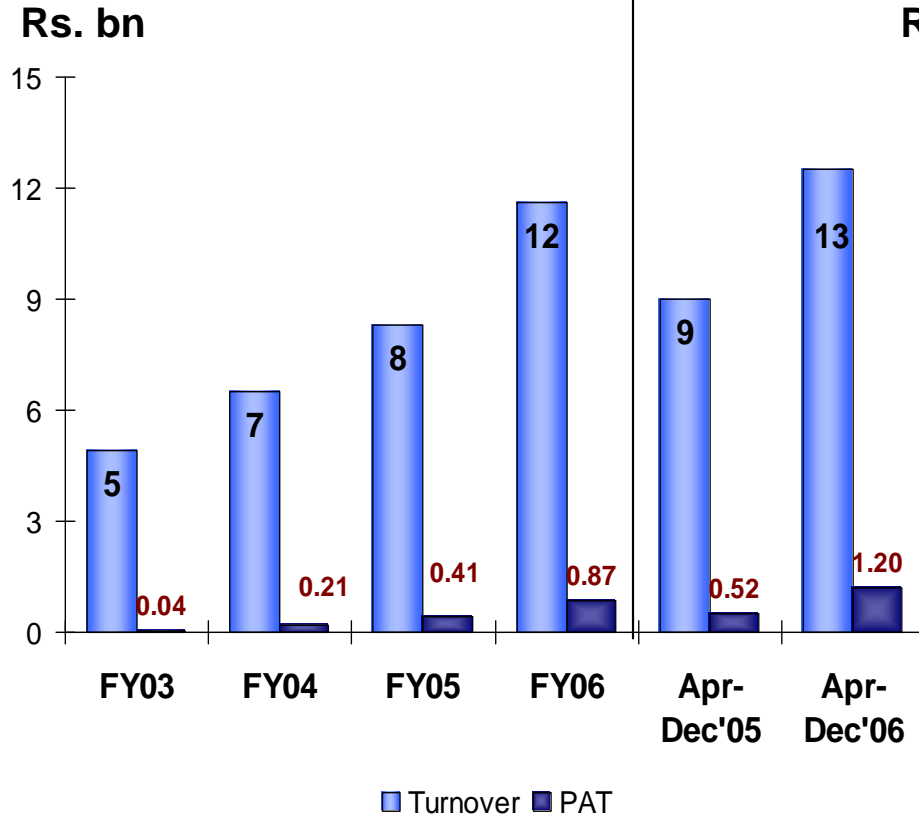
↑
 Net Capital employed is net of Vehicle Financing loans & receivables



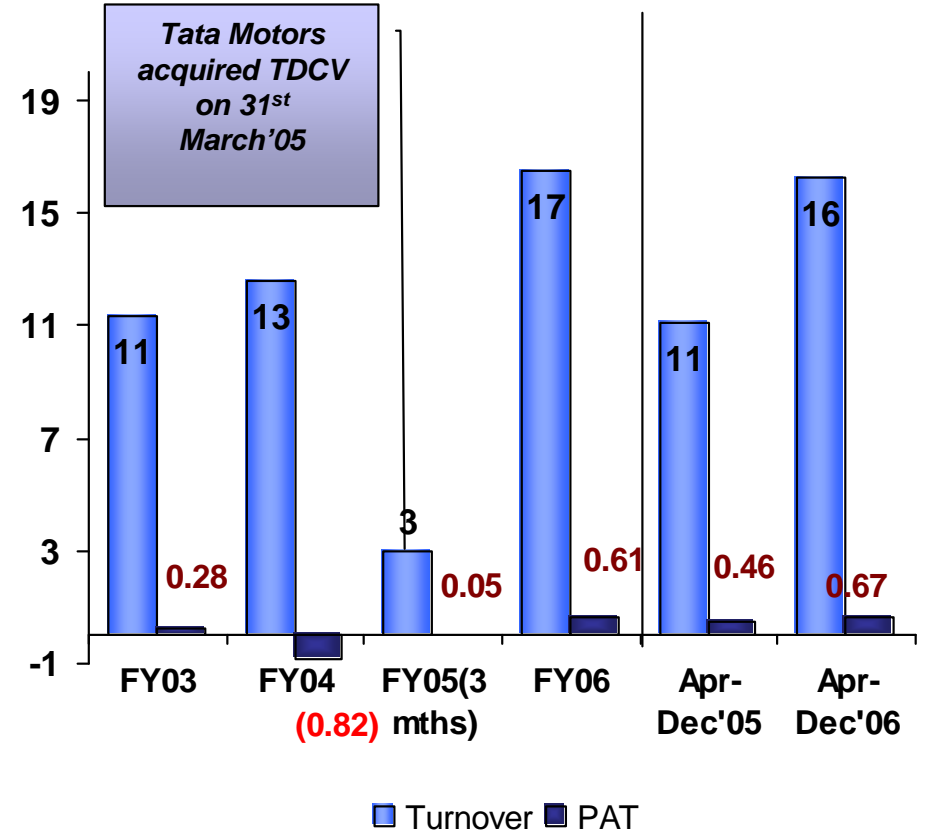
Net Debt is net of Investible Surplus

Subsidiary Performance – Annual Trend (contd...)

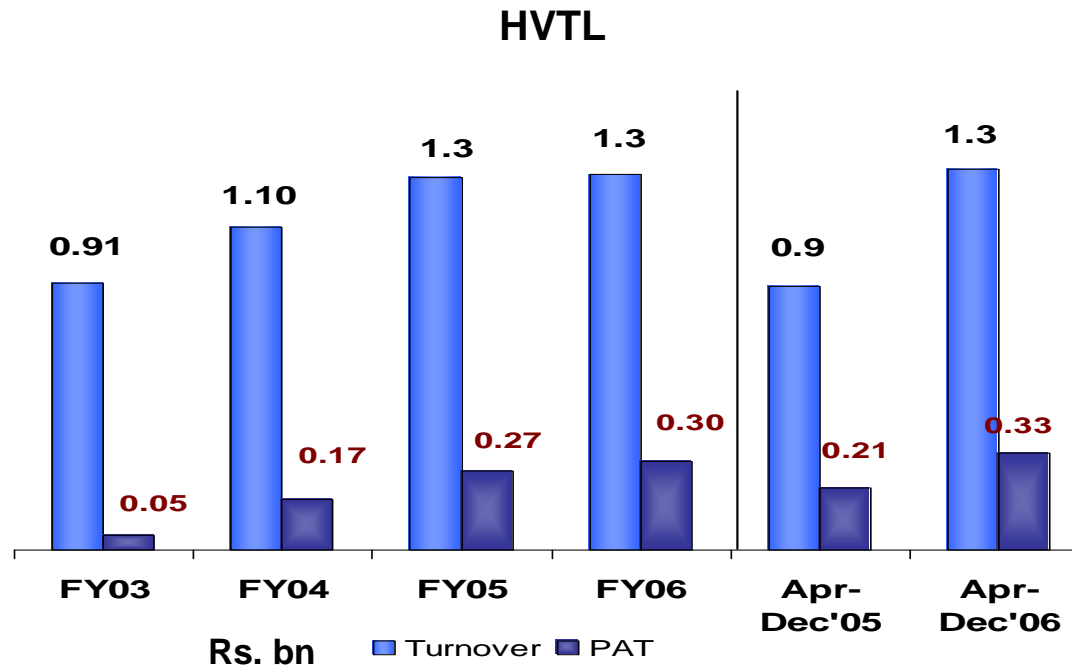
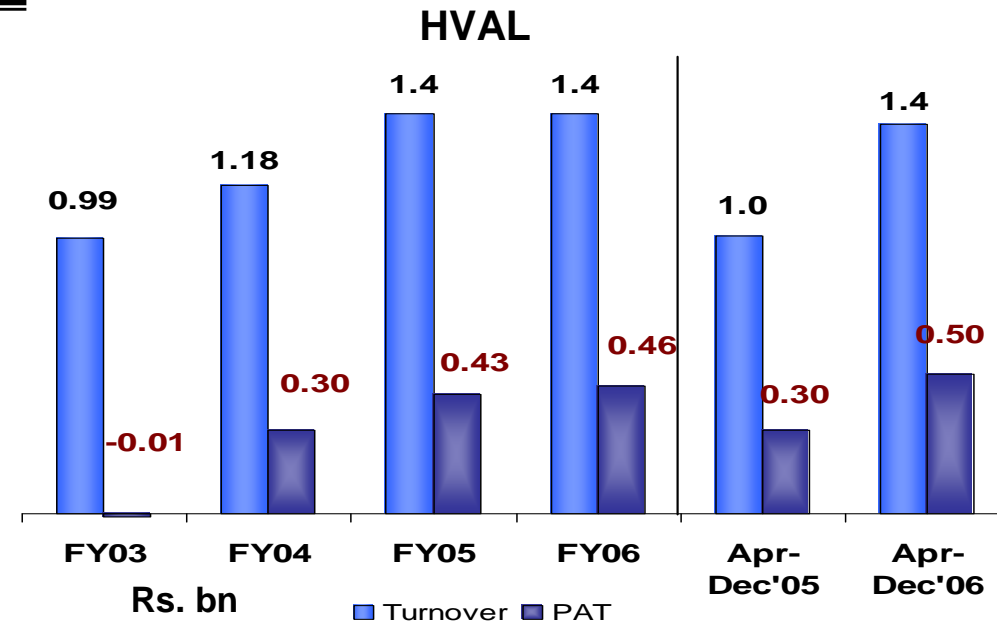
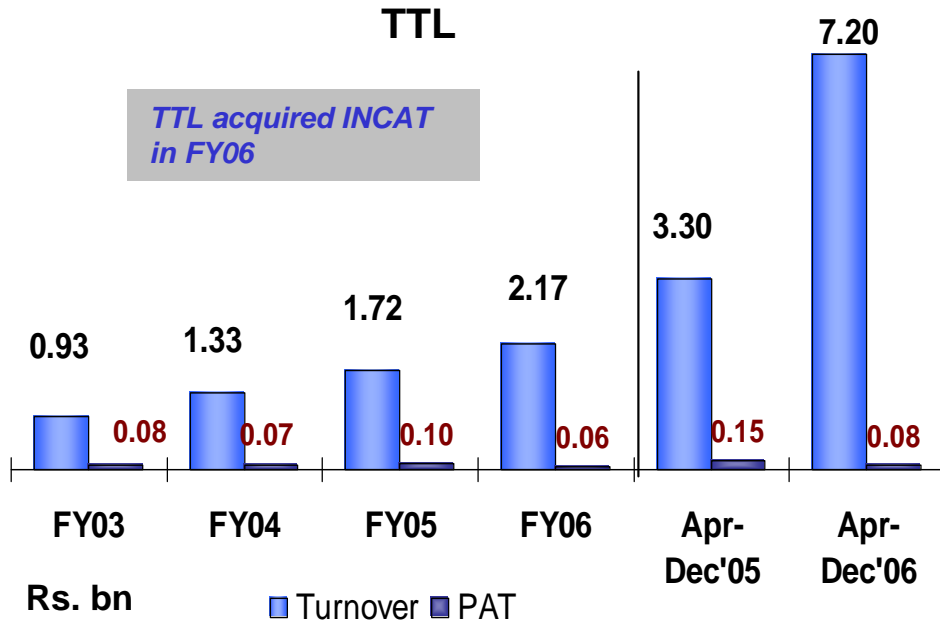
TELCON



TDCV



Subsidiary Performance – Annual Trend



Challenges ahead.....

- **Overall commodity prices expected to remain high due to continued demand – supply gap.**
- **The buoyant domestic growth and increased raw material costs will continue to maintain an upward pressure on inflation.**
- **Close watch on the direction of crude oil price.**
- **Attract and retain talent.**

Thank You

www.tatamotors.com