



BSE Limited
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Rotunda Building, P J Towers,
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Kind Attn: Mr Khushro A. Bulsara
General Manager & Head
Listing Compliance & Legal Regulatory

Listing Compliance Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051
Kind Attn: Mr Lokesh Bhandari
Senior Manager
Listing & Compliance

March 6, 2020
Sc no- 15941

Dear Sirs,

Sub: Press Release – Statement on Coronavirus

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith is a press release issued by the Company on the captioned subject, the content of which is self-explanatory.

This is for the information of the exchange and the members.

Yours faithfully,
Tata Motors Limited

Hoshang K Sethna
Company Secretary

Encl: As attached

TATA MOTORS LIMITED

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Statement on Coronavirus

Tata Motors Group is continuously monitoring the evolving coronavirus situation closely and responding appropriately in accordance with relevant government requirements and advice in China and other jurisdictions it operates.

Our first priority has been the health and safety of our employees. Shanghai-based JLR China & Chery Jaguar Land Rover staff have been working from home since the end of the lunar holiday and the offices and JV plant reopened in the week of the 24th February. Production will be ramped up as the number of employees returning to work and demand increases.

Demand:

Jaguar Land Rover sales in China grew on average about 25% year on year for the 6 months from July through December 2019 and we continued to see strong growth for the first 3 weeks of January. The coronavirus has significantly impacted China sales with February retails down around 85% vs the prior year. In the first half of the month about 20% of dealers were open which has since improved to now over 80% although most are still operating with reduced staffing and facilities. Jaguar Land Rover expects this to improve over the course of March, however, retail sales are expected to recover more gradually. The spread of the virus to other markets such as South Korea, Japan, and Italy will also impact sales in those markets.

Supply Chain:

Suppliers in China are resuming operations but remain below full capacity.

For Tata Motors domestic, the transition out of BSIV is almost complete. However, materials management to support the ramp up of BSVI has become a daily affair and we are seeing improved availability position as vendors come on stream in China. With some flexibility in mix (models, trim levels) current visibility protects production volumes up to mid-March. The further planning horizon contains some uncertainties which are expected to be mitigated to a large extent; situation could lead to limited volume losses in Q4. This is however, expected to be recovered as market demand is likely to improve gradually upon transition to BSVI. The timeline for a complete rebalancing of supply and demand is dependent on the further developments in the coming 4-6 weeks. Domestic business is positive to overcome the current challenge with a limited impact on its overall FY21 performance.

Jaguar Land Rover's supply chain is primarily based in Europe and the UK, with a relatively small percentage of direct parts from China. Over 95% of its Tier 1 and Tier 2 suppliers in China are now open but at reduced capacity and Jaguar Land Rover is engaged with its suppliers on the status of their sub-tier suppliers in China. Jaguar Land Rover has visibility of availability of most parts out 2

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PRESS NOTE

weeks or more and has managed to avoid potential parts shortages by working closely with its suppliers and with some increased use of air freight. In the event of specific parts shortages, Jaguar Land Rover would ordinarily be able to still build cars and retrofit missing parts when available, however, we cannot rule out the risk that a shortage of a critical component could impact production at some point. The spread of the virus to South Korea, Japan, and Northern Italy is creating similar issues which we are managing in the same way.

Financial Impact:

Recognizing the present situation is highly uncertain and could change, the reduction in China sales resulting from the coronavirus presently is estimated to reduce Jaguar Land Rover's full year EBIT margin by about 1%, however, free cashflow in Q4 is still expected to be modestly positive and JLR has £5.8 billion of total liquidity at December 2019 (£3.9b of cash and a £1.9b undrawn revolving credit facility).

For Tata Motors domestic business, Q4 performance was already planned to be significantly impacted due to the switchover from BSIV to BSVI and the shortage of parts is likely to have some additional impact on specific BS VI models which is expected to be secured in the coming months. Tata Motors expects to end the quarter with positive free cash flow.
