

## Industry

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# India Auto and Consumer Daily

 Equity 

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- **Tata Motors, JLR to share skills for engine, vehicle development** — Tata Motors has kick-started a move to jointly develop engines and vehicles with its UK subsidiary, Jaguar Land Rover, more than two years after its \$2.3-billion acquisition of JLR. The company informed its shareholders about the development, and sought their approval for raising up to Rs 47bn in long-term funds. Tata Motors, however, did not elaborate on the various programmes that have been initiated with JLR and other subsidiaries. *(Economic Times)*
- **M&M plans to offer new-look Esop scheme** — Mahindra & Mahindra plans to offer advanced options to its select employees which could likely be in the form of restricted stock units. This new ESOP scheme — which could also include options that are exercisable into equity shares — will be offered to employees depending on their grade, experience and performance, according to the company's annual report that was released on Friday. *(Economic Times)*
- **Skoda changing gears** — Skoda's Fabia did not receive a favorable response from the customers. Its Octavia model has been phased out, creating a wide gap in its vehicle portfolio. But the Czech car maker is fighting back in India. It is getting ready for a new play with at least one new model every year in India. The new model this year will be the Yeti, a compact 5 seater SUV. The company is also working on a new small car below the Fabia with a starting price of ~Rs 350,000-400,000 and could house a new small engine. *(Business Standard)*
- **FMCG majors bet big on go-to-mkt strategy** — Go-to-market strategy seems to be the new mantra for the FMCG majors. To drive volumes in the competitive markets, the FMCG players are expanding their retail models. To begin with, Dabur is expanding its retail model—New u—stores from 16 to 50 in this fiscal. Marico is also evaluating further expansion of its retail brand—MERA Stores across the country. ITC Personal Care is aggressively selling its premium personal care range Fiama Di Wills and Essenza Di Wills at ITC's retail model Wills Lifestyle stores. *(Financial Express)*
- **Food majors go for image makeover to stay healthy** — Food companies, including McDonald's, KFC, Nestle, Hindustan Unilever, PepsiCo and Coca-Cola are increasing the use of social and health-related messages in their advertising and packaging. Facing heightened pressure from anti-obesity campaigns, health activists and nutritionists for selling products that aid weight gain, these companies are trying hard to create a healthy image. *(Economic Times)*

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### Jamshed Dadabhoy

+91-22-6631-9883  
 jamshed.dadabhoy@citi.com

### Arvind Sharma

+91-22-6631-9852  
 arvind1.sharma@citi.com

### Aditya Mathur

+91-22-6631-9841  
 aditya.mathur@citi.com

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## Company News

### **M&M to ramp-up Samriddhi network, offer farm-tech to farmers**

Mahindra & Mahindra (M&M), plans to introduce innovative technologies for the farming community and has set up centres pan-India for this purpose. Mahindra aims at delivering Farm Tech Prosperity (FTP) to 10 million farmers by 2020 by offering technological prosperity to the farmers and transforming its dealerships into Samriddhi centres. The company has set up 75 Samriddhi centres all over India and plans to set up another 75 centres by end-this fiscal. The Samriddhi centres are transformed tractor dealerships which offer innovative farming technologies to the farming community in order to enable them increase productivity. *(Economic Times)*

### **Toyota diesel Altis: Sedan segment to see more fight**

The premium sedan market is set to see more competition with Toyota gearing up to launch a diesel version of its Altis car this month. The Altis currently comes with a petrol engine and Toyota hopes to corner a higher share of this fast-growing segment with the diesel version. The premium sedan market, which ranges between Rs 1 – 1.5mn, has models like Honda Civic, Chevrolet Cruze, Skoda Laura and Volkswagen Jetta. While the segment was badly hit last year due to economic slowdown, it is seeing healthy times again and now growing by around 30%. Monthly sales in the category average around 3000 units and it is expected to gather pace with growing economy and rising disposable income. *(Economic Times)*

## Industry News

### **High-end SUVs likely to turn cheaper**

High-end imported sports utility vehicles (SUVs) are likely to become cheaper within the next one year as luxury carmakers plan to assemble them in India to crimp cost and high duties to attract consumers at aggressive prices. Carmakers like BMW, Audi, Tata-Land Rover, Hyundai, Renault and Volkswagen are planning to make their high-end sports utility vehicles in India that will allow the SUVs to be priced at the sub-Rs 3mn price band. At present, high-end SUVs sport a tag of Rs 40 lakh-plus largely because of the 110% duty on such imported vehicles. If the components are imported and assembled locally it will attract 65% duty. *(Economic Times)*

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