

Tata Motors counts on raised output to race past Hyundai

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TATA MOTORS' RAPID acceleration in passenger vehicle ranking could cause some strain to Hyundai for the number two spot in the upcoming financial year as the Indian brand flexes its output muscle to match its retail demand.

While Hyundai has firmly retained the second rank in India's passenger vehicle market for many years, its dominance has been tested with Tata Motors racing ahead in sales in some of the months this year.

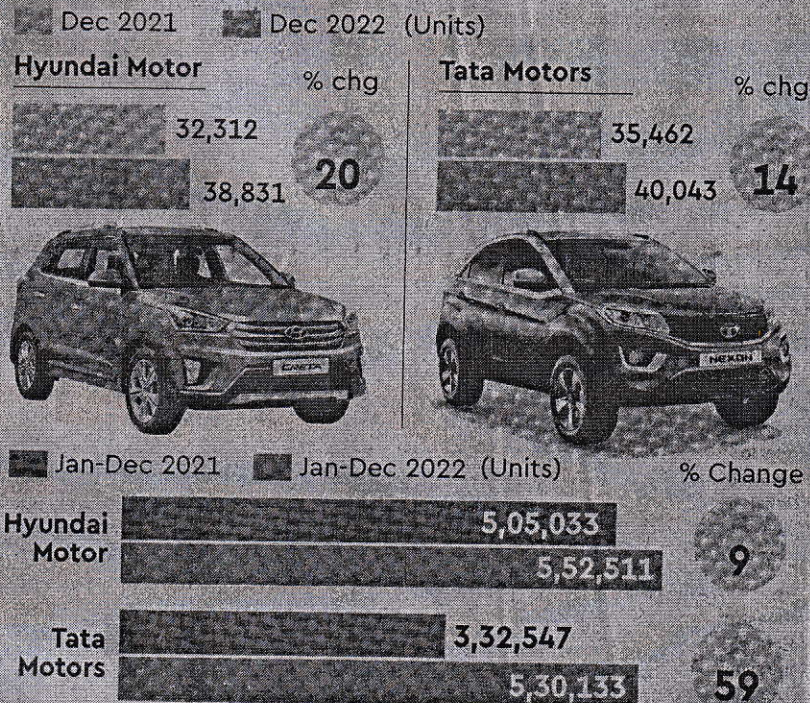
Despite operating at peak utilisation levels at its plants, Tata Motors is ready to squeeze out an additional 10,000 units per month in output to add to the current aggregate of 50,000 units per month, sources said.

At around 720,000 units per annum capacity, Tata Motors would likely have its neck ahead in the race. Hyundai is also increasing capacity to 850,000 units per annum, however, about 145,000-150,000 units could be earmarked for exports, leaving a capacity of 700,000 units for the Indian market.

Speaking to *FE*, Shailesh Chandra, managing director, Tata Passenger Electric Mobility and Tata Motors Passenger Vehicles said, "I am consistently selling 47,000-47,500 per month which means that my intrinsic capacity is 50,000. I am ready to do further debottlenecking. This is before the Ford capacity comes in."

Ford Motor Company's Gujarat-based plant is being taken over by Tata Motors. It has an annual production capacity of 300,000 units which can be scaled up to 420,000 units a year. While the Ford plant will require retooling, this incremental capacity will kick in in FY24. Tata Motors exports are negligible at around 2,000 units as of FY22. While a mail sent to Hyundai Motor India remained unan-

AUTO SALES



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MD, TATA PASSENGER
ELECTRIC MOBILITY



swered at the time of going to press, as per disclosures made by it to the Registrar of Companies, an investment of ₹1474 crore was made by it towards investment in property, plant and equipment.

Hyundai finished marginally ahead of the Tata Group company during 2022 with sales of 552,511 units compared to 530,133 units clocked by Tata Motors, a lead of 4%. This lead was

52% in 2021. In the past 13 months Tata Motors sold more vehicles than Hyundai in three months.

FY24 will witness product actions from both the companies which will lead to an even spirited contest. Tata Motors is expected to bring in the electric version of the Punch, making it the second all-electric SUV in its line-up. An electric version of the Altroz is also in the works.