

**An Organization Study On  
TATA MOTORS LIMITED  
(18MBAOS307)**

**BY  
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USN: 1CR19MBA35**

*Submitted to*

**VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI**



**In partial fulfillment of the requirement for the award of the degree of  
MASTER OF BUSINESS ADMINISTRATION**

**Under Guidance of**

**Internal Guide  
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### CERTIFICATE BY THE INSTITUTION


This is to certify that Ms. KAMSALA SANDHYA bearing USN 1CR19MBA35 is a bonafide student of Master of Business Administration of our Institution during 2019-21 batch. The organization study report on TATA MOTORS LIMITED is prepared by her under the guidance of Mr. Santosh Kathari, Assistant Professor, in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, affiliated to Visvesvaraya Technological University, Belagavi Karnataka.

  
Signature of the  
Guide


  
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Principal  
CMR Institute of Technology  
Bangalore - 560037

#### Viva-voce Examination:

Internal Examiner:  30/09/2020  
[Signature & Date]

  
[Name, Designation & Affiliation] CMR Institute of Technology

External Examiner:  30/09/2020  
[Signature & Date]

  
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Affiliated to Visvesvaraya Technological University, Approved by AICTE New Delhi,  
Accredited by NBA New Delhi, Recognised by Government of Karnataka

## DECLARATION

I, Ms. Kamsala Sandhya bearing USN: 1CR19MBA35, hereby declare that the Organization Study conducted at TATA MOTORS LIMITED is record of independent work carried out by me under the guidance of Prof. Kathari Santosh faculty of M.B.A Department of CMR Institute of Technology, Bengaluru.

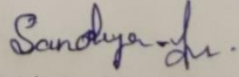
I also declare that this organisation study report is towards the partial of the university regulation for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi.

I have undergone an organization study for a period of four weeks. I further declare that this organisation study report is based on the original study undertaken by me and not been submitted for the award of any degree/diploma from any other University /Institution.

### **Disclaimer**

The enclosed document is the outcome of a student academic assignment, and does not represent the opinions/views of the University or the institution or the department or any other individuals referenced or acknowledged within the document. The data and information studied and presented in this report have been accessed in good faith from secondary sources/web sources/public domain, including the organisation's website, solely & exclusively for academic purposes, without any consent/permission, express or implied, from the organisation concerned. The author makes no representation of any kind regarding the accuracy, adequacy, validity, reliability, availability or completeness of any data/information herein contained.

Place: BANGALORE  
Date: 29-09-2020

  
Signature of the Student  
USN: 1CR19MBA35

## **ACKNOWLEDGEMENT**

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I thank my Internal Guide, **Mr. Santosh Kathari**, Assistant Professor of the Department of MBA, CMR Institute of Technology, Bengaluru for his constant guidance and support throughout the organization study.

**Ms. KAMSALA SANDHYA**  
**USN: 1CR19MBA35**

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## **EXECUTIVE SUMMARY**

Tata Motors is among the top multinational companies in India. It is an operating subsidiary of the Tata Group. Tata Motors was established in the year 1945 and since then it has become the country's largest automotive producers. It is listed on both the Bombay Stock Exchange and the New York Stock Exchange. In 2005 this multinational company featured alongside the top ten firms in India procuring annual revenue of Rs 320 billion. Tata Motors is ranked amongst the top employers of the country. The current strength of employees in the company stands as 50,000. In the year 2010 the total revenue earned by Tata Motors was \$20.572 billion posting a growth rate of almost 64.2 per cent.

## **HISTORY**

Tata Motors Limited is a **multinational automotive** corporation headquartered in **Mumbai**, India. Part of the Tata Group, it was formerly known as TELCO (TATA Engineering and Locomotive Company).

Tata Motors is India's largest automobile company, with consolidated revenues of USD 20 billion in 2009-10. It is the leader in commercial vehicles and among the top three in passenger vehicles. Tata Motors has products in the compact, midsize car and utility vehicle segments. The company is the world's fourth largest truck manufacturer, the world's second largest bus manufacturer, and employs 24,000 workers.

Established in 1945, when the company began manufacturing locomotives, the company manufactured its first commercial vehicle in 1954 in a collaboration with Daimler-Benz AG, which ended in 1969. Tata Motors is a dual-listed company traded on both the Bombay Stock Exchange, as well as on the New York Stock Exchange. Tata Motors in 2005, was ranked among the top 10 corporations in India with an annual revenue exceeding INR 320 billion. In 2010, Tata Motors surpassed Reliance to win the coveted title of 'India's most valuable brand' in an annual survey conducted by Brand Finance and The Economic Times. Tata Motors is a part of the Tata Group manages its share-holding through Tata Sons. The company was established in 1950 as a locomotive manufacturing unit and later expanded its operations to commercial vehicle sector in 1954 after forming a joint venture with Daimler-Benz AG of Germany. Despite the success of its commercial vehicles, Tata realized his company had to diversify and he

began to look at other products. Based on consumer demand, he decided that building a small car would be the most practical new venture. So in 1998 it launched Tata Indica, India's first fully indigenous passenger car. Designed to be inexpensive and simple to build and maintain, the Indica became a hit in the Indian market. It was also exported to Europe, especially the UK and Italy.



**CHAPTER - 1**

**INTRODUCTION TO ORGANISATION AND  
INDUSTRY**

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## INTRODUCING TATA MOTORS

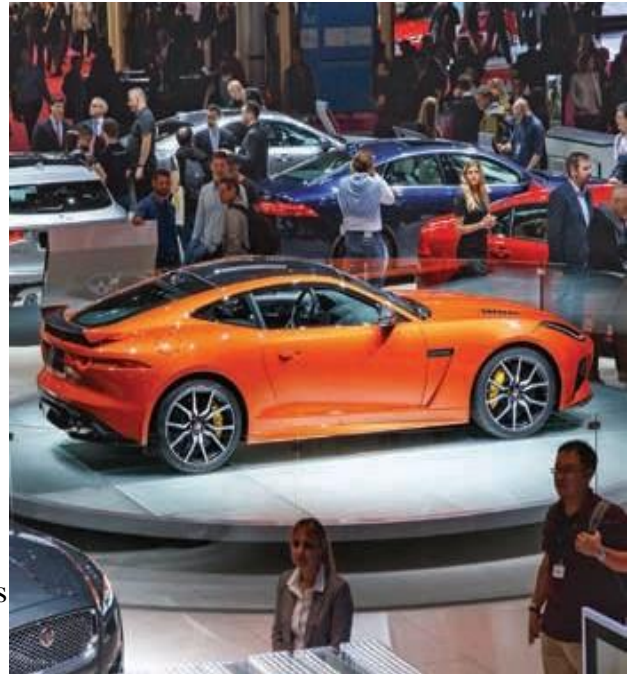
Tata Motors Limited (TML), a \$42 billion organisation, is India's largest automobile company and is a leading

global manufacturer of cars, utility vehicles, buses, trucks and defence vehicles. Incorporated in India in the year 1945, Tata Motors is a part of the over \$100 billion Tata Group founded by Jamsetji Tata in 1868. Recognized for its world-class quality, originality, engineering and design excellence, the Company is on the path of shaping the future of mobility in India. Sustainability and the spirit of

'Giving back to society' is our guiding philosophy and good corporate citizenship is strongly embedded in our DNA.

With a large global footprint, the Company has consolidated its position as the Tata Motors Group through mergers and acquisitions. It has a network of 76 subsidiaries in India and internationally, which provide a host of engineering and automotive solutions.

Some of the world's most iconic brands, including Jaguar Land Rover in the UK and Tata Daewoo in South Korea form part of the automotive operations of the Group.



OTHER  
OPERATIONS

AUTOMOTIVE  
OPERATIONS

Tata and other brands



**TATA DAEWOO**

**TATA Motorfinance**  
*driven by trust*

Tata Daewoo Commercial Vehicles Tata Motors  
Finance Limited

Information  
Technology  
Services

Tata Motors  
Group

**MOTORS**

**TATA**

TATA AND  
OTHER  
BRANDS

Jaguar Land Rover



Machine Tools  
Factory  
Automation  
Services

# TATA MOTORS

Tata Motors has a remarkable portfolio of both passenger and commercial vehicles and have been leading India’s commercial vehicles space for several years. The Company operates six principal automotive manufacturing facilities in India: at Jamshedpur in the state of Jharkhand, at Pune in the state of Maharashtra, at Lucknow in the state of Uttar Pradesh, at Pantnagar in the state of Uttarakhand, at Sanand in the state of Gujarat and at Dharwad in the state of Karnataka. Tata Motor’s Operating Philosophy is reflected in its Vision, Mission and Values.

## Vision

As a High-Performance Organisation, we are, by FY 2019

Among the top 3 in Global CV and Domestic PV

Achieving Sustainable Financial Performance

## Mission

We innovate mobility solutions with passion to enhance quality of life

## Values

- Integrity
- Teamwork
- Accountability
- Customer Focus
- Excellence
- Speed





## TATA DAEWOO COMMERCIAL VEHICLES

Tata Daewoo Commercial Vehicle Company (TDCV) is South Korea's second largest manufacturer of medium and heavy-duty trucks.

Formerly part of the Daewoo Group, the Company was acquired by Tata Motors in March 2004. TDCV is actively pioneering overseas markets by exporting products to about 60 countries.

**2<sup>nd</sup> Largest**

MANUFACTURER OF MEDIUM AND  
HEAVY-DUTY TRUCKS IN SOUTH KOREA



**JAGUAR LAND**

Jaguar Land Rover (JLR) is Britain's largest automotive manufacturer which designs, manufactures and sells some of the world's best known premium cars. The two iconic brands of JLR include Jaguar, with a range of luxury sedans, sports cars and luxury performance SUVs and Land Rover, which encompasses a portfolio of premium all-terrain vehicles. Tata Motors acquired JLR in 2008.

**#1**  
BRITAIN'S BIGGEST  
CAR MANUFACTURER  
**213**

JLR has four principal automotive manufacturing facilities in the United Kingdom at Solihull, Castle Bromwich, Halewood and the Engine Manufacturing Centre at Wolverhampton. It also has two product development facilities in the United Kingdom at Gaydon and Whitley. Jaguar Land Rover also owns a joint venture manufacturing plant under its China Joint Venture, in Changshu, near Shanghai. Expanding its footprint, the firm opened a new manufacturing facility in Brazil and is currently building manufacturing facilities in Slovakia and tied up a contract manufacturing with Magna Steyr in Austria. Jaguar Land Rover is known for its hallmark quality and excellence, strong global distribution network, path-breaking product development and engineering capabilities.

Our strategic priorities act as a road map towards delivering on our vision and blueprint. They guide the actions we need to take around resources, investment, innovation and product creation.'

## **TATA MOTORS GROUP – EMBRACING THE FUTURE OF MOBILITY**

New technologies, new business models and new partnerships are fast emerging across the world. Both Tata Motors and Jaguar Land Rover are enhancing customer experiences, while being able to deal with the discontinuity and disruption in the market, which comes from new technologies, competition and evolving customer behavior.





## TATA MOTORS – TAMO

We believe in delivering innovation that improves the quality of life for our customers. With the objective of foraying into future mobility solutions, we introduced a sub-brand - TAMO - as a core element

of our transformation journey, 'FutuReady'. The first innovation from TAMO will be to redefine connected and personalized driving experiences for Indian customers.

### Leveraging Expertise for Connectivity

TAMO will operate as an agile, ring-fenced vertical, in the first step on a low volume, low investment model to provide fast-tracked proves of technologies and concepts.

It will act as an open platform to network with global startups and leading tech companies to get access to trends, innovations and solutions, for the design of exciting future products and services.

For the rapidly changing automotive environment, TAMO will transform the experience of interfacing and interacting with customers and the wider community. We are collaborating with Microsoft to leverage its connected vehicle technologies.







## **JAGUAR LAND ROVER – INMOTION VENTUR**

Our subsidiary, Jaguar Land Rover, through its subsidiary IN Motion, offers new digital solutions and on-demand services that meet modern travel and transport challenges of today's consumers. Its long-term ambition is to remain at the forefront of customer-first innovation by creating visionary premium products that respond to changing lifestyles and mobility trends.

### **Pioneering Connected Autonomous Vehicles**

Jaguar Land Rover is working towards global leadership in Connected Autonomous Vehicles. Unrivalled driving experiences and vehicle performance and capability remain central to its strategy. Jaguar Land Rover's Advanced Driver Assistance Systems, including autonomous emergency braking and park assist, are its stepping stones to full autonomy. Through technologies like Cloud Car and Connected Car diagnostics, Jaguar Land Rover is pioneering the use of real-time data from its vehicles.

### **Innovating for a Greener, Smarter Tomorrow**

Jaguar Land Rover is introducing a range of alternative powertrains for 2018 and beyond. This includes full electric, hybrid and mild hybrid solutions. By 2020 half of its range will be available with an alternative power option to meet the differing needs of the customers. Jaguar Land Rover is working towards integrating connected and autonomous technology with low-carbon ecosystems. In partnership with Governments and academia, Jaguar Land Rover is also exploring innovations such as car-to-home charging, car-to-grid, and battery storage solutions to respond to an increase in electric vehicle sales.



# **CHAPTER - 2**

## **ORGANISATION PROFILE**

## **TATA MOTORS PROFILE**

Tata Motors Limited (TML), a USD 42 billion organization, is India's largest automobile company by revenues. The company is a leading global manufacturer of cars, utility vehicles, buses, trucks and defence vehicles and is working towards developing Smart Mobility Solutions for Smart Cities. Tata Motors is also developing a smart range of EVs, to accelerate the adoption of Electric Vehicles (EV) in the country, supporting the government's mission on electric vehicles.

Incorporated in India, in the year 1945, Tata Motors is a part of the USD 100 billion Tata group and has operations across India, UK, South Korea, Thailand, South Africa, and Indonesia.

A leader in the Indian commercial vehicle market, Tata Motors also ranks amongst India's top passenger vehicle manufacturers, with over 9 million vehicles plying on Indian roads. The company has played an instrumental role in transforming the country into a destination for world-class automotive manufacturing and continues to work towards building the nation. Tata Motors has always been at forefront of innovating technologies and providing products and experiences catering to the discerning needs of our customers across both passenger and commercial vehicles business. With its corporate brand identity - Connecting Aspirations, Tata Motors continues to create segment-defining products that will fire up the imagination of customers - generation after generation; reiterating the company's promise of offering better journeys.

With some of the worlds' most iconic brands, including Jaguar Land Rover in the UK, Tata Daewoo in South Korea, and a network of 76 subsidiaries globally, the company has consolidated its position as the Tata Motors Group. In India, Tata Motors' presence cuts across the length and breadth of the country with a manufacturing base spread across its biggest industrial hubs; Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), Sanand (Gujarat) and Dharwad (Karnataka).

Recognized for its world-class quality, originality, engineering and design excellence, the company is on the path of shaping the future of mobility in India. With a strong team of 4,500 engineers, scientists and technicians at the company's Engineering Research Centre, Tata Motors' R&D center's span multiple geographies, including Pune (India), UK and South Korea. For the rapidly changing automotive environment, Tata Motors launched its sub-brand – TAMO. TAMO acts as an incubating center of innovation towards new technologies, business models and partnerships in order to define future mobility solutions. It operates as an agile, ring-fenced vertical, in the first step on a low volume, low investment model to provide fast tracked proves of technologies and concepts. TAMO will transform the experience of interfacing and interacting with customers and the wider community. It will provide a digital eco- system, which will be leveraged by Tata Motors to support the mainstream business in the future.

Sustainability and the spirit of 'giving back to society' serves as the guiding philosophy at Tata Motors; along with good corporate citizenship, which is strongly embedded in the company's DNA. Through the Affirmative Action Programme, it has touched the lives of more than 5 lakh people in FY 16-17.



Industry: Automotive

Parent: TATA Group

Founded: 1945

Founder(s): Jehangir Ratanji Dadabhoy Tata

Headquarters: Mumbai, Maharashtra, India

Area served: Worldwide

Formerly known as Tata Engineering & Locomotive Company (TELCO).

Renamed as Tata Motors in 2003.

Registered Office Bombay House

24, Homi Mody Street

Mumbai 400 001

Tel: +91-22-66658282

Fax: +91-22-66657799

Email: [inv\\_rel@tatamotors.com](mailto:inv_rel@tatamotors.com)

Website: [www.tatamotors.com](http://www.tatamotors.com)

#### NATURE OF BUSINESS AND BUSINESS SEGMENT

Sector: Automobile

Industry: Light, Medium and Heavy Vehicles

## VISION AND MISSION

### Passenger Car Business Unit

#### Our Vision

"To evolve into a World Class Indian Car Brand".

#### Our Mission

"To provide passenger vehicles that offer customers exceptional value, and through this build a company that provides its shareholders with superior returns, and is seen by society and other stakeholders as a valuable contributor to their development".

#### Core Values

Our core values are built upon the traditions of the Tata group with emphasis on:

- Trust
- Integrity
- Concern for the well-being of both the employees and the society

In living our core values, we strive to maintain a balance between the needs of our customers, our suppliers, our employees, our stakeholders and our community.

### Commercial Vehicle Business Unit - Journey to Excellence



#### Our Core Values

- Integrity
- Customer focus
- Corporate citizenship
- Passion for Engineering

#### Purpose

To create economic assets for road transportation for bulk movement of goods and people and participate in managing these over the life of assets in order to create and capture economic value.

#### Our Vision

To be a world class corporate constantly furthering the interest of all its stakeholders.

#### Our Mission

**Shareholders**  
To consistently create shareholder value by generating returns in excess of Weighted Average Cost of Capital (WACC) during the upturn and atleast equal to Weighted Average Cost of Capital (WACC) during the downturn of the business cycle.

**Customers**  
To strengthen the Tata brand and create lasting relationships with the customers by working closely with business partners to provide superior value for money over the life cycle.

**Employees**  
To create a seamless organisation that incubates and promotes innovation, excellence and the Tata core values.

**Vendor and Channel Partners**  
To foster a long-term relationship so as to introduce a broad range of innovative products and services, that would benefit our customers and other stakeholders.

**Community**  
To proactively participate in reshaping the country's economic growth. To take a holistic approach towards environmental protection.

Tata Business Excellence Model

## ACHIVEMENTS AND REWARDS

<ul style="list-style-type: none"> <li>- was conferred with the 'Sword of Honor Award' by the British Safety Council, UK</li> </ul>	<p>Jaguar C-X16</p> <p>'Most Exciting Car to be Launched in 2012' at the What Car? Awards Auto week "Best in Show" Award at Frankfurt</p>
<ul style="list-style-type: none"> <li>- won the prestigious 'Safety Innovation Award' 2011</li> </ul>	<p>Jaguar XF</p>
<p>Lucknow plant won</p>	<p>'Best Executive Car' by TOPCAR magazine (China)</p>
<ul style="list-style-type: none"> <li>- the 'Genentech Environment Silver Award' 2011</li> </ul>	<p>'Best Cars of 2012: Upper middle-sized class imports' by Auto Motor und Sport (Germany) Awards 2011</p>
<ul style="list-style-type: none"> <li>- the 'Golden Peacock National Quality Award' 2011</li> </ul>	<p>Auto Express Driver 'Power Car of the Decade'</p>
<ul style="list-style-type: none"> <li>- the 'National Energy Conservation Award (NECA)' for two consecutive years</li> </ul>	<p>Executive and Luxury category in the What Car?</p>
<ul style="list-style-type: none"> <li>- the 'CII Excellent Energy Efficient Unit Award' 2011 for the third consecutive year</li> </ul>	<p>Range Rover Evoque</p>
<p>Various awards won by Jaguar Land Rover and products from its stable include:</p>	<p>North American 'Truck of the Year' (USA)</p>
<p>Jaguar Land Rover campaign, 'Ultimate Destination' received two awards for its innovative multi-platform recruitment</p>	<p>The Scotsman's 'Car of the Year' (UK)</p>
	<p>'Best Truck of 2011' by Auto week (USA)</p>
	<p>Decisive Magazine's 'Urban Truck of the Year' Award (USA)</p>
	<p>Illustrate magazine's 'Best Car 2012' (Switzerland)</p>
	<p>Auto Express' 'New Car Champion' in the Compact SUV category (UK)</p>
	<p>MSN 'Car of the Year 2011'</p>
	<p>Design trophy at the Automobile Magazine Awards (France) and shortlisted for the Auto Hoje Magazine Best Car Award (Portugal)</p>
	<p>'Car of the Year' at the Auto Express Awards</p>
	<p>'Best Compact SUV' and 'Scottish Car of the Year'</p>

Stuff magazine's 2011 'Car of the Year' (UK) in the annual technology award ceremony held at London's Globe Theatre

Top Gear 'Car of the Year' 2011

Illustrierte magazine's 'Best Car 2012' (Switzerland)

Land Rover DC100 Sport

Auto week 'Best Concept' Award

Jaguar XKR-S

'Best Sports Car'

'2011 Sports Car of the Year' by the German motoring magazine, Auto Bild Sportscars

Jaguar E-Type

## SHARE HOLDING PATTERN OF TATA MOTORS

Shareholding Pattern - Tata Motors Ltd.		
Holder's Name	No of Shares	% Share Holding
NoOfShares	3088973894	100%
Promoters	1309551138	42.39%
Foreign Institutions	482438007	15.62%
NBanksMutualFunds	191680853	6.21%
Central Gov.	4944144	0.16%
Others	428532242	13.87%
General Public	455057739	14.73%
Financial Institutions	216769771	7.02%

## Quality Policy

Tata Motors and the entire auto industry is in an extremely dynamic situation. Over the recent years, while the focus on quality standards has gone multiple times higher, at the same time, quality as a requirement has remained most basic but an important hygiene factor for the end customer.

We, at Tata Motors, have embarked on our Transformation Journey, which means we are now more committed to transform the consumer experiences. This will happen only when we provide innovative mobility solutions with passion that excite our customers globally through a Quality and customer centric culture involving all employees and business partners as One Team.

We will continue to strive for excellence in design, development, manufacturing and sales experience of exciting products and services combined with an unmatched ownership experience.

To reach higher benchmarks on Quality, we will internalize global best practices and sustainable technologies within the organization. Initiatives such as 'first time right capability', a 'quality management system' will create meaningful impact in the organization while also serving as a common set of guidelines and improvement yardstick.

Tata Motors also has a commitment towards improving the Quality of life of its direct stakeholders, both within and outside its plants and offices, through improved work practices and social welfare schemes.

I urge each one of you to abide by the Quality policy in letter and spirit.

Date: October 1, 2016  
Place: Mumbai



Guenter Butschek  
Chief Executive Officer and Managing Director



**Tata Motors Futures Price** (Expiry: 27-08-2020) : 125.55 ▼ -0.15 (-0.12%)

Open Price	126.80	Prev. Close	125.70	Open interest	77776500
High Price	128.10	Turnover (₹ in Lakhs)	51049.48	Open Interest Change	4765200
Low Price	125.10	No. Of Contracts Traded	13453	Open Interest Change (%)	6.53%

Tata Motors Ltd. Share Price Updates

Tata Motors Ltd. share price moved down by -0.36% from its previous close of Rs 125.60. Tata Motors Ltd. stock last traded price is 125.15

Tata Motors Ltd. Share Price

Value

Today/Current/Last

125.15

Previous Day

125.60

Tata Motors Ltd Share Holding as on 30-06-2020

Category	No. of shares	Percentage
Promoters	1,309,551,138	42.39
Foreign Institutions	482,438,007	15.62
NBFC and Mutual Funds	191,680,853	6.21
Central Government	4,944,144	0.16
Others	428,532,242	13.87
General Public	455,057,739	14.73

Financial Institutions

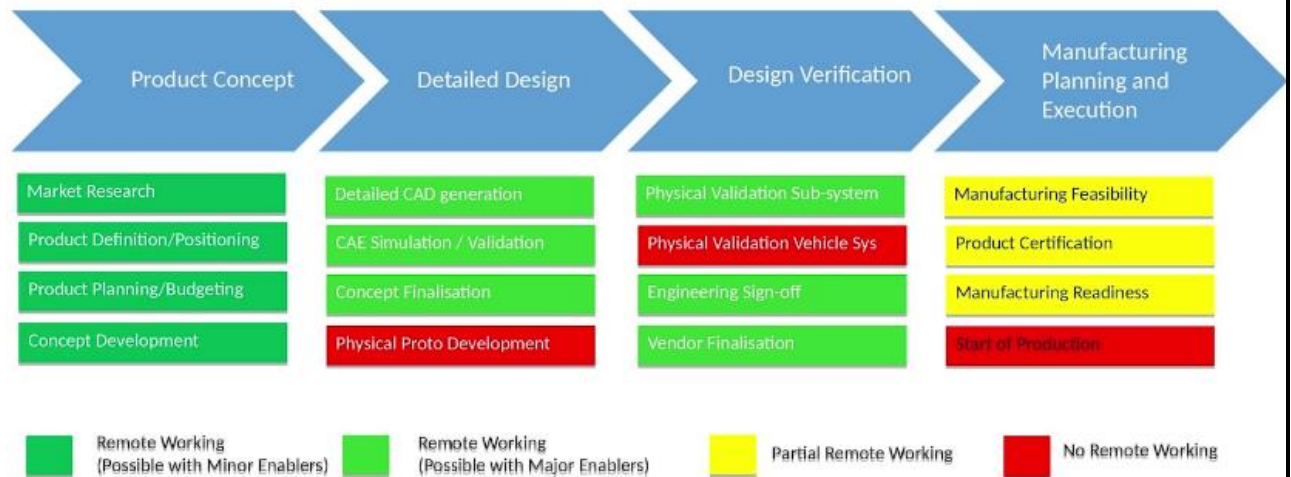
216,769,771

7.02

## Product Design

### Automotive Product Design And Development : With Enablers

**TATA MOTORS**  
Connecting Aspirations



~75 % activities can be Remotely Delivered with Major Enablers/Investments (HPC, Cloud computing and Data Connectivity)

**CHAPTER - 3**  
**MCKENSY'S 7S FRAMEWORK**  
**AND PORTER'S FIVE FORCE**  
**MODEL**

**MCKENSY'S 7S FRAMEWORK**

The 7-S Framework of McKinsey is a management model that describes 7 factors to **Organize company in holistic way**. Together these factors determine the way in which a corporation operates. Managers should take into account all seven of these factors, to be sure of successful implementation of a strategy. Large or small. They're all interdependent, so if you fail to pay proper attention to one of them, this may affect all others as well. In top of that, the relative importance of each factor may vary over time.

## McKinsey 7-S Model

### WHAT IS THE 7-S FRAMEWORK? DESCRIPTION

The 7-S Framework of McKinsey is a management model that describes 7 factors to organize a company in holistic and effective way. Together these factors determine the way in which a corporation operates. Managers should take into account all seven of these factors, to be sure of successful implementation of a strategy. Large or small. They're all interdependent, so if you fail to pay proper attention to one of them, this may affect all others as well. On top of that, the relative importance of each factor may vary over time.

### ORIGIN OF THE 7-S FRAMEWORK HISTORY

The 7-S Framework was first mentioned in "The Art of Japanese Management" by Richard Pascale and **Anthony** **ethos** in 1981. They had been investigating how & Japanese industry had been so successful. At around the sametime that Tom peters and Robert waterman were exploring what made a company excellent. The Seven S model was born at a meeting of these four authors in 1978. It appeared also in "In Search of Excellence" by peters and waterman, and was taken up as a basic tool by the global management consultancy company McKinsey. Since then it is known as their 7-S model.

### THE MEANING OF THE 7 SS

Shared values (also called Superordinate oals).The interconnecting center of McKinsey's model is: Shared values. what does the organization stands for and what it believes in. central beliefs and attitudes. Compare: Strategic Intent

#### **Strategy**

Plans for the allocation of firm scarce resources, over time, to reach identified goals. Environment, competition, customers.

#### **Structure**

The way in which the organization's units relate to each other: centralized, functional divisions (top-down); decentralized; a matrix, a network, a holding, etc.

#### **Systems**

The procedures processes and routines that characterize how the work should be done: financial systems; recruiting; promotion and performance appraisal systems; information systems.

### Staff

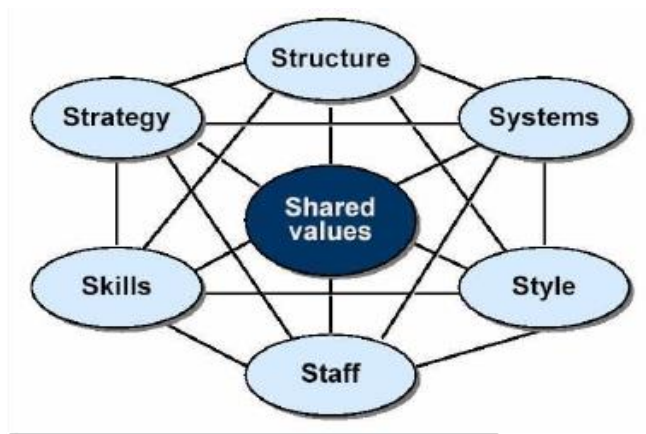
Numbers and types of personnel within the organization.

### Style

Cultural style of the organization and how key managers behave in achieving the organization's goals. Compare: Management Styles.

### Skills

Distinctive capabilities of personnel or of the organization as a whole. Compare: core competences.



## PORTER'S FIVE FORCE MODEL





## **Bargaining Power of Suppliers**

- \*To Manufacture vehicle number of inputs used like steel, seat covers, types etc..
- \*High competition among suppliers
- \*Diverse distribution channel
- \*Low cost of switching suppliers
- \*Volume is critical to suppliers



## **THREAT OF NEW ENTRANTS**

- \*High capital requirements
- \*Economies of scale
- \*Demand side benefit of scale.
- \*Customer switching cost.
- \*Distribution Channels.



## **BARGINING POWER OF CUSTOMERS**

- \*Driving prices far below competitors, causing them to exit, thus shifting power with buyers back to the firm.
- \*Low buyer price sensitivity.
- \*Large number of customers.



\*The bargaining power of customer is low bcoz company dominates Market with quality & reputation of so many years.

\*However when automobile company goes for backward integration in that case Buyer have the higher bargaining power like Tata which have its own steel plants so can face the problem of shortage of raw materials.

### **THREAT OF SUBSTITUTES**

For automotive industry, there are only two main substitutes available i.e. Railways and Airlines.

But both of these will not be substitutes for every Customer and in every situation. Like for a short journey airlines will not be substitutes. And journey to a place where railway can't reach in this position railway will not be substitute. But these can be threat in near future as airlines industry trying their hard best to cheap their fare and start as much as local airlines.

However, within the automobile industry lot of competition and substitutes are available like for two wheels any car can be substituted after the launch of Nano the price factor also removed and owned car or car on rent are the substitute for each other. This is great advantage to TATA as now two wheeler Customer can also go for car which mean new segment of customer.



**CHAPTER - 4**  
**SWOT ANAYLSIS**

This is a detailed SWOT analysis of Tata Motors. It aims to examine the strengths and the weaknesses of Tata Motors. It also examines the opportunities the company should explore and the threats it should address with appropriate strategies. Tata Motors is an Indian multinational automobile manufacturing company, headquartered in Mumbai, India. It is a part of the world-renowned, \$100 billion worth Tata Group, an Indian conglomerate.

### **Strengths of Tata Motors**

Tata Motors was established in 1945. It has accumulated a lot of industry experience over the years. It has a number of manufacturing and assembly plants in India, Argentina, South Africa, the UK, Indonesia, Austria, Slovakia, and Thailand. Its R&D centers are in India, the UK, Spain, and South Korea. Having the manufacturing plants and R&D Centre's in different continents help Tata Motors understand both local and international needs and trends and manufacture vehicles accordingly. This approach is also cost-effective as it reduces the transportation costs of the vehicles.

Tata Motors takes pride in its diverse portfolio, which is full of extensive range of cars, sports utility vehicles, trucks, vans, buses, coaches, and defence vehicles (Tata Motors, 2020). It also takes pride in its global network of subsidiaries and associate partners. Some of the notable subsidiaries are Jaguar Land Rover (the UK), Concorde Motors Limited (India), Tata Daewoo (South Korea) and Trilix Srl (Italy). This strong alliance has helped Tata Motors enhance its product portfolio.

Tata Motors has won a number of awards over the years e.g. Best Learning Organization of Asia (2011-12), Business Today's Best Companies to Work for Award (2017), and T3 Awards for Make in India (2015) to name but a few. Its CSR initiatives on education, employability skills, drinking water, and environmental awareness in India and beyond have also been noteworthy.

As of January 2020, the worth of Tata Motors is \$45 billion. The company has commenced a cost-saving programme dubbed as Project Charge to save £2.5 billion (The Economic Times, 2020). This tighter control of expenses should help the company stay on course in the face of the economic slowdown in some markets.

### **Weaknesses of Tata Motors**

Tata Motors' recent performance has been poor. For instance, it made a consolidated loss of Rs 216.5 crore for the quarter through September 2019. The company also reported a sharp decline in sales of both commercial vehicles and cars in the home market, India (The Economics Time, 2020).

Though Tata Motors is a multinational company, its brand image is not as great as global names such as Toyota, Volkswagen, General Motors, Nissan, and Ford. In fact, it is far behind any of these global brands.

### **Opportunities for Tata Motors**

Tata Motors can grow further in its home market. As the economic development is spreading across the country, a growing number of potential buyers is out there in the rural areas. Tata Motors can easily tap into this potential market segment. Likewise, further growth is also possible in many of its overseas markets.

Electric cars are the way forward where all the automobile giants are concentrating on. Tata Motors has already announced its position in this battle. It unveiled Nexon EV, its first electric car for personal buyers in December 2019 (James, 2019). It is very optimistic about this nascent electric car market.

### **Threats to Tata Motors**

Tata Motors faces a number of competitors in its domestic and overseas markets. Its main competitors are Honda, Toyota, Maruti Suzuki, Hyundai, Volkswagen, Ford, Mahindra, Nissan, Mitsubishi, Ashok Leyland, Volvo, Skoda Auto, and Chevrolet.

There are some other threats that need to be taken into account. For instance, the increasing price of raw materials such as steel and aluminum may badly impact on the cost of production, potentially resulting in lower profit margin.

**CHAPTER – 5**

**ANALYSIS OF FINANCIAL  
STATEMENTS**

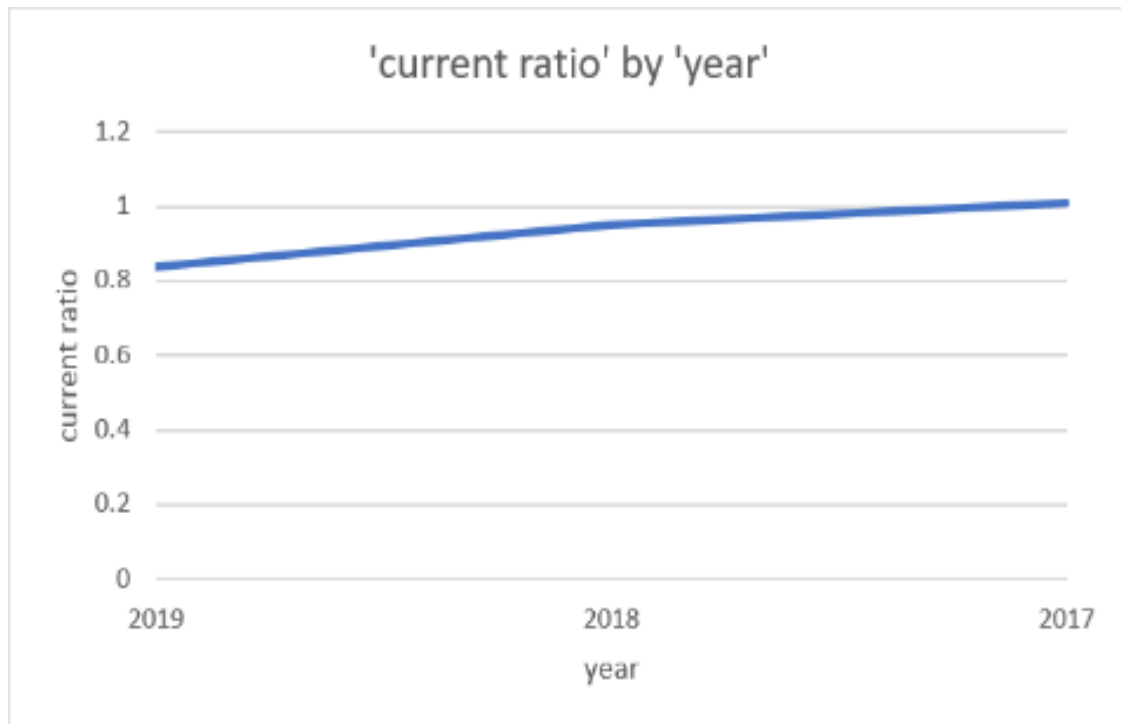
## Financial Data (Tata Motors Limited)

Item/Year	2019	2018	2017
Current Assets	1,228,275,200	1, 1,362,648,300	1,163,336,400
Current Liabilities	1,447,750,600	1, 1,427,782,700	1, 152,886,200
Inventories	390,015,900	424,296,200	352,953,800
Cash	410,723,400	492,394,200	509,206,700
Receivables	189,961,700	198,933,000	140,755,500
Total Assets	2,987,119,900	3,235,937,200	2,666,646,000
Total Liabilities	2,429,052,500	2,321,989,900	2,127,803,800
Total Equity	552,738,700	908,589,800	534,197,000
Sales	2,993,662,400	2, 2,882,951,100	2, 2,656,495,100
Cost of Goods Sold	1,978,855,800	1, 1,869,682,900	1,670,895,400
EBIT	-203,091,700	-115,737,500	-63,956,100
Interest	57,586,000	46,365,000	42,365,700
Net Income/Loss	-293,142,700	66,660,800	61,210,500

### Ratio Analyses:

#### Current Ratio:

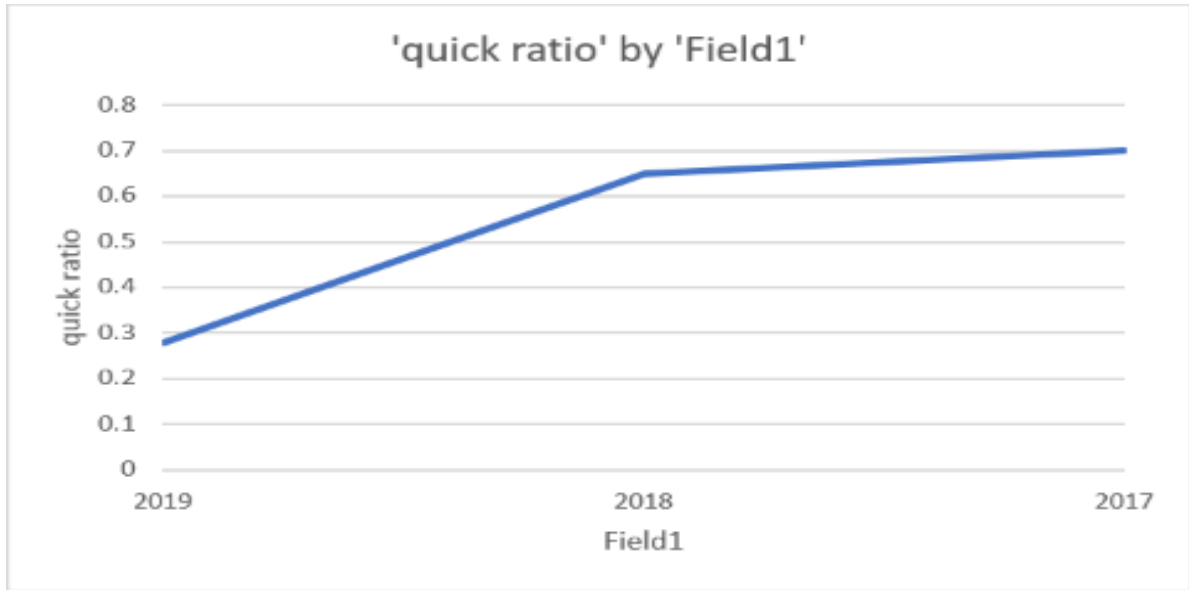
	2019	2018	2017
<b>Current assets</b>	1,228,275,200	1,362,648,300	1,163,336,400
<b>Current Liabilities</b>	1,447,750,600	1,427,782,700	1,152,886,200
<b>Total</b>	<b>0.84</b>	<b>0.95</b>	<b>1.009</b>



The current ratio was at its highest in 2017 out of three years. It has fallen at a constant rate to 0.85 as seen in the figure. It shows how the liquidity has fallen since 2017 with a ratio difference of 0.169.

### Quick Ratio:

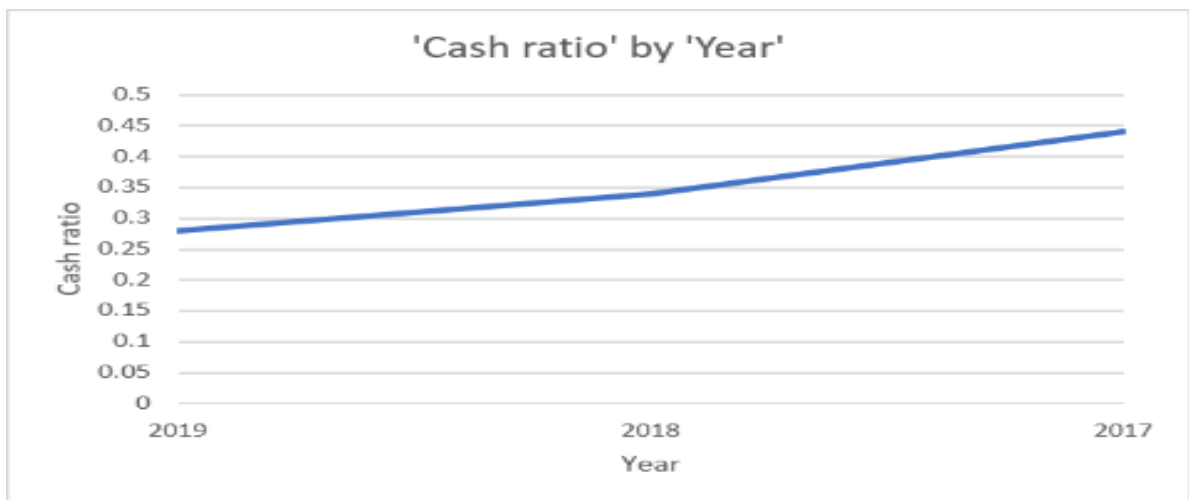
	2019	2018	2017
<b>Current assets - Inventory</b>	838,259,300	938,352,100	810,382,600
<b>Current Liabilities</b>	1,447,750,600	1,427,782,700	1,152,886,200
<b>Total</b>	<b>0.28</b>	<b>0.65</b>	<b>0.70</b>



This diagram has shown the drastic fall of quick ratio for the corporation since 2017. From 0.7 to 0.28 is a drastic downfall of ratio for the company. It decreased with a 0.05 difference in 2018.

### Cash Ratio:

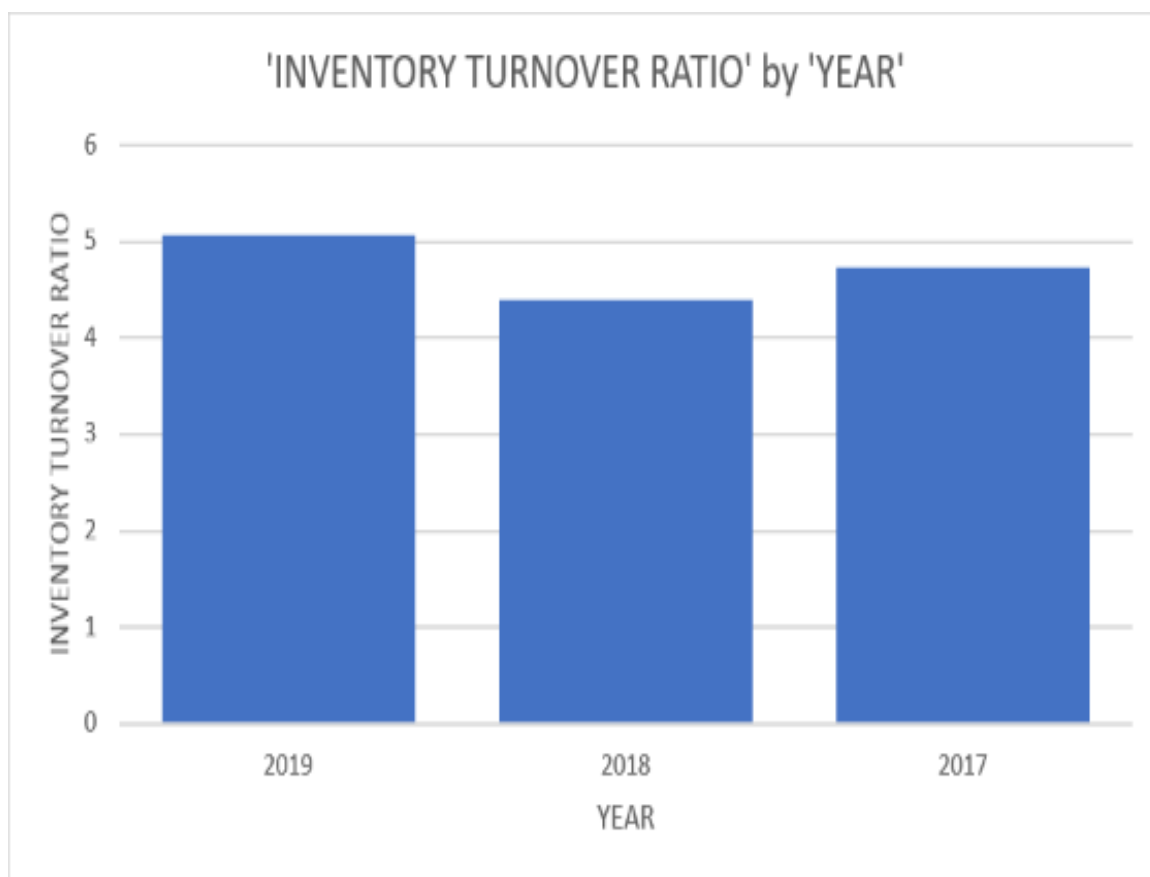
Year/Item	2019	2018	2017
Cash	410,723,400	492,394,200	509,206,700
Current Liabilities	1,447,750,600	1,427,782,700	1,152,886,200
<b>Total</b>	<b>0.28</b>	<b>0.34</b>	<b>0.44</b>



This figure shows the downfall of the figure since 2019. It shows the liquidity has decreased over time from 0.44 to 0.28.

### **Inventory Turnover Ratio:**

	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>COGS</b>	1,978,855,800	1,869,682,900	1,670,895,400
<b>Inventory</b>	390,015,900	424,296,200	352,953,800
	<b>5.07</b>	<b>4.40</b>	<b>4.73</b>

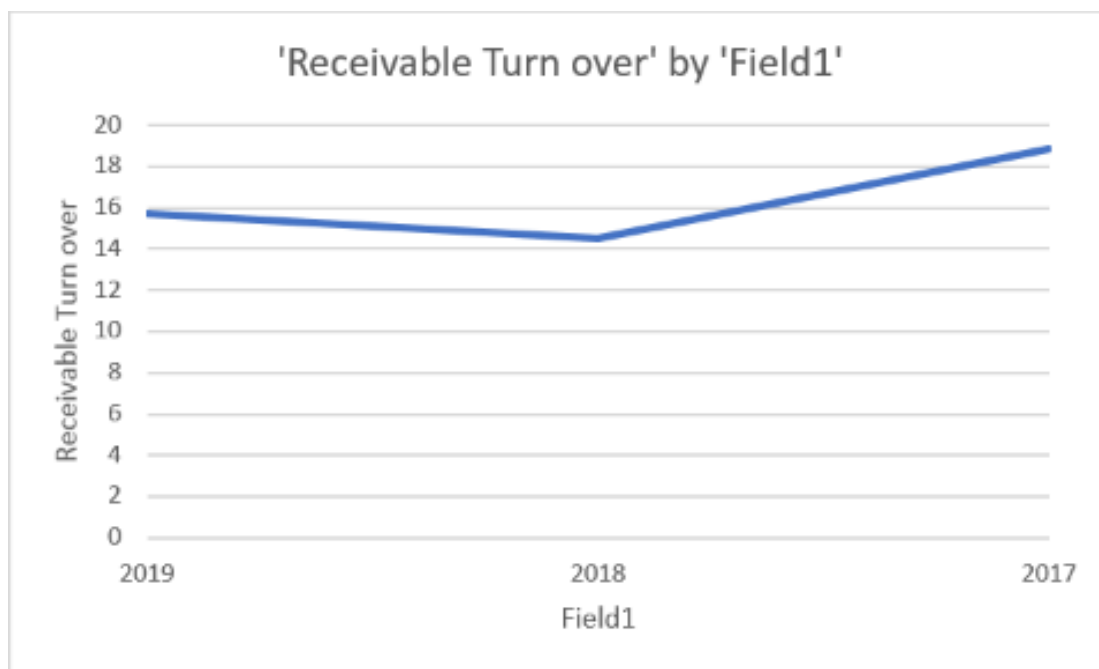


This figure shows the activity of the corporation is inconsistent. It fell slightly in 2018 with a rate of 4.40 and drastically improved to 5.07. It shows that the activity of the company has improved over time and they should maintain stability.



## RECEIVABLE TURNOVER RATIO:

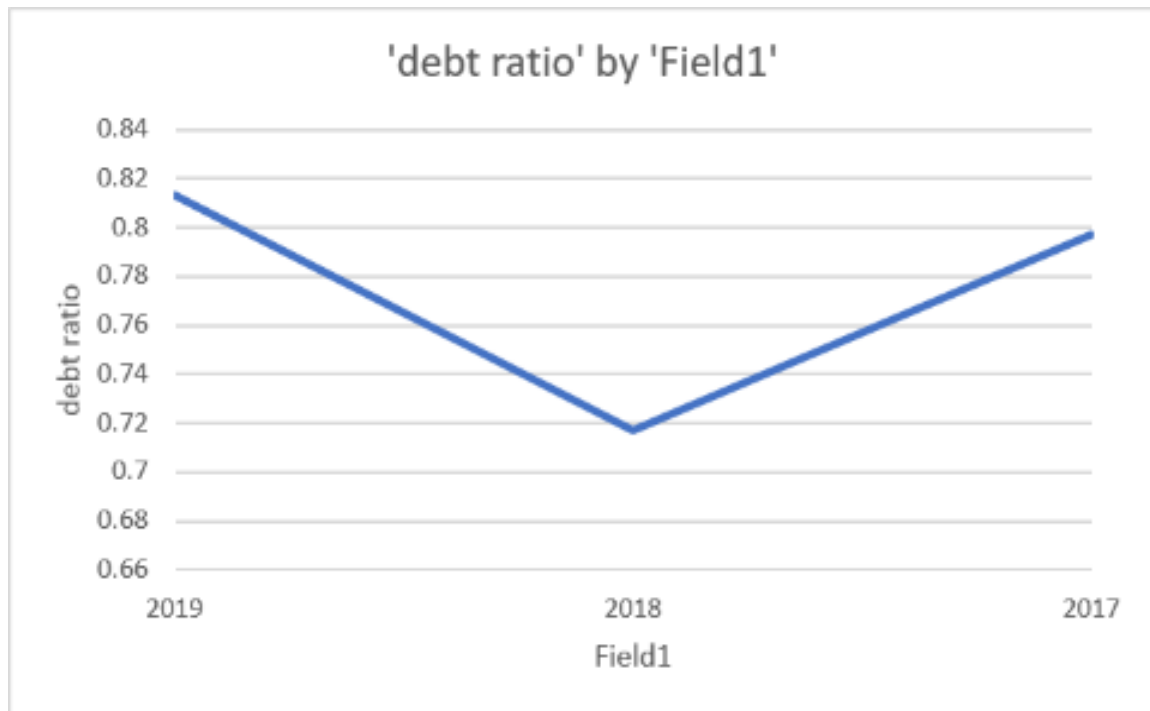
Item/Year	2019	2018	2017
Sales	2,993,662,400	2,882,951,100	2,656,495,100
Receivables	189,961,700	198,933,000	140,755,500
	15.75	14.49	18.87



This figure shows the average amount of time needed to collect accounts receivables for the company has been lowering down. From 18.87 in 2017, the ratio fell to 14.47 which is its lowest in all the 3 years. Improved in the final year at 5.75 in 2019.

## Debt Ratio:

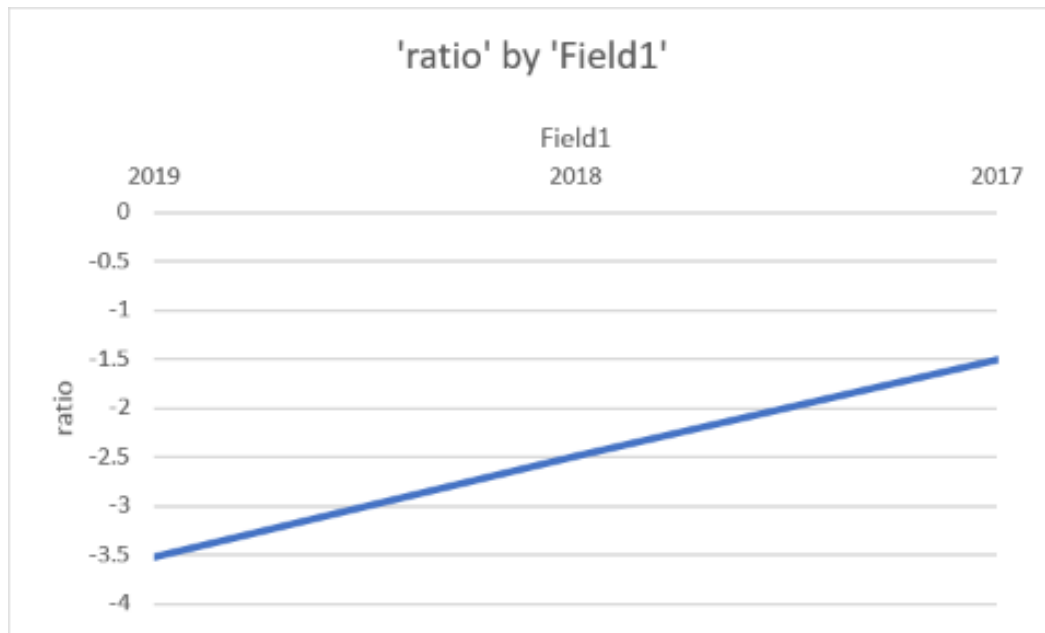
Year/Item	2019	2018	2017
Total Liabilities	2,429,052,500	2,321,989,900	2,127,803,800
Total assets	2,987,119,900	3,235,937,200	2,666,646,000
	0.813	0.717	0.797



This figure shows the proportion of total assets financed by Tata Motor's creditors. The debt ratio is at its highest in 2019 and lowest in 2018. It shows that debt-financed is more now.

### Time Interest Earned Ratio:

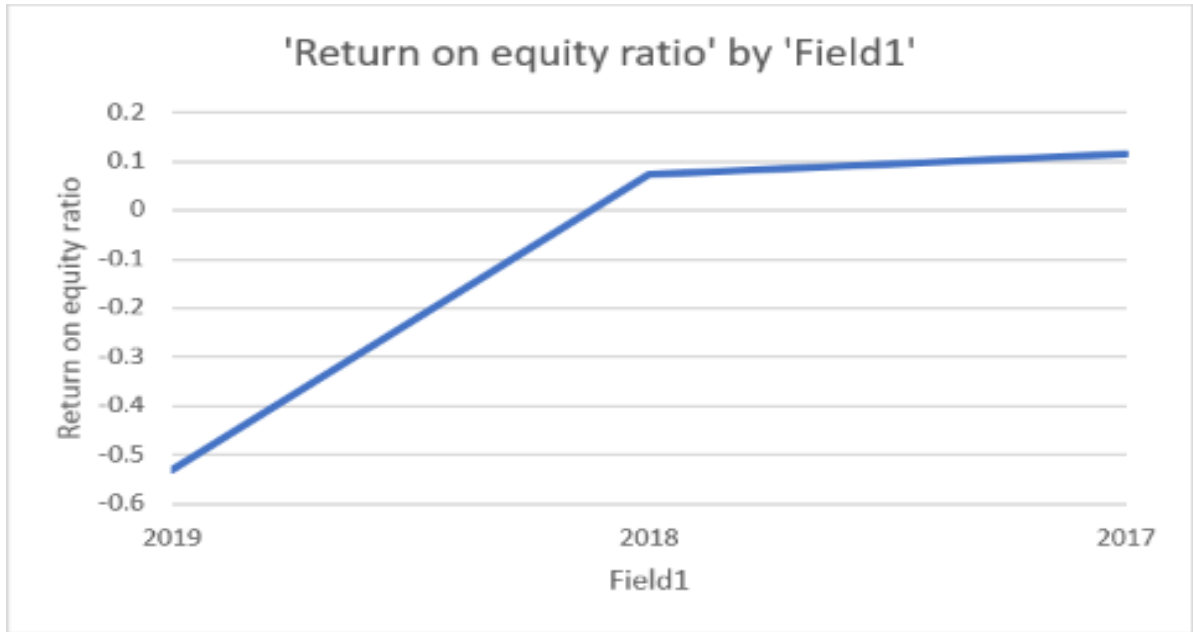
	2019	2018	2017
EBIT	-203,091,700	-115,737,500	-63,956,100
Interest	57,586,000	46,365,000	42,365,700
	-3.52	-2.49	-1.50



This figure shows that the company's ability to make contractual interest payments is massively negative and decreasing. From negative 1.50 in 2017 to negative 3.52 in 2019. Shows that the company isn't in a good position to make payments.

**Return on equity ratio:**

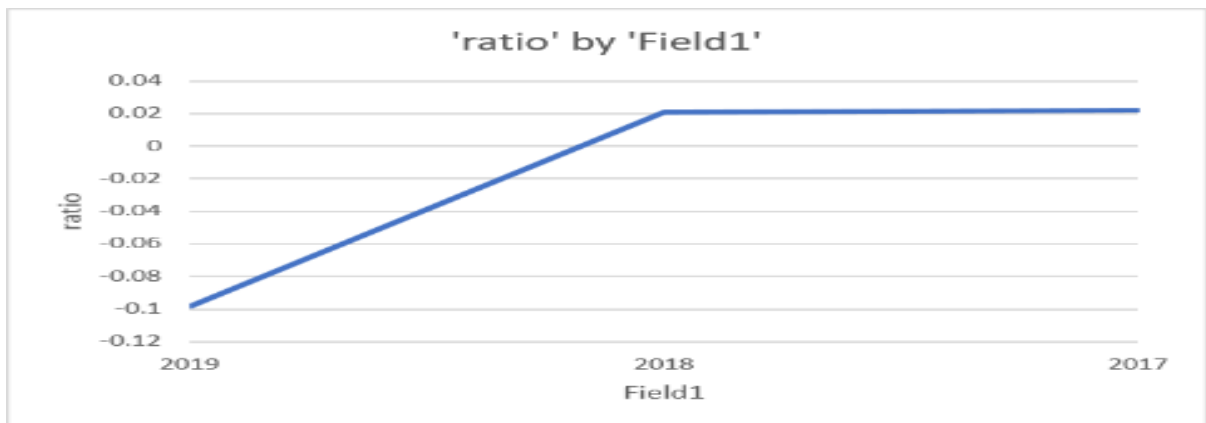
	2019	2018	2017
Net income	-293,142,700	66,660,800	61,210,500
Equity	552,738,700	908,589,800	534,197,000
	-0.530	0.073	0.114



This figure shows that the return on equity rate has had a massive decline since 2017. From positive 0.114 to -530. It is showing a very bad performance for its return on equity.

**Return on Total assets:**

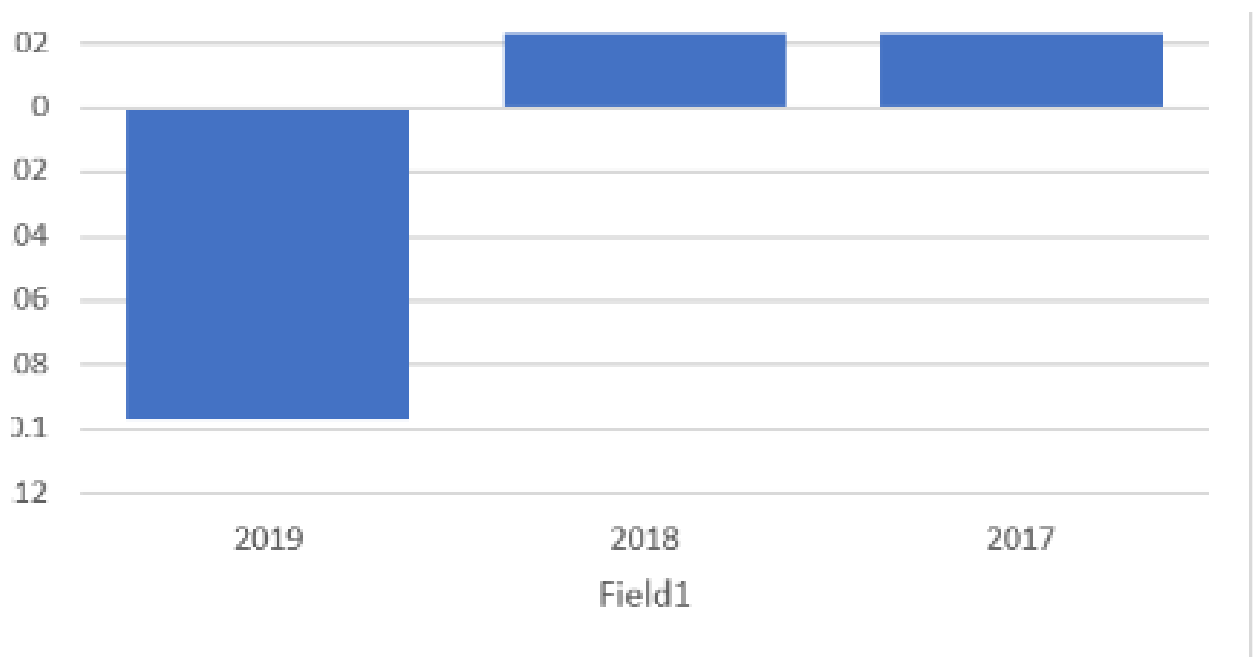
Year/Item	2019	2018	2017
Net income	-293,142,700	66,660,800	61,210,500
Total assets	2,987,119,900	3,235,937,200	2,666,646,000
Total	-0.0981	0.0206	0.022



This figure shows that its return on total assets ratio has declined poorly in the last year. It had a stable rate in 2017 and 2018 until it fell to negative .981 showing a huge decline for its return of total assets.

**Profit Margin ratio:**

Year/Item	2019	2018	2017
Net Income	-293,142,700	66,660,800	61,210,500
Sales	2,993,662,400	2,882,951,100	2,656,495,100
	-0.097	0.023	0.023



This figure shows that the profit margin was a little bit healthy in the years 2017 and 2018, with a stable rate of 0.023. Although they managed to be consistent with profit margin accurately for two years, it fell horribly in the year 2019 coming to -0.097. A huge change for the profit margin as shown in the figure.

## TATA MOTORS Balance Sheet Analysis

- The company's current liabilities during FY19 stood at Rs 1,455 billion as compared to Rs 1,432 billion in FY18, thereby witnessing an increase of 1.6%.
- Long-term debt stood at Rs 710 billion as compared to Rs 612 billion during FY18, a growth of 16.0%.
- Current assets fell 9% and stood at Rs 1,234 billion, while fixed assets fell 11% and stood at Rs 1,479 billion in FY19.
- Overall, the total assets and liabilities for FY19 stood at Rs 3,072 billion as against Rs 3,314 billion during FY18, thereby witnessing a fall of 7%.

## TATA MOTORS Balance Sheet as on March 2019

No. of Mths Year Ending		12 Mar-18*	12 Mar-19*	% Change
Net worth	Rs m	954,279	601,796	-36.9
Current Liabilities	Rs m	1,432,195	1,454,574	1.6
Long-term Debt	Rs m	611,995	709,737	16.0
Total Liabilities	Rs m	3,313,505	3,071,945	-7.3
Current assets	Rs m	1,359,728	1,234,312	-9.2
Fixed Assets	Rs m	1,663,353	1,478,617	-11.1
Total Assets	Rs m	3,313,505	3,071,945	-7.3

**CHAPTER- 6**  
**LEARNING EXPERIENCE**

## **LEARNING EXPERIENCE**

During my internship experience at Tata Motors, I was able to practically experience the concepts that I have learnt in the college. Internship opportunity is a great experience to deal with the real life situations. I was able to gain some of the insights of working with senior officials in reality and also got guided to correct my mistakes and discover more skills that might be of use in the future.

I was basically taught how the organization performed on a daily basis and I did pretty much the same. There were various departments in the unit where the employees are given suitable training and development so they could work at ease. Although my responsibilities did vary from week to week, the primary focus was mentored throughout the duration of internship.

As I moved around the unit I noticed this the company provided various facilities to employees such as canteen facilities, medical facilities,

Besides business knowledge and etiquettes I was able to witness many cases that provided me with something that I could have changed or done in a better way. Professionalism at work place is very important and this experience provides me to interact with clients and has given me a sense of how-to deal with situations when it is about to get out of hands

\*Professional attitude towards work

\*Sincerity of completion of work assignment

\*Observation of production department

\*Know about tyre industry dealer and customer

\*Know the recruitment & selection process

\*Learn about basics of salary payment structure

\*Understand the customer and dealer demand pattern

\*To communicate well with dealers about the sale schemes, price of the products, commission etc.



## **BIBLIOGRAPHY**

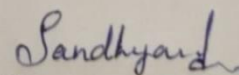
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## WEEKLY PROGRESS REPORT

Student Name	Ms. Kamsala Sandhya
USN	ICR19MBA35
Title of the Study	An Organisation Study on TATA MOTORS LIMITED
Organization	TATA MOTORS LIMITED
<b>WEEK-1</b>	
Duration (Start date - End date)	6.8.2020 - 12.8.2020
Chapter s covered	Chapter 1 and Chapter 2
Descriptions of activities performed during the week	Introduction to organization, Industry profile and company profile
<b>WEEK-2</b>	
Duration (Start date - End date)	13.8.2020 - 18.8.2020
Chapter s covered	Chapter 3
Descriptions of activities performed during the week	McKensy's 7S framework, Porter's Five Force Model.
<b>WEEK-3</b>	
Duration (Start date - End date)	19.8.2020 - 26.8.2020
Chapter s covered	Chapter 4 and Chapter 5
Descriptions of activities performed during the week	SWOT Analysis and analysis of financial statements
<b>WEEK-4</b>	
Duration (Start date - End date)	27.8.2020 - 30.8.2020
Chapter s covered	Chapter 6
Descriptions of activities performed during the week	Learning experiance and Bibliography



Signature of the Guide



Signature of the Student