

CHAPTER – IV

PROFILE OF MARUTI SUZUKI, MAHINDRA, TATA AND HYUNDAI COMPANIES

The object of this chapter is to summaries the profile of four manufacturers of cars viz., Maruti Suzuki India Ltd, Mahindra Company Ltd, Tata Motors Ltd and Hyundai motor company which were taken for the purpose of the study.

A. PROFILE OF MARUTI SUZUKI LIMITED

4.1 HISTORY OF MARUTI SUZUKI INDIA LIMITED

Maruti Suzuki India Limited is the largest automobile manufacturer in South Asia. Suzuki Motor Corporation of Japan holds a majority stake in the company. It was the first company in India to mass-produce and sell more than a million cars. It is the market leader in India and on 17 September 2007, Maruti Udyog Limited was renamed Maruti Suzuki India Limited.

Maruti Suzuki is one of India's leading automobile manufacturers and the market leader in the car segment, both in terms of volume of vehicles sold and revenue earned. Until recently, 18.28per cent of the company was owned by the Indian government, and 54.2per cent by Suzuki of Japan. The Indian government held an initial public offering of 25per cent of the

company in June 2003. On or of 10 May 2007, Government of India sold its complete share to Indian financial institutions. With this, Government of India no longer has stake in Maruti Udyog.

The company annually exports more than 50,000 cars and has an extremely large domestic market in India selling over 7,30,000 cars annually. Maruti 800, till 2004, was the India's largest selling compact car ever since it was launched in 1983. More than a million units of this car have been sold worldwide so far. Currently, Maruti Suzuki Alto tops the sales charts and Maruti Suzuki Swift is the largest selling in A2 segment.

Due to the large number of Maruti 800s sold in the Indian market, the term "Maruti" is commonly used to refer to this compact car model. Till recently the term "Maruti", in popular Indian culture, in India Hindu's lord Hanuman is known as "Maruti", was associated to the Maruti 800 model.

Its manufacturing facilities are located at two factories Gurgaon and Manesar south of Delhi. Maruti Suzuki's Gurgaon factory has an installed capacity of 3,50,000 units per annum. The Manesar facilities, launched in February 2007 comprise a vehicle assembly plant with a capacity of 1,00,000 units per year and a Diesel Engine plant with an annual capacity of 1,00,000 engines and transmissions. Manesar and Gurgaon factories have a combined capability to produce over 7,00,000 units annually.

During 2007-08, Maruti Suzuki sold 764,842 cars, of which 53,024 were exported. In all, over six million Maruti Suzuki cars are on Indian roads since the first car was rolled out on 14 December 1983.

Maruti Suzuki offers 15 models, Maruti 800, Alto, WagonR, Estilo, A-star, Ritz, Swift, Swift DZire, SX4, Omni, Eeco, Gypsy, Grand Vitara. Swift, Swift DZire, A-star and SX4 are manufactured in Manesar, Grand Vitara is imported from Japan as a Completely Built Unit (CBU), remaining all models are manufactured in Maruti Suzuki's Gurgaon Plant.

4.2 MARUTI INSURANCE

Launched in 2002 Maruti Suzuki provides vehicle insurance to its customers with the help of the National Insurance Company, Bajaj Allianz, New India Assurance and Royal Sundaram. The service was set up by the company with the inception of two subsidiaries Maruti Insurance Distributors Services Pvt. Ltd and Maruti Insurance Brokers Pvt. Limited.

This service started as a benefit or value addition to customers and was able to ramp up easily. By December 2005 they were able to sell more than two million insurance policies since its inception.

4.3 MARUTI FINANCE

To promote its bottom line growth, Maruti Suzuki launched Maruti Finance in January 2002. Prior to the start of this service Maruti Suzuki had started two joint ventures Citicorp Maruti and Maruti Countrywide with Citi Group and GE Countrywide respectively to assist its client in securing loan. Maruti Suzuki tied up with ABN Amro Bank, HDFC Bank, ICICI Limited, Kotak Mahindra, Standard Chartered Bank, and Sundaram to start this venture including its strategic partners in car finance. Again the company entered into a strategic partnership with SBI in March 2003. Since March 2003, Maruti has sold over 12,000 vehicles through SBI-Maruti Finance. SBI-Maruti Finance is currently available in 166 cities across India.

Citicorp Maruti Finance Limited is a joint venture between Citicorp Finance India and Maruti Udyog Limited its primary business stated by the company is "hire-purchase financing of Maruti Suzuki vehicles". Citi Finance India Limited is a wholly owned subsidiary of Citibank Overseas Investment Corporation, Delaware, which in turn is a 100per cent wholly owned subsidiary of Citibank N.A. Citi Finance India Limited holds 74per cent of the stake and Maruti Suzuki holds the remaining 26per cent. GE Capital, HDFC and Maruti Suzuki came together in 1995 to form Maruti Countrywide. Maruti claims that its finance program offers most competitive interest rates to its customers, which are lower by 0.25per cent to 0.5per cent from the market rates.maruti is the best car in the world

4.4 ACCESSORIES

Many of the auto component companies other than Maruti Suzuki started to offer components and accessories that were compatible. This caused a serious threat and loss of revenue to Maruti Suzuki. Maruti Suzuki started a new initiative under the brand name Maruti Genuine Accessories to offer accessories like alloy wheels, body cover, carpets, door visors, fog lamps, stereo systems, seat covers and other car care products. These products are sold through dealer outlets and authorized service stations throughout India.

4.5 MARUTI DRIVING SCHOOL

As part of its corporate social responsibility Maruti Suzuki launched the Maruti Driving School in Delhi. Later the services were extended to other cities of India as well. These schools are modelled on international standards, where learners go through classroom and practical sessions. Many international practices like road behaviour and attitudes are also taught in these schools. Before driving actual vehicles participants are trained on simulators.

4.6 ISSUES AND PROBLEMS

On February, 24, 2010, Maruti Suzuki India, announced recalling of 1,00,000 A-Star hatchbacks to fix a fuel leakage problem the company will replace the gaskets for all 1,00,000 A-Star cars.

4.7 EXPORTS

Maruti Exports Limited is the subsidiary of Maruti Suzuki with its major focus on exports and it does not operate in the domestic Indian market. The first commercial consignment of 480 cars were sent to Hungary. By sending a consignment of 571 cars to the same country Maruti Suzuki crossed the benchmark of 3,00,000 cars. Since its inception export was one of the aspects Government was keen to encourage. Every political party expected Maruti Suzuki to earn foreign currency. The high growth in reports of Maruti Suzuki India Limited has been shown in Table 4.1.

Angola, Benin, Djibouti, Ethiopia, Europe, Kenya, Morocco, Sri Lanka, Uganda, Chile, Guatemala, Costa Rica and El Salvador are some of the markets served by Maruti Exports.

The company proposes to expand its export markets and is currently exploring the feasibility of a foray into countries like Oman Sudan and Nicaragua. In revenue terms as well, the export revenues have increased from Rs. 1,995m in FY02 to Rs. 5,734m in FY06 which is a CAGR of – 30per cent.

TABLE - 4.1

HIGH GROWTH IN EXPORTS

category	FY01-02	FY02-03	FY03-04	FY04-05	FY05-06	CAGR growth (per cent)
Export volumes	12,233	32,240	51,175	48,899	34,781	29.9
Sales	1,995	6,204	9,649	11,135	5,734	30.2

Source :company reports; IDBI capital market services

4.8 HIGHEST OPERATING MARGINS IN THE INDUSTRY

With successful implementation of cost cutting (Challenge 30 and Challenge 50) and productivity increase programs (Use of Kaizen and focus on lower- re-work), MUL enjoys EBIDTA margin of 17.1per cent i.e. the highest in the industry.

MUL has been continuously working to improve operational efficiencies since 2002-03. Between FY02 and FY05 it successfully completed “Challenge-30’ and ‘Challenge -50’ programmes whereby the target was 30per cent cost reduction and 50per cent productivity improvement by focusing on waste reduction, inventory management, and use of techniques like Kaizen etc. Also, MUL also improved its product mix in favor of higher priced models in the last few years. It has succeeded to a large extent in marketing the higher priced Alto as an entrypoint vehicle for new car buyers rather than the lower priced M800.

4.9 HIGH CUSTOMER SATISFACTION

MUL has won the JD Power Survey for being the best in customer satisfaction for the 7th consecutive year in the Totals Customer Satisfaction 2004 (TCS) study by TNS, MUL models were ranked highest, MUL will also manufacture and export to Nissan a new car in 2008-09.

4.10 CAPACITY EXPANSION AT THE CORRECT TIME

The new car plant at Manesar for 100,000 units is being set up with an investment of Rs. 250bn, plans are to scale it up to 3 lac units over next 3-years. This should mitigate capacity constraints, as the Gurgaon plant is operating at full capacity.

The new plant manager commencing operations in Q3FY07 HAS an initial of 1,00,000 cars ,to be scaled up to 3,00,000 in three years, being set up with an investment of Rs .25 bn .

4.11 EXCISE DUTY CUTS IN COMPACT SEGMENT

Prior to liberalization, cars were considered as a luxury item, it has taken 15 years for successive governments to reduce the excise duty from 40per cent initially to the present 16per cent. We believe that the excise duty cuts announced in the last budget will provide the incremental boost to the models in Mini and Compact segment, a stronghold of MUL.

4.12 LEADER IN PASSENGER CAR SEGMENT

MUL is the market leader in the passenger car segment in India. In spite of extreme competition in the passenger car segment. MUL's share has always hovered between 45-50per cent over the last 5 years. In making mini cars the market share of Maruthi Suzuki India Limited was 100 per cent 49 per cent in case of compact car, 14 per cent in case of Midsize and 2 per cent in case of Multi purpose vehicles as has been shown in Table 4.2

4.13 INVOLVEMENT OF SUPPLIERS

The development of the auto-ancillary units in India was primarily initiated by MUL since its inception in 1981. MUL has traditionally worked in close association with its vendors to continuously localize imported parts. Along with its major vendors, MUL has now moved to tier – 2 vendors. MUL's entire focus is to help them in cutting down their costs, helping them in better layouts, productivity and improving productivity. MUL clubs the commodity purchases of its tier-1 and tier-2 suppliers with itself, thereby reducing their commodity cost. Streamlining its supplier base, MUL has cut down its suppliers from 400 to – 225

4.14 TARGETING INTERNATIONAL MARKETS

MUL has shown a very strong growth in exports with the exports growing at a CAGR of – 30 per cent both in volume as well as value terms. The top 5 export markets were Algeria, Sri Lanka, UK, Chile and Denmark. These countries together contributed 67.35 per cent of the export sales during FY06.

TABLE - 4.2

LEADER IN MINI AND COMPAT SUBSEGMENT

Sub-segment	Industry	MUL's volumes	Market share (per cent)
Mini	41,247	41,247	100
Compact	3,45,147	1,68,505	49
Mid-size	96,149	13,565	14
UV	86,854	1,723	2
MPV	30,597	30,597	100

Source : Company reports : IDBI Capital Market Services.

4.15 Absence of a successful product on the 'Diesel' side

Out of the total cars sold in India, around 20-22 per cent runs on diesel. This proportion is expected to increase in the future as the petroleum prices keep on increasing everyday. However, the inherent cost benefit of around Rs.14 /litre between petrol and diesel coupled with the fact that diesel cars generally give higher mileage has resulted in some of the new car buyers being attracted to diesel.

MUL traditionally has been extremely strong in the petrol technology (due to its association with Suzuki) it did have a few models with diesel option zen and Esteem in the past. However, they have not been that successful and currently MUL does not sell any diesel vehicle.

B. PROFILE OF MAHINDRA COMPANY LTD.,

Founded in 1945, it is little known fact that the setup was called Mahindra & Mohammed and the company traded steel with suppliers in England and USA. M&M began its operations by assembling CKD jeeps in 1949. Later it obtained license from Kaiser Jeep and later from American Motors (AMC) and started manufacturing jeeps in India. Branching out into manufacturing agricultural tractors and light commercial vehicles, M&M expanded its operations by launching UVs and SUVs like the Armada and

Bolero respectively. Bolero penned the things to come which saw the hugely popular and successful Scorpio make its mark in the Indian SUV market. The recent pact with Renault has seen the introduction of the Logan into the portfolio of Mahindra and hopefully things will march northwards from hereon. Aiming at bringing out a utility vehicle to rival the Toyota Innova, M&M will try hard to make the Ingenio as good as it can get. We wish them luck!

Mahindra & Mahindra Limited is part of the Mahindra Group, an automotive, farm equipment, financial services, trade and logistics, automotive components, after-market, IT and infrastructure conglomerate. The company was set up in 1945 in Ludhiana as Mahindra & Mohammed. Later, after the partition of India, Ghulam Muhammad returned to Pakistan and became that nation's first finance minister. Hence, the name was changed from Mahindra & Mohammed to Mahindra & Mahindra in 1948.

Initially set up to manufacture general-purpose utility vehicles, Mahindra & Mahindra (M&M) was first known for assembly under licence of the iconic Willys Jeep in India. The company later branched out into manufacture of light commercial vehicles (LCVs) and agricultural tractors, rapidly growing from being a manufacturer of army vehicles and tractors to an automobile major with a growing global market. At present, M&M is the leader in the utility vehicle (UV) segment in India with its flagship UV, the Scorpio (known as the Mahindra Goa in Italy).

4.16 BUSINESS

M&M has a global presence and its products are exported to several countries. Its global subsidiaries include Mahindra Europe Srl. based in Italy, Mahindra USA Inc., Mahindra South Africa and Mahindra (China) Tractor Co. Ltd.

M&M is one of the leading tractor brands in the world. It is also the largest manufacturer of tractors in India with sustained market leadership of over 25 years. It designs, develops, manufactures and markets tractors as well as farm implements. Mahindra Tractors(China) Co. Ltd. manufactures tractors for the growing Chinese market and is a hub for tractor exports to the USA and other nations. M&M has a 100per cent subsidiary, Mahindra USA, which assembles products for the American market.

M&M made its entry into the passenger car segment with the Logan in April 2007 under the Mahindra Renault joint venture. M&M will make its maiden entry into the heavy trucks segment with Mahindra Navistar, the joint venture with Internátional Truck, USA.

M&M's automotive division makes a wide range of vehicles including MUVs, LCVs and three wheelers. It offers over 20 models including new generation multi-utility vehicles like the Scorpio and the Bolero.

At the 2008 Delhi Auto Show, Mahindra executives said the company is pursuing an aggressive product expansion program that would see the launch of several new platforms and vehicles over the next three years, including an entry-level SUV designed to seat five passengers and powered by a small turbodiesel engine. True to their word, Mahindra & Mahindra launched the Mahindra Xylo in January 2009, and as of June 2009, the Xylo has sold over 15000 models.

Also in early 2008, Mahindra commenced its first overseas CKD operations with the launch of the Mahindra Scorpio in Egypt, in partnership with the Bavarian Auto Group. This was soon followed by assembly facilities in Brazil. Vehicles assembled at the plant in Bramont, Manaus, include Scorpio Pik Ups in single and double cab pick-up body styles as well as SUVs.

The US based Reputation Institute recently ranked Mahindra among the top 10 Indian companies in its 'Global 200: The World's Best Corporate Reputations' list.

Mahindra is currently preparing to sell the diesel SUVs and pickup trucks starting in February 2010 in North America, through an independent distributor, Global Vehicles USA, based in Alpharetta, Georgia.

Mahindra has announced it will import pickup trucks from India in knockdown kit (CKD) form to circumvent the Chicken tax. CKDs are complete vehicles that will be assembled in the U.S. from kits of parts shipped in crates.

4.17 OVERVIEW

The first Mahindra Scorpio introduced in 2002 had set new benchmarks in the industry with its innovative styling, structure, and automotive technology. Since then, the SUV has undergone various modifications and changes to continue its story of domination.

The new Scorpio rightly tagged as 'Mighty Muscular' continues to retain Scorpio's worth and credibility in the market. It is introduced with a more powerful mHawk engine and revolutionary micro-hybrid technology. It also conforms to strict emission norms and makes the new Scorpio India's first BS IV car.

4.18 POWERTRAIN & PERFORMANCE

The Scorpio is available in five variants: LX, SLE, VLX, VLX BS4, and VLX Automatic. The heart of all the variants is a refined 2.2-litre 4-cylinder mHawk diesel engine that is mated to revolutionary micro-hybrid technology. The engine generates a whopping 120 bhp of power and propels the car from 0 to 60 km/h in just 5.7 seconds.

The advanced mHawk engine is one of the most recent innovations in the Indian car industry and in the new Scorpio it is optimized for higher fuel efficiency and lower emissions. It is supported with Bosch common rail diesel technology with solenoid injectors to give an incredible boost to mileage and also help conserve the environment. Moreover, the mHawk's new 2-stage chain drive system and hydraulic lash adjuster drastically reduce the level of engine noise resulting in smoother and quieter operation.

In addition, the micro-hybrid technology enables the engine to intelligently switch off when the car is idle, eventually lowering fuel-consumption and reducing pollution. The system automatically starts the engine again when the clutch pedal is pressed. It also makes the car compliant to BS IV emission norms.

The SUV is linked to a 2-wheel drive with independent front with coil springs and anti-roll bar or a 4-wheel drive torsion bar front suspension. A multilink rear suspension with coil springs provides good ride stability and comfort.

A 5-speed manual transmission comes standard on the 2009 Scorpio and a 6-speed automatic transmission is present on the top-end VLX Automatic variant. The automatic transmission is fitted with user engaged and auto engaged modes for an excellent driving experience.

Under the user engaged mode is the 'N' and 'W'. 'N' is the normal mode for ordinary driving conditions and 'W' is the winter mode that can be switched over to on icy and slippery roads to improve the car's stability. It also has an additional 'M' mode that is the manual/engine brake mode that utilizes braking force of the engine for enhanced control on steep descents.

In the auto engaged mode there are 'Uphill and Downhill Mode' and 'Fast-Off Mode'. Uphill and Downhill Mode is the basic control unit of the transmission system that implements relevant gear shifts whereas the Fast-Off Mode helps to avoid any kind of rapid gear changes in case the driver releases the pedal quickly.

4.19 BUILD & STYLING

The Scorpio is aggressively structured with a well-toned body structure complemented by an imposing new front grille with a glint of chrome in the middle, gladiator-like wraparound bumpers, sporty decals, illuminated spoiler, and electrically-powered outside rear view mirrors. The stimulating new bonnet scoop with its low-drag intake design keeps the Scorpio cool and calm and the new chunky door handles add extra muscle to the car. Furthermore, the embossed side cladding and the sporty new fog lamps add expression to the car's aggressive characteristics. The seamlessly integrated rear footsteps further lead to admiring glances.

On the inside, the car is draped in rich and unique fabric accented with dual colour themes. The ergonomically designed seats of the car are fitted with new foam contours and 'Body Pressure Mapping' to enhance seating comfort and push refined comfort to new heights. In addition, the race-inspired gear knob, steering wheel mounted controls, styling parking brake, and 2-DIN audio system complemented with aesthetically designed controls, highlight the beauty of the intimate ambience. The centre of the cabin, with a futuristic centre bezel, reflects a mix of modern and classic touch.

When it comes to safety, the new Scorpio is packed with a host of advanced technologies like the anti-lock braking system, cruise control, fire retardant upholstery, crash protection crumple zones, tubeless tyres, smart rain and light sensors, and digital engine immobiliser. The 2009 Scorpio is also equipped with an Intelligent Parking System that warns the driver about any obstacle while reversing and a 'Tyretronics' system that gives live update of the exact air pressure and temperature in each of the car's tyres.

4.20 MAHINDRA SCORPIO

The Mahindra Scorpio is an SUV manufactured by Mahindra & Mahindra Limited, the flagship company of the \$6.3 billion Mahindra Group. It was the first SUV from the company built for the global market. The Scorpio has been successfully accepted in international markets across the globe, and will shortly be launched in the US.

The Scorpio was conceptualized and designed by the in-house integrated design and manufacturing (IDAM) team of M&M. The car has been the recipient of three prestigious awards - the "Car of the Year" award from Business Standard Motoring, the "Best SUV of the Year" by BBC World Wheels and the "Best Car of the Year" award, again, from BBC World Wheels.

4.21 THE MAKING OF THE MAHINDRA SCORPIO

The new Mahindra Scorpio SUV had all of its major systems designed directly by suppliers with the only input from Mahindra being design, performance specifications and program cost. Design and engineering of systems was done by suppliers, as was testing, validation and materials selection. Sourcing and engineering locations were also chosen by suppliers. The parts were later assembled in a Mahindra plant under the Mahindra Badge (as Mahindra is a well known brand in India in the MUV segment). Using this method the company was able to build a from scratch a new vehicle with virtually 100 percent supplier involvement from concept to reality for \$120 million, including improvements to the plant. The project took 5 years to move from concept to final product.

In April 2006, the company launched an upgraded Scorpio – dubbing it the 'All-New' Scorpio. In June 2007, Mahindra launched a pick-up version in India known as the Scorpio Getaway. Recently, M & M has launched a face lifted version of the model.

4.22 EXPORTS

Mahindra Scorpio(1st generation) in Kuala Lumpur The Mahindra Scorpio is sold across the world in countries such as: In Western Europe, so as not to confuse the vehicle with a previous Ford vehicle of the same name, it is called the Mahindra Goa.

4.23 SAFETY

A new Mahindra Pick-Up model being introduced to Australia mid-09 will have additional safety features to the current model, such as ABS Brakes and Airbags which should elevate its rating to a minimum of 3 stars from the current 2 star ANCAP rating.

C. BRIEF HISTORY OF TATA MOTORS LIMITED

Tata Motors launches its first truck in collaboration with Mercedes-Benz Tata Motors as a part of the Tata Group manages its share-holding through Tata Sons. The company was established in 1935 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 an instant hit in the Indian market. It was also exported to Europe namely the UK and Italy. Since then it has never looked back. In 2004 it acquired Tata Daewoo Commercial Vehicle and in late 2005 it acquired 21 per cent Aragonese Hispano Carrocera giving it controlling rights of the company. It has formed a Joint Venture with Marcopolo of Brazil and introduced low-floor buses in the Indian Market. Recently it had acquired British Jaguar Land Rover (JLR) business, which also includes Daimler and Lanchester brand names.

4.24 EXPANSION OF TATA MOTORS LIMITED

After years of dominating the commercial vehicle market in India, Tata Motors entered the passenger vehicle market in 1991 by launching the Tata Sierra, a multi utility vehicle. After the launch of three more vehicles, Tata Estate (1992, a stationwagon design based on the earlier 'TataMobile' (1989), a light commercial vehicle), Tata Sumo (LCV, 1994) and Tata Safari (1998, India's first sports utility vehicle). Tata launched the Indica in 1998, the first fully indigenous passenger car of India. Though the car was initially panned by auto-analysts, the car's excellent fuel economy, powerful engine and aggressive marketing strategy made it one of the best selling cars in the history of the Indian automobile industry. A newer version of the car, named Indica V2, was a major improvement over the previous version and quickly

became a mass-favourite. A badge engineered version of the car was sold in the United Kingdom as the Rover CityRover, which was a failure and was declared the worst car ever driven on BBC Top Gear show. Tata Motors also successfully exported large quantities of the car to South Africa. The success of Indica in many ways marked the rise of Tata Motors.

Tata Novus is one of the best selling commercial trucks in South Korea. Hispano Divo at the 2008 FIAA in Madrid Jaguar XF Land Rover's Range Rover.

4.25 TATA DAEWOO COMMERCIAL VEHICLE

Company's global plans to reduce domestic exposure. The domestic commercial vehicle market is highly cyclical in nature and prone to fluctuations in the domestic economy. Tata Motors has a high domestic exposure of 94per cent in the MHCV segment and 84per cent in the light commercial vehicle (LCV) segment. Since the domestic commercial vehicle sales of the company are at the mercy of the structural economic factors, it is increasingly looking at the international markets. The company plans to diversify into various markets across the world in both MHCV as well as LCV segments.

To expand the product portfolio Tata Motors recently introduced the 25MT GVW Tata Novus from Daewoo's (South Korea) (TDCV) platform. Tata plans to leverage on the strong presence of TDCV in the heavy-tonnage range and introduce products in India at an appropriate time. This was mainly to cater to the international market and also to cater to the domestic market where a major improvement in the Road infrastructure was done through the National Highway Development Project.

Tata remains India's largest heavy commercial vehicle manufacturer and Tata Daewoo is the 2nd largest heavy commercial vehicle manufacturer in South Korea. Tata Motors has jointly worked with Tata Daewoo to develop trucks such as Novus and World Truck and buses namely, GloBus and StarBus.

4.26 HISPANO CARROCERA

Main article: Hispano Carrocera In 2005, sensing an opportunity in the fully-built bus segment, Tata Motors acquired a 21per cent controlling stake in Hispano Carrocera SA, the leading European bus and coach cabin maker. In 2009, the company picked up the remaining 79per cent stake in Hispano Carrocera SA for an undisclosed sum, making it a fully-owned subsidiary.

4.27 JOINT VENTURES

Tata MarcoPolo released this low-floor bus in India and now it is widely used as public transport in Delhi, Mumbai, Bangalore and Lucknow

Tata Motors has formed a 51:49 joint venture in bus body building with Marcopolo of Brazil. This joint venture is to manufacture and assemble fully-built buses and coaches targeted at developing mass rapid transportation systems. The joint venture will absorb technology and expertise in chassis and aggregates from Tata Motors, and Marcopolo will provide know-how in processes and systems for bodybuilding and bus body design. Tata and Marcopolo have launched a low-floor city bus which is widely used by Delhi, Mumbai and Bangalore Transport Corporations.

Tata Motors also formed a joint venture with Fiat and gained access to Fiat's diesel engine technology. Tata Motors sells Fiat cars in India and is looking to extend its relationship with Fiat and Iveco to other segments. Tata has also formed several JV's with many small companies in various countries around the world.

4.28 TATA NANO

In January 2008, Tata Motors launched Tata Nano, the least expensive production car in the world at about Rs.1,00,000. The supermini car was unveiled during the Auto Expo 2008 exhibition in Pragati Maidan, New Delhi.

Tata has faced controversy over developing the Nano as some environmentalists are concerned that the launch of such a low-priced car could lead to mass motorization in India with adverse effects on pollution and global warming. Tata has set up a factory in Sanand, Gujarat and the first Nanos are to roll out summer 2009.

Tata Nano Europa has been developed for sale in developed economies and is to hit markets in 2010 while the normal Nano should hit markets in South Africa, Kenya and countries in Asia and Africa by late 2009. A battery version is also planned.

4.29 COMPRESSED AIR CAR

Motor Development International of France has developed the world's first prototype of a compressed air car, named OneCAT. In 2007, MDI owner Guy Negre was reported to have "the backing of Tata".

It has airtanks that can be filled in 4 hours by plugging the car into a standard electrical plug. In 2008 MDI planned to also design a gas station compressor, which would fill the tanks in 3 minutes. There are no gasoline costs and no fossil fuel emissions from the vehicle when run in town, but the compressed air driving the pistons can be boosted by a fuel burner.

OneCAT is a five seat vehicle with a 200-litre (7.1 cu ft) tank. With full tanks it is said to run at 100 km/h (62 mph) for 90 kilometres (56 mi) range in urban cycle. There are severe physical arguments pleading against those figures. In December 2009 Tata's vice president of engineering systems confirmed that the limited range and low engine temperatures were causing difficulties.

4.30 ELECTRIC VEHICLES

Tata Motors unveiled the electric versions of passenger car Tata Indica and commercial vehicle Tata Ace. Both run on lithium batteries. The company has indicated that the electric Indica would be launched locally in India in about 2010, without disclosing the price. The vehicle would be launched in Norway in 2009.

Tata Motors' UK subsidiary, Tata Motors European Technical Centre, has bought a 50.3per cent holding in electric vehicle technology firm Miljobil Grenland/Innovasjon of Norway for US\$1.93 M, which specialises in the development of innovative solutions for electric vehicles, and plans to launch the electric Indica hatchback in Europe next year.

4.31 OPERATIONS

The Tata Safari DiCOR is one of Tata's best selling vehicles in India and also has been fairly successful in the Mediterranean and Eastern Europe.

Tata has tried to revamp all its models in order to satisfy the consumer. The purchase of Jaguar and Land Rover is expected to help give Tata Motors gain a foothold in the European and American markets. Tata relies on its subsidiaries for sales outside India. Seen here is the Range Rover Sport. Tata Xenon is Tata's best selling vehicle in Europe.

4.32 TATA IN INDIA

Tata Motors Limited is India's largest automobile company, with revenues of Rs. 35651.48 crores (USD 8.8 billion) in 2007-08. It is the leader in commercial vehicles in each segment, and among the top three in passenger vehicles with winning products in the compact, midsize car and utility vehicle segments. Tata Motors' presence indeed cuts across the length and breadth of India. Over 4 million Tata vehicles ply on Indian roads, since the first rolled out in 1954. The company's manufacturing base in India is spread across Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand) and Dharwad (Karnataka). Following a strategic alliance with Fiat in 2005, it has set up an industrial joint venture with Fiat Group Automobiles at Ranjangaon (Maharashtra) to produce both Fiat and Tata cars and Fiat power trains. The company is establishing a new plant at Sanand (Gujarat). The company's dealership, sales, services and spare parts network comprises over 3500 touch points; Tata Motors also distributes and markets Fiat branded cars in India.

4.33 TATA'S GLOBAL OPERATIONS

Tata Motors has been aggressively acquiring foreign brands to increase its global presence. Tata Motors has operations in the UK, South Korea, Thailand and Spain. Among them is Jaguar Land Rover, a business comprising the two iconic British brands that was acquired in 2008. Tata Motors has also acquired from Ford the rights of Rover. In 2004, it acquired the Daewoo Commercial Vehicles Company, South Korea's second largest truck maker. The rechristened Tata Daewoo Commercial Vehicles Company has launched several new products in the Korean market, while also exporting these products to several international markets. Today two-thirds of heavy commercial vehicle exports out of South Korea are from Tata Daewoo. In 2005, Tata Motors acquired a 21per cent stake in Hispano Carrocera, a reputed Spanish bus and coach manufacturer, giving it controlling rights of the company. Hispano's presence is being expanded in other markets. On Tata's journey to make an international foot print, it continued its expansion through the introduction of new products into the market range of buses (Starbus & Globus) as well as trucks (Novus). These models were jointly developed with its subsidiaries Tata Daewoo and Hispano Carrocera. In May, 2009 Tata unveiled the Tata World Truck range jointly developed with Tata Daewoo. They will debut in South Korea, South Africa, the SAARC countries and the Middle-East by the end of 2009

In 2006, it formed a joint venture with the Brazil-based Marcopolo, a global leader in bodybuilding for buses and coaches to manufacture fully-built buses and coaches for India and select international markets. Tata Motors has expanded its production and assembly operations to several other countries including South Korea, Thailand, South Africa and Argentina and is planning to set up plants in Turkey, Indonesia and Eastern Europe. Tata also franchisee/joint venture assembly operations in Kenya, Bangladesh, Ukraine, Russia and Senegal. Tata has dealerships in 26 countries across 4 continents. Though Tata is present in many counties it has only managed to create a large consumer base in the Indian Subcontinent namely India, Bangladesh, Bhutan, Sri Lanka and Nepal and has a growing consumer base in Italy, Spain and South Africa

D. HISTORY OF HYUNDAI COMPANY LIMITED

Hyundai Motor Company (HMC), which came into being in 1967, is a division of Hyundai Kia Automotive Group, headquartered at Seoul, the capital of South Korea. The company operates the world's largest integrated automobile manufacturing facility at Ulsan in South Korea.

Hyundai Motor India Limited (HMIL), its wholly owned subsidiary in India, is the second largest car manufacturer in India. Currently the company markets more than 30 variants of passenger cars in six segments.

Santro falls in the B segment, Getz in the B+, the Accent in the C segment, Elantra in the D segment, Sonata Embera in the E segment and the Tucson in the SUV segment.

During calendar year 2005, HMIL recorded combined sales of 2,52,851 cars with a growth of 17.26 per cent over previous year. The company has rolled-out 1,000,000 cars in just 90 months since its inception and holds the distinction of being the largest exporter of passenger cars with exports of over Rs. 1,800 crores.

Development and investment in overseas energy resources including LNG projects, another long-standing business of Hyundai Corporation, has achieved remarkable success. Recently, in an effort to diversify and improve its business portfolio, Hyundai Corporation has been keen to develop the business in the information and communication areas such as LCD, PDP, mobile handsets and industrial resources fields.

Establishing Qinghai Hyundai shipbuilding specialized in the small to mid sized vessels and located in Qinghai, china, Hyundai Corporation successfully entered the shipbuilding industry and added another high value added business into the portfolio. Now, based upon manufacturing business, Hyundai Corporation is taking a great leap forward to become a professional global trading, distribution / development firm.

4.34 Business

Export	Autos, ships, plant relevant materials, Electric & Electronic products, machines, parts, petrochemicals, metal and steel products, other commodities.
Import	Petroleum, coal, steel, Aluminum, Nonferrous Metals, Electronic and Auto parts, Machines and parts, other export- use raw materials and facility materials.
Resource	Current profitable projects: Oman LNG, Ras Laffan LNG in Qatar, Drayton coal mine in Australia, 11-2 Gas Block in Vietnam.
Development	- Development projects: Yemen LNG
Business	- Exploration projects: Oil in west kamchka Russia Shipbuilding business, overseas marketing support for Domestic small and medium companies, real estate Development business
Other	- Industry complex Development In Indonesia, Distribution and etc.

4.35 HYUNDAI ACCENT

A luxury sedan available in a choice of variants with captivating looks, awe-inspiring engine options, and elegant interior. The variants available are EXECUTIVE, CNG and LPG. A Dynamic 1.5 liter I4 petrol engine with 94bhp of power and 123Nm of torque comes standard with the variants. A 5-speed manual transmission is standard. Exquisitely designed interiors with a wide range of safety and convenience provide a great driving experience.

4.36 HYUNDAI SANTRO

The Santro is a sporty hatchback with good handling and a spacious interior that makes it a good family car. It comes in 8 variants: XK Non AC, GL, GLS, GL LPG, GLS LPG, XK Non AC CNG, GL CNG and GLS CNG. Both the petrol and LPG variants comes with a 1.1-liter In-line 4 engine that delivers sufficient power of 62 bhp, in addition to giving a great mileage. A CNG kit is available with all petrol variants. The interiors are well done with adequate space for the driver and the front passenger.

4.37 HYUNDAI VERNA

The all new Hyundai Verna in the mid-size segment comes with a dashing new exterior of added chrome and feature-rich interior. The highlight of the new model is the automatic transmission option on the top-

end diesel variant. Available variants are 1.6 VTVT, 1.6 SX VTVT, 1.5 CRDi VGT, and 1.5 SX CRDi VGT. The 1.5 SX also comes in an automatic transmission variant. The stylish and spacious interior has been upgraded with a new integrated music system and improved quality and finish.

4.38 HYUNDAI i10

Hyundai i10, a sub-compact segment car comes in 9 variants available in 2 major choices: iRDE and Kappa. These variants can be clubbed into 5 categories: D-lite, Era, Magna, Sportz GLS and Asta. i10 comes with a choice of 2 engines : A 1.1L iRDE I4 and a 1.2L I4. A quick shifting 5-speed manual transmission and front-wheel-drive configuration is standard across the i10 model.

4.39 HYUNDAI i20

The i20 is the latest addition to the Hyundai i-series line-up. Available in five petrol and three diesel variants in 3 main versions- Magna, Asta, and Asta (O). The i20 comes in petrol and diesel variants which are powered by 1.4-litre engine and 1.2-litre Kappa engine and 1.4-litre 16V DOHC CRDi respectively. The stylish interior houses chrome inside door handles. Glove box comes with cooling feature and a centre console tray is an additional feature.

Hyundai Motor India Limited (HMIL) launches their new car called i10 which is going to compete with Maruti cars. With a low price band and many extra features this car is a sure shot buy though price is not the only factor and other factors like maintenance, mileage and others count in too. i10 would be counted in the small cars section since it's smaller than Getz which is another product of Hyundai cars.

The name of this car seems to be copied from Apple products names like the iPhone and iPod which clearly shows that the company is targeting the youth by giving a new generation name to the car and would challenge other cars currently in the market which include Maruti Wagon R, Zen Estilo and the latest Chevrolet Spark. Hyundai i10 will be exported to all over the world from India and comes in 4 variants – Hyundai i10 D-Lite, Hyundai i10 Era, Hyundai i10 Magna and the automatic version Hyundai i10 D-Auto.

4.40. CONCLUSION

Maruti Udyog Limited is renamed as Maruti Suzuki India Limited and it offers 15 models of passenger cars. The Maruti Suzuki India Limited has also been during insurance business, finance business, Maruti Driving School providing accessories, exporting cars, 30 per cent cost reduction and 50 per cent productivity improvement and targeting towards international markets.

Mahindra & Mahindra Limited is renamed as Mahindra & Mohammed and it offers 20 models of multi utility vehicles. The Mahindra & Mahindra Limited and Mahindra among the top 10 Indian Companies overview, power train & performance, Build and Styling, Mahindra Scorpio, Exports safety, Mahindra & Mahindra has a 100 per cent, subsidiary, Mahindra USA which assembles products for the American market.

TATA Motors Limited is renamed as Tata mobile commercial vehicle, Tata motors was passenger car of India, Tata decwoo commercial vehicle, His pano carrocera, Joint ventures, Tata nano, compressed air car Tata one cut, Electric vehicles, operations, Tata in India, Tata's Globl operations, Tata motors also successfully exported large quantities of the car to South Africa.

Hyundai Motor Company is renamed as Hyundai Kia Automotive Group. Hyundai Motor India Limited its wholly owned subsidiary in India, is the second largest car manufacturer in India. Currently the company market more than 30 variants of passenger cars in six segment. Business, Hyundai Accent, Hyundai Santro, Hyundai Verna, Hyundai ilo, Hyundai 120. The company Hyundai Motor India Limited manufacturing factory at Ulsan in South Korea.