

January 30, 2023



**Current Price:** ₹ 445.55

## STOCK DATA

BSE Code	500570
NSE Symbol	TATAMOTORS
Reuters	TAMO.BO
Bloomberg	TTMT IN

## VALUE PARAMETERS

52 W H/L(Rs)	519.50/366.05
Mkt. Cap.(Rs Cr)	159422.78
Latest Equity(Subscribed)	664.26
Latest Reserve (cons.)	25408.58
Latest EPS (cons.) -Unit Curr.	0.00
Latest P/E Ratio -cons	0.00
Latest Bookvalue (cons.) -Unit Curr.	78.50
Latest P/BV - cons	5.68
Dividend Yield -%	0
Face Value	2.00

## SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/12/2022
Foreign	14.67
Institutions	19.55
Govt Holding	0.06
Non Promoter Corp. Hold.	0.62
Promoters	46.39
Public & Others	18.70

## Consolidated Financial Results

Particulars	Qtr Ending	Qtr Ending	In Cr.
	Dec. 22	Dec. 21	VAR %
Total Income	88,488.59	72,229.29	23
OPM (%)	12.23	9.80	
OP	10,819.84	7,077.92	53
Other income	1,130.38	788.83	43
PBIDT	11,950.22	7,866.75	52
Net Finance Charges	2,675.83	2,400.74	11
PBDT	9,274.39	5,466.01	70
Depreciation	6,071.78	6,078.13	0
PBT before EO	3,202.61	-612.12	LP
EO	-0.30	-16.04	
PBT after EO	3,202.91	-596.08	LP
Tax expense	262.83	726.05	-64
PAT	2,940.08	-1,322.13	LP
Minority Interest	85.44	65.09	31
Share of Profit of Associates	103.37	-112.88	
Profit after Minority Interest and Share of profit of Associates	2,957.71	-1,516.13	LP
EPS (Rs)	7.72	-ve	

### Tata Motors Q3 FY23 Results, automaker posts higher-than-expected result and reported PAT of Rs 2,958 crore in Q3 FY23

Total revenue from operations increased by 22.5% YoY to Rs 88,488.59 crore during the quarter. EBITDA for the period under review, up 33.2% YoY. EBITDA margin improved by 90 bps to 11.1% in Q3 FY23 from 10.2% in Q3 FY22. EBIT margin for the period under review was 4.4%, up 270 bps on YoY basis. The company recorded a pre-tax profit of Rs 3,202.61 crore in the third quarter as against a pre-tax loss of Rs 612.12 crore reported in the corresponding quarter last fiscal. Finance costs increased by Rs 275 crore to Rs 2,676 crore during Q3 FY23 as compared to Rs 2,401 crore in Q3 FY22 due to higher gross borrowings.

JLR reported net profit of 261 million pounds in Q3 FY23 as against a net loss of 67 million pounds in Q3 FY22. Revenue increased by 28% YoY to 6,041 million pounds in Q2 FY23.

With wholesales of 80 thousand units, JLR recorded a growth in sales of 6% QoQ and 15% YoY and it was the highest quarterly volume since Q1 FY22. Retail sales were higher by 6% YoY but were lower by 4% QoQ, reflecting timing between retails and wholesales.

JLR said that the wholesales in China during the quarter were impacted by lockdowns leading to dealer closures followed by high rates of staff absence as Covid-19 restrictions were relaxed. The situation is expected to recover in the fourth quarter with our dealers open and staff absence closer to normal levels in January. The Refocus transformation programme is on track to deliver a target of £1 billion plus improvements in the year to help mitigate the impact of inflation.

Although there continues to be supply chain and other macro risks, JLR's guidance for the full year remains unchanged. Positive EBIT margin and free cashflow in Q4 FY23 on wholesales of 80,000 or more are expected to achieve breakeven free cashflow and a positive EBIT margin for the full year.

Tata Commercial Vehicles (Tata CV) recorded a pre-tax profit of Rs 938 crore in Q3 FY23 as against a loss of Rs 155 crore in Q3 FY22. Revenue from operations during the quarter was Rs 16,886 crore, higher by 22% YoY despite wholesales being down 6%, reflecting improved mix and better market operating price.

#### **Management Comment**

In its outlook, Tata CV said: "We expect a good replacement demand, especially in MHCVs in Q4 FY23, as we also maintain a close watch on the evolving geopolitical situation, inflation and interest rate risks on both the supply and demand." Tata Passenger Vehicles (TATA PV) recorded revenues of Rs 11,671 crore (up 37% YoY) and a pre-tax profit of Rs 321 crore in Q3 FY23. It had reported a pre-tax loss of Rs 329 crore in Q3 FY22. Wholesales grew 33% yoy to 132.3 thousand vehicles while retails grew 27% YoY to 139 thousand units.

"While in Q3 FY23 the industry witnessed some moderation in demand post festive season, we expect the PV industry to continue witnessing robust demand in the next quarter. We expect the growth momentum for EVs to remain strong with their rising popularity and the announcement of progressive policies by several states. The company has commenced deliveries of Tiago.ev in January 2023 and strong 20K+ order book will support growth," TATA PV said.

**Adrian Mardell, Jaguar Land Rover's Interim Chief Executive Officer, said:** "JLR has returned to profit as chip shortages eased in the quarter and production and wholesales increased. These improved results are testament to the hard work and dedication of our people across the business who have delivered a further increase in production of our New Range Rover and Range Rover Sport models. We remain committed to our Reimagine strategy which will transform JLR into an all-electric modern luxury business, whilst delivering our SBTi climate goals and striving to exceed our clients' expectations."

**Girish Wagh, Executive Director Tata Motors Ltd said:** "In Q3 FY23, the CV industry witnessed a steady, overall demand. Our focus on creating 'Demand Pull' from customers and sustained emphasis on retail in Q3 FY23 resulted in retail sales surpassing wholesale by 6.3%, thereby enabling reduction in inventory as we transition towards BS VI phase-2 norms. Led by realization improvement, revenue growth was higher than volume growth. Realization improvement coupled with commodity softening and cost control resulted in improved margins. Going forward, we will maintain our agility and keep a close watch on the evolving geopolitical, inflation and interest rate risks on both supply and demand. We will also continue to drive the business with strong customer connect, product and service innovations to improve customer affinity for our brands, step-up registration market shares sustainably, and improve realisations and profitability."

**Shailesh Chandra, Managing Director Tata Motors Passenger Vehicles Ltd & Tata Passenger Electric Mobility Limited said:** "Q3 FY23 was one of the best quarters for the PV industry with strong retails from new launches, robust festive demand, and adequate supply of vehicles. Tata Motors posted its highest ever quarterly retails in Q3 FY23 and crossed the 50,000 units of monthly retail for the first time. Wholesales of 131,297 units recorded in Q3 FY23 (+32.6% vs Q3 FY22) resulted in the business comfortably crossing the distinctive landmark of 500,000 annual units to post wholesale of 526,798 units in CY22. EVs too posted their highest ever sales in Q3 FY23 at 12,596 units (+ 116.2% vs Q3 FY22) and crossed the cumulative sales milestone of 50,000 units. Going forward, we remain vigilant about the evolving demand and supply situation and will stay nimble to take necessary actions swiftly whilst focusing on improving profitability further."

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