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# Financial Performance Of Select Automobile Companies In India

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## ABSTRACT

Indian economy is one of the fastest growing economies in the world. Various sectors contribute to the development of Indian economy. The contribution of service sector to gross domestic product (GDP) is higher than any other sectors. Next to service sector manufacturing sector contributes more to GDP followed by agricultural sector. In the aspect of employment, next to agricultural sector, manufacturing sector gives more employment to people. There are several industries in manufacturing sector, among them automobile industry has been playing prominent role in the aspects of production, sales and employment. Automobile industry is the key driver of Indian economy. It plays a vital role in the economy and industrial development of India. It supports the development of some other industries by the procurement of raw material, those basic industries are steel, metal, plastic, petrochemicals, rubber, glass, and so on. These industries give more employment opportunity to people directly and indirectly. The success of an industry depends on industrial units consisted in such industry. Hence, the study on the units (companies) is getting importance.

**Keywords-** Automobile Industry, Gross Domestic Product, Agricultural Sector, Manufacturing Sector

## INTRODUCTION

About hundred years ago, the first motorcar was imported and Import duty on vehicles was introduced. Indian Great Royal Road (Predecessor of the Grand Trunk Road) was conceived. First car was brought in India by a princely ruler in 1898. Simpson & Co was established in 1840. They were the first to build a steam car and a steam bus, to attempt motorcar manufacture, to build and operate petrol driven passenger service and to import American Chassis in India. Railways first came to India in 1850s. In 1865, Col. Rookes Crompton introduced public transport wagons strapped to and pulled by imported steam road rollers called streamers. In 1919 at the end of the war, a large number of military vehicles came on the roads. In 1942, the Hindustan Motors Ltd. was incorporated and their first vehicle was made in 1950. In 1944 Premier Automobiles Ltd. incorporated and in 1947, their first vehicle

was produced. In 1947, the Government of Bombay accepted the scheme of Bajaj Auto to replace the cycle rickshaw by the auto and assembly started in a couple of years under a license from Piaggio. Automobile Products of India (API) and Enfield India had already commenced the manufacture of scooters, motorcycles, mopeds and autos from 1955. In 1956, Bajaj Tempo Ltd. entered the Indian market with a program of manufacturing commercial vehicles, and Simpson for making engines. AIA&AIA (Association of the Component Manufacturers) came into being in 1959, and the Government approved Bajaj Auto Ltd. plans for domestic manufacture of Vespa scooters and granted permission to produce 6000 units annually.

Since the 1980s, the Indian car Industry has seen a major resurgence with the opening up of Indian shores to foreign manufacturers and collaborators. The first phase of liberalization was announced and unfair practices of monopoly, oligopoly, etc slowly disappeared. It was the beginning of Liberalization of the protectionism policies of the Government. Lots of new Foreign Collaborations came up in the eighties. Many companies went in for Japanese collaborations. Hindustan Motors Ltd. In collaboration with Isuzu of Japan introduced the Isuzu truck in early eighties. The Two Wheeler market has increased since 1982, the Government had permitted foreign collaborations for the manufacturing of Two Wheelers up to 100 cc engine capacity.

### **Growth of Indian Automotive Industry**

It is well known that automotive Industry offers huge growth potential in terms of sales volume (including exports) and also immense employment opportunities. The likely future volumes of different vehicle categories were estimated on the basis of projections made by iMaCS, NCAER and AT Kearney. The value of projected domestic output was computed, based on historical average vehicle prices. Export potential was estimated on the basis of current trends and possible opportunities in major export destinations. Demand for after-market auto components and export output was also included in computing growth potential of the industry. The automotive industry also promises significant employment opportunities. Large number of workers, both skilled and unskilled, will be required to sustain the increased level of production. A large part of the employment would also be indirect, for sales, finance, insurance, mechanics and other after-sales personnel for both semi-skilled and unskilled workers in rural and semi-urban areas.

### **Contribution of Automobile Industry in Economy**

In India, automotive is one of the largest industries showing impressive growth over the years and has been significantly making increasing contribution to overall industrial development in the country. The sector has shown great advances in terms of development,

spread and absorption of newer technologies and flexibility in the wake of changing business scenario. It is also finding increasing recognition worldwide and a beginning has been made in the exports of vehicles as well as components.

### **The Present Scenario of Indian Automobile Industry**

A Nation's economy flourishes and becomes well known on account of its transport system. As India's transport network is developing at a fast speed, Indian Automobile Industry is growing too. Also, the Automobile industry has strong backward and forward linkages, and hence provides employment to a large part of the population. Thus, the role of Automobile Industry is very essential in Indian economy. With many companies now concentrating more on customer needs and price factors, there has been a sharp rise. In the number of Automobile industry includes two wheelers, three wheelers, commercial vehicles and passenger vehicles.

### **REVIEW OF LITERATURE**

**Amuthan R and Ramachandram A (2009)** undertook a study entitled "Inflationary Pressure on the Automobile Industry". The researchers stated that Inflation is the relentless phenomena for every country in the world. In the third week of July 2008, inflation climbed to 11.98%. It may not have crossed the significant mark of 12%. The R.B.I. hoped to contain inflation with a 5 -5.5% band. However, given the current scenario, RBI has got the target of 7% by March 2009. Stiff hikes in the repo rate and CRR will go a long way in reducing inflation. (Reference- Editorial Column, The Hindu dated Aug.5 2008). However, rising inflation coupled with depreciating US\$ cause tight liquidity conditions and a slowdown in the global economy is an unexpected challenge for the policy makers across the globe.

**Ashima and Chitkara (2010)** in their study analysed financial performance of Maruti and Hyundai. Financial performance evaluation has been done on the basis of some selected parameters like Liquidity, Profitability, Efficiency, Leverage Ratios and Market Value Ratios for the period from 2000.

**Vivek Sharma (2011)** analysed Liquidity, Risk and Profitability of Maruti India Ltd. The study was ten years from 2001 to 2010. The collected data were analyzed using various ratios and the researcher also applied t test. The study found that profitability of Maruti Suzuki India Ltd was satisfactory. The liquidity position of the company was fluctuating but was acceptable. The study also evidenced that the profitability was increasing at good pace showing the efficiency of the company.

**Vijayakumar (2011)** in his study made an attempt to examine the relationship between firm structure and profitability of Indian automobile companies. The study considered the

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variables of firm size, growth, liquidity, leverage, age, post profitability, market share and capital-output ratio. The study employed regression model and ratio analysis as tools of analysis. Sample size of the study was 20 automobile firms in India. The results demonstrate that firm size and growth were important determinants of profitability in the Indian automobile industry and a positive relationship was found between profitability and firm size and growth.

**Sanjay and Butalal Ajmera (2011)** in their study analysed financial leverage, earnings and dividend of Maruti Suzuki India Ltd. The study period was eight years from 2001-02 to 2008-09. For the purpose of analysis, the researcher used ratio techniques and correlation-coefficient and 't' test as statistical tools. The study found that dividend payout was in decreasing trend during the study period. The company was enabling to maximize the EPS by the reverse operation of financial leverage. The company successfully pulled down the degree of financial leverage to reap the EPS advantage.

**Nishi Sharma (2011)** in a study analysed the financial performance of Indian Automobile Industry. For this purpose the researcher selected four automobile companies in India for a period of 10 years from 2001-02 to 2010-11. The selection of the company was done on the basis of their market share. The study found that the financial performance of Mahindra & Mahindra Limited as well as Tata Motors was very satisfactory in terms of profitability as well as managerial efficiency to generate sales from the use of assets.

**Pasupathi (2012)** in his study made an attempt to study the Operational Adequacy of Working Capital Management of Selected Indian Automobile Industries. It covered seventeen major units in the automobile industry. The study period was 15 years from 1992-93 to 2006-07. The study used a variety of financial ratios to accomplish the objectives and used discriminant analysis to examine the adequacy of working capital.

**Dhanabhakyaam and Kavitha (2012)** analyzed the efficiency of asset utilization by selected automobile companies. The researchers used Ratio Analysis and Correlation Analysis as tools of analysis. The study found that the selected automobile companies performed well in efficient utilization of asset and financing pattern of asset and this will help the companies to take the important financial decisions on the fixed and current assets.

**Rajavathana and Ganesamoorthy (2013)** in their study analysed the working capital performance of selected automobile companies in India using Ratio Analysis and Y-Score model. The study found that TATA Motors Ltd. And Mahindra and Mahindra Ltd. suffered by negative working capital for six and two years respectively. These companies did not have current, liquid and absolute liquid ratios as per the standard norms in majority of the years of the study period.

## **STATEMENT OF THE PROBLEM**

India is one of the leading automobile manufacturers and exporters in the world. Automobile industry is one of the key industries in India, this industry is becoming the backbone of other industries, since goods are sent to markets across the country from the production place through transport. The performance of a business concern is studied under various aspects, of which the financial performance analysis is occupying a predominant place. Generally the financial performance of a company is studied under three broad areas namely, working capital management, long term financial performance and profitability. Long term solvency is also very important for any business organization. Study of capital structure, efficiency of financial management in the aspects of shareholder's fund, fixed assets and so on. Hence, the study has also analysed the long term financial performance of the selected automobile companies in India. Any activity related to a business is aimed at profit. So, the study of profitability will exhibit the overall performance of a company. Hence, the study has analysed the profitability of the selected automobile companies.

## **OBJECTIVES OF THE STUDY**

- To study the working capital management of the selected automobile companies in India.
- To analyse the long term financial performance of the selected automobile companies in India.
- To assess the profitability of the selected automobile companies in India and
- To offer suitable suggestions and draw conclusion based on the findings of the study.

## **RESEARCH METHODOLOGY**

The study is based on secondary data . The study is empirical in nature. The study has applied Ratio Analysis as primary financial tool to analyse the accounting data to assess the financial performance of the selected automobile companies for the study period. The study also used appropriate statistical tools such as, Simple Percentage, Mean, Standard Deviation (SD), Co-efficient of Variation (CV), Compounded Annual Growth Rate (CAGR) and Trend analysis to Analyse the data.

### **Study Period**

The present study has analysed the financial performance of the selected automobile companies in India for a study period of ten years from 2005-06 to 2014-15.

### **Data Collection**

The study used accounting variables to calculate the various ratios and applied appropriate statistical tools to analyse the data. The required accounting data were collected from financial reports of the respected companies, which were extracted from annual reports of the concerned companies for the study period.

### Working Capital of Tata Motors Ltd.

Table 1 presents the results of current assets, current liabilities, working capital and their growth over the study period of Tata Motors Limited

**Table- 1 Working Capital of Tata Motors Ltd.**

Year	CA ₹	Growth %	CL ₹	Growth %	WC ₹	Growth %
2005-06	9886.93		5900.32		3986.61	
2006-07	10271.51	3.89	5993.45	1.58	4278.06	7.31
2007-08	11237.29	9.40	8667.20	44.61	2570.09	-39.92
2008-09	10131.67	-9.84	8958.25	3.36	1173.42	-54.34
2009-10	12069.59	19.13	14609.16	63.08	-2539.57	-316.42
2010-11	14196.44	17.62	13032.53	-10.79	1163.91	-145.83
2011-12	13712.92	-3.41	19222.91	47.50	-5509.99	-573.40
2012-13	11897.64	-13.24	19595.03	1.94	-7697.39	39.70
2013-14	6839.91	-42.51	16904.62	-13.73	-10064.71	30.75
2014-15	8593.19	25.63	19757.54	16.88	-11164.35	10.93
Mean	10883.71		13264.10		-2380.39	
SD	2237.82		5574.03		5858.23	
CV	20.56		42.02		-246.10	
CAGR	-1.39		12.85		NA	

**Source:** Computed from Annual Reports.

Table 1 shows that the current assets of Tata Motors Ltd. Were fluctuating during the study period. It increased at high rate during 2009-10, 2010-11 and during 2014-15. The current assets of the company decreased at very high rate during 2013-14 by -42.51 per cent and it increased at high rate during 2012-13. The current assets of Tata Motors Ltd. Decreased during the study period as shown by the result of CAGR (-1.39 per cent) and there was a very low level of deviation from its mean value as shown by the results of SD and CV. Current liabilities of the company were increasing during the study period. There was a moderate level of deviation from its mean value as shown by the result of SD and CV. The working capital of the company was positive during the first four years and during 2010-11 and during the other years it was negative. The working capital of Tata motors decreased drastically during the period from 2007-08 to 2011-12. A very wide deviation was found in the amount of working capital from its mean value as shown by the results of SD and CV.

Negative working capital was caused by the increase of current liabilities and a decrease in current liabilities.

### Working Capital of Mahindra and Mahindra Ltd.

Table 2 presents the results of working capital of Mahindra and Mahindra Ltd. for the study period.

**Table- 2 Working Capital of Mahindra Mahindra Ltd.**

Year	CA ₹	Growth %	CL ₹	Growth %	WC ₹	Growth %
2005-06	2938.18		1520.84		1417.34	
2006-07	4002.41	36.22	1950.22	28.23	2052.20	44.79
2007-08	4188.47	4.65	2307.55	18.32	1880.92	-8.35
2008-09	5646.04	34.80	3520.20	52.55	2125.84	13.02
2009-10	6744.53	19.46	3400.00	-3.41	3344.53	57.33
2010-11	7084.74	5.04	4761.68	40.05	2323.06	-30.54
2011-12	7990.72	12.79	5997.56	25.95	1993.16	-14.20
2012-13	8943.43	11.92	6686.51	11.49	2256.92	13.23
2013-14	11288.92	26.23	7203.10	7.73	4085.82	81.04
2014-15	10128.21	-10.28	7512.83	4.30	2615.38	-35.99
Mean	6895.57		4486.05		2409.52	
SD	2751.25		2256.53		774.79	
CV	39.90		50.30		32.16	
CAGR	13.17		17.32		6.32	

**Source:** Computed from Annual Reports.

The current assets of Mahindra and Mahindra Ltd. were in increasing trend over the study period. It increased from ` . 2938.18 crore in 2005 – 06 to ` . 10,128.21 crore in 2014-15, this increase accounted for 13.17 per cent growth over the study period as shown by CAGR. The working capital of Mahindra and Mahindra Ltd. was found to be positive during all the years of the study period. It increased from ` . 1417.34 crore in 2005-06 to ` . 2615.38 crore in 2014-15. The result of CAGR shows that the working capital increased by 6.32 per cent during the study period. It increased at high rates during the years 2006-07 on account of the increase of current assets than current liabilities, working capital increased during 2009-10 on account of increasing current assets the decrease in current liabilities and it increased again in 2013-14 on account of current assets than current liabilities.

### Working Capital of Maruti Suzuki India Ltd.

Table 3 gives the results of current assets, current liabilities, working capital and their growth for the study period.

**Table 3- Working Capital of Maruti Suzuki India Ltd.**

Year	CA ₹	Growth %	CL ₹	Growth %	WC ₹	Growth %
2005-06	4235.10		1505.80		2729.30	
2006-07	4706.40	11.13	2011.00	33.55	2695.40	-1.24
2007-08	4185.50	-11.07	2449.20	21.79	1736.30	-35.58
2008-09	6615.00	58.05	3035.80	23.95	3579.20	106.14
2009-10	8999.60	36.05	2939.40	-3.18	6060.20	69.32
2010-11	9620.20	6.90	3632.50	23.58	5987.70	-1.20
2011-12	11079.00	15.16	6017.40	65.65	5061.60	-15.47
2012-13	10946.00	-1.20	6079.30	1.03	4866.70	-3.85
2013-14	14171.70	29.47	7396.40	21.67	6775.30	39.22
2014-15	8197.90	-42.15	7462.60	0.90	735.30	-89.15
Mean	8275.64		4252.94		4022.70	
SD	3344.04		2262.02		2028.88	
CV	40.41		53.19		50.44	
CAGR	6.83		17.36		-12.29	

Table 3 reports that the current assets of Maruti Suzuki India Ltd. was increasing during the study period. The working capital of the company met fluctuations during the study period. There was a major increase in the working capital during 2008-09 and 2009-10 but the working capital of the company decreased at high rates during 2007-08 and 2014-15. The result of CAGR (-12.29 per cent) showed decrease in working capital of the company during the study period. There was a moderate level of deviation in the working capital of the company from its mean value as per the results of SD and CV.

#### **Working Capital of Bajaj Auto Ltd.**

Table 4 gives the results of current assets, current liabilities, working capital and their growth of Bajaj Auto Ltd. for the study period.

#### **Table 4- Working Capital of Bajaj Auto Ltd.**



Year	CA ₹	Growth %	CL ₹	Growth %	WC ₹	Growth %
2005-06	2973.08		1228.87		1744.21	
2006-07	4144.70	39.41	1498.97	21.98	2645.73	51.69
2007-08	1738.64	-58.05	1043.25	-30.40	695.39	-73.72
2008-09	2668.64	53.49	1213.41	16.31	1455.23	109.27
2009-10	3229.65	21.02	2026.25	66.99	1203.40	-17.31
2010-11	3443.97	6.64	2426.65	19.76	1017.32	-15.46
2011-12	5172.19	50.18	2562.12	5.58	2610.07	156.56
2012-13	6198.08	19.83	2525.77	-1.42	3672.31	40.70
2013-14	5616.63	-9.38	2877.54	13.93	2739.09	-25.41
2014-15	9526.27	69.61	2567.22	-10.78	6959.05	154.06
Mean	4471.19		1997.01		2474.18	
SD	2260.85		686.91		1830.00	
CV	50.56		34.40		73.96	
CAGR	12.35		7.65		14.84	

Table 4 indicates that the current assets of Bajaj Auto Ltd. Increased considerably during the study period. It increased from ` 2973.08 crore in 2005-06 to ` 9526.27 crore in 2014-15, this increase accounted for 12.35 per cent growth as shown by CAGR. A low level of deviation was found in current liabilities as per the results of SD and CV. The working capital of Bajaj Auto Ltd. Increased from ` 1744.21 crore in 2005-06 to ` 6959.05 crore in 2014-15, it accounted for 14.84 per cent increase during the study period. The results of standard deviation was ` 2474.18 crore and co-efficient of variation was 73.96 per cent; these results showed that the working capital of the company had high level of deviation from its mean value.

### **Working Capital Turnover Ratio of Selected Automobile Companies**

Working capital is the difference between current assets and current liabilities. Working capital is being used by a company for its day-to-day expenses and production activities. Efficient utilization of the working capital will lead a company to earn more profit through increase in sales. Hence, it is necessary to know the performance of the working capital in terms of turnover. So, working capital turnover ratio was calculated for the selected companies.

### **Table- 5 Working Capital Turnover Ratio of Selected Automobile Companies**

<b>Year</b>	<b>Tata</b>	<b>MM</b>	<b>Maruti</b>	<b>Bajaj</b>
2005-06	6.02	5.64	4.40	4.28
2006-07	6.44	4.69	5.41	3.51
2007-08	11.18	5.74	10.29	12.46
2008-09	21.87	5.95	5.69	5.80
2009-10	-14.02	5.39	4.78	9.56
2010-11	41.28	9.80	6.12	15.73
2011-12	-9.86	15.98	7.03	7.23
2012-13	-5.82	17.68	8.96	5.31
2013-14	-3.41	9.91	6.45	7.36
2014-15	-3.25	14.89	67.96	3.11
Mean	5.04	9.57	12.71	7.43
SD	16.60	4.94	19.50	4.08
CV	329.11	51.65	153.44	54.88

**Source:** Computed from Annual Reports

It was observed from table 5 that the working turnover ratio of Tata Motors Ltd. was fluctuating during the study period. The ratio ranged from 14.02 to 41.28 times. The mean value of the ratio was 5.04 times. The ratio was negative during the last six years of the study period, it shows that even with negative working capital Tata Motors Ltd. had good sales. The results of SD and CV show a wide deviation in the ratio from its mean value. The working capital turnover ratio of Mahindra and Mahindra Ltd. was high during the study period. The ratio ranged from 4.69 to 17.68 times, the mean value of the ratio was 9.57 times. It is considered high and therefore the company efficiently utilized its working capital to increase sales. The results of SD and CV showed a moderate level of deviation in the ratio from 121 its mean value. The working capital turnover ratio of Maruti Suzuki India Ltd. was also found to be high during the study period. The ratio ranged from 4.40 to 67.96 times, the mean value of the ratio was 12.71 times, it seems to be high and therefore the company utilized its working capital efficiently to increase its sales. The results of SD and CV showed a wide deviation in the ratio from its mean value. The working capital turnover ratio of Bajaj Auto Ltd. ranged between 3.11 and 15.73 times. The mean value of the ratio was 7.43 times, it is at moderate level and therefore utilization of the working capital by the company was satisfactory. There was a moderate level of deviation in the ratio from its mean value as shown by the results of SD and CV.

### **Debtors Turnover Ratio**

Debtors turnover ratio reveals the proportion of sundry debtors to total sales of a company. Higher debtors turnover ratio shows smaller amount of debtors and lower ratio shows higher amount of debtors. Having lower amount of debtors shows that the company made cash sales than credit sales. It is calculated as sales divided by closing debtors.

**Table- 6 Debtors Turnover Ratio of Selected Automobile Companies**

<b>Year</b>	<b>Tata</b>	<b>MM</b>	<b>Maruti</b>	<b>Bajaj</b>
2005-06	33.54	12.52	18.33	24.77
2006-07	35.20	13.74	19.52	17.54
2007-08	25.41	10.75	27.25	31.47
2008-09	16.50	12.12	21.71	23.52
2009-10	14.88	14.34	35.76	48.06
2010-11	18.46	16.80	44.41	44.10
2011-12	20.05	16.02	37.96	44.66
2012-13	24.62	18.07	29.65	25.39
2013-14	28.18	16.14	30.91	25.31
2014-15	32.57	15.22	46.71	30.14
Mean	24.94	14.57	31.22	31.50
SD	7.35	2.30	9.95	10.48
CV	29.48	15.80	31.88	33.26

**Source:** Computed from Annual Reports

It could be known from table 6 that debtors turnover ratio of Tata Motors Ltd. ranged from 14.88 to 35.20 times and the mean value of the ratio was 24.94 times which showed that debtors level was low in its sales. A low level of deviation was found in the ratio as per the results of SD and CV. Debtors turnover ratio of Mahindra and Mahindra Ltd. Was also found to be low during the study period. The ratio ranged between 10.75 and 18.07 times and the mean value of the ratio was 14.57 times. It is considered low and therefore, there was high level of credit sales by the company. A low level of deviation was found in the ratio as per the results of SD and CV. Debtors turnover ratio of Maruti Suzuki India Ltd. was high during the study period, the ratio ranged from 18.33 to 46.71 times and its mean value was 31.22 times. This ratio showed that the level of debtors was low, in other words, level of credit sales by the company was low. The credit sales of Bajaj Auto Ltd. was also low during the study period as shown by the results of debtors turnover ratio. This ratio ranged from 17.54 to 48.06 times and the mean value of the ratio was 31.50 times. A moderate level of deviation was found in the ratio from its mean value as per the results of SD and CV.

### **LIMITATION OF THE STUDY**

The study is based on secondary data, the data were collected from the financial reports reported in annual reports of the selected automobile companies and the analyses were done on the basis of the data collected. Therefore accuracy is based on the data provided in annual reports. The researcher wanted to calculate debtors turnover ratio, for this purpose the researcher required credit sales, but in financial reports total sales were reported. Hence, total sales were considered for calculation of the ratio.

## **CONCLUSION**

It was found that China stood first in automobile products during the period of ten years from 2005 to 2014. The calculated value of CAGR was 15.30 per cent. India stood at 6th rank in world automobile products during the period. In terms of growth rate, India was ranked second as shown by CAGR of 8.90 per cent. It was found that number of automobile products by India increased from 16,38,674 vehicles in 2005 to 38,44,857 vehicles in 2014. It was evidence that total automobile products of India increased at high rates during 2009 – 10 and 2010 -11. It was found that the current assets of Tata Motors Ltd. decreased during the study period, whereas, current liabilities increased considerably, its CAGR was 12.85 per cent. The working capital of Tata Motors Ltd. was negative during five years out of ten years of the study period. It was observed that both current assets and current liabilities of Mahindra and Mahindra Ltd. increased during the study period, but the growth rate of current liabilities were more than the growth rate of current assets. The working capital of the company increased by 6.32 per cent during the study period. The growth rate of current liabilities (17.36 per cent) of Maruti Suzuki India Ltd. was more than the growth rate of current assets (6.83 per cent). The working capital of the company drastically decreased during the study period. CAGR of working capital was -12.29 per cent. The growth rate of the working capital of Bajaj Auto Ltd. was high, it was 14.84 per cent, since the growth rate of current assets (CAGR 12.35 per cent) was more than the growth rate of current liabilities (CAGR 7.65 per cent). It was found that the sales value of Mahindra and Mahindra Ltd. increased at high rate during the study period followed by Maruti Suzuki India Ltd. and TVS Motor Company Ltd. Sales of Bajaj Auto Ltd. increased at normal rate during the study period, whereas, sales of Tata Motors Ltd. increased at very low rate during the study period.

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