



HAPPY NEW YEAR 2023

Dear Colleagues,

I write to you at the end of a very eventful year. Post-pandemic, India opened up, and we have returned to living our daily lives normally, in a year that saw the nation turn 75 years old. Business momentum has been strong for many of our companies.

We have experienced significant milestones during the year, including the welcoming of Air India back to the Group; the launch of Tata Neu; and Tata Motors passenger vehicles crossing 500,000 cars sold within a calendar year, with Tata EV cars accounting for 10%.

There has been a good improvement and a strong performance of companies across the Group. Our success came from our relentless drive to lead, the remarkable dedication and talent we nurture. In each of our segments, we are continuing to make progress and raising the bar, be it in terms of performance, customer experience, quality, sustainability or innovation.

However, the global environment has several risk factors, including the energy crisis in Europe, the battle to contain inflation to avoid recession, and ongoing geopolitical conflicts. Barring the pandemic and the global financial crisis, next year may mark the lowest global growth since the millennium began. We will need to keep careful watch on commodity price rises, in particular.

That said, next year we are likely to see inflation gradually moderate. India is well positioned, and we will continue to be the fastest growing major economy, supported by increasing consumption, consumer confidence and investment. Slowing global growth may act as a drag on output, but our rising share of global manufacturing should provide some buffer/insulation.

As I have emphasized many times, India is well placed, and the Tata Group has tremendous opportunity in the midst of global transitions towards AI/ML, Sustainability and diversified Supply Chains.

As you are aware, we have launched new initiatives to participate in global supply chains. On Sustainability, we have devised a Group-wide Project — “Aalingana” (Embrace). Our approach encompasses three interconnected pillars: reducing emissions to reach net zero by 2045; pioneering circular economies through sharing, reusing and recycling; and preserving and restoring nature and biodiversity. We are excited to accelerate this journey during 2023.

Against this backdrop, we face the future confidently to achieve more, not only for our businesses and shareholders, but our country and communities. We can shape this moment to set new standards in technology, manufacturing and sustainability.

I thank you for all your contributions and wish you and your family a very happy new year.

Warmest regards,
Chandra