

# CORPORATE DECISIONS ON STOCK PRICES: THE CASE OF TATA MOTORS IN INDIA

## **Dr. SHINO P. JOSE**

Assistant Professor, St. Pius X College Rajapuram.

## **Dr. BIJU JOSEPH**

Assistant Professor, St. Pius X College Rajapuram.

## **Dr. SIJI CYRIAC**

Assistant Professor, St. Pius X College Rajapuram.

## **Dr. JOBY THOMAS**

Assistant Professor, St. Pius X College Rajapuram.

## **Dr. AKHIL THOMAS**

Assistant Professor, St. Pius X College Rajapuram.

### **Abstract**

A company's ability to grow and survive depends on important corporate decisions. The outcomes of important business actions are being considered, such as wealth maximisation, profit maximisation, market price of shares, etc. Due to the sensitivity of stock market movements and the influence of financial and economic factors on company decisions, these external factors have a significant impact on corporate decisions. Significant business decisions such as "financial," "new ventures/initiatives/developments," and "acquisition/amalgamation/merger" should be thoroughly scrutinised to discover the stock markets' intriguing reaction that would benefit all parties involved. This article offers a critical evaluation of Tata Motors' business choices and how those choices have affected stock prices.

### **1. INTRODUCTION**

The most crucial component of every business's success should be its human resources, which are the outcome of corporate decisions. Artificial Intelligence is a welcome technological improvement that helps any organisation grow and survive, but corporate decisions are ultimately what make a corporation successful. It's more interesting because business decisions are delicate. Business decisions closely follow developments in the financial markets. The delicate and unstable character of business decisions has been greatly influenced by the forces of globalisation. This vulnerability is being increased by corporate decisions that affect changes in share prices. Share price movements and corporate decisions are related, and a thorough analysis of these factors produces particularly fascinating results for well-known Indian corporations. The research constitutes a substantial portion of a broader study that runs from April 1, 2021, to February 29, 2024, and involves a thorough examination of notable businesses that were selected for further investigation based on market capitalization from among SENSEX-listed businesses. The intriguing relationship between corporate actions and changes in the share prices of firms such as Tata Motors has been examined once more, and this study follows suit. The role of Tata Motors in the Indian corporate world and its standing

in the Indian capital market are assessed as part of this study, which also gathers and analyses secondary data for business choices. Tata Motors' share prices are recorded manually and evaluated for ensuring informed policy decisions.

## **2. SIGNIFICANCE OF THE STUDY**

TATA MOTORS Limited is a leading business house from India operating since 1945. Commercial, passenger, electric and luxury segments of vehicles are manufactured by Tata Motors. Tata Motors has established its global presence by acquiring luxury vehicle manufacturing firms across the world. The acquisition/amalgamation and merger decisions of Tata motors are interesting cases to study. This major business group has always been in discussion in India and have contributed a lot to the business literature. An investigation of major corporate decisions of Tata Motors will bring wonderful outcome in the business research.

## **3. RESEARCH PROBLEM**

Evaluating TATA MOTORS' company decisions and share price fluctuations and putting forward a framework to help with investment and policy decisions.

## **4. OBJECTIVES**

- 1) To investigate TATA MOTORS's "acquisition/amalgamation/merger" corporate decisions and examine the behaviour of share price movements in line with them.
- 2) To investigate TATA MOTORS's "financial" corporate decisions and examine the behaviour of share price movements in line with them.
- 3) To investigate TATA MOTORS's "new ventures/initiatives/developments" corporate decisions and examine the behaviour of share price movements in line with them.

## **5. HYPOTHESES**

- 1) Pre- and post-share price changes of Tata Motors do not significantly differ from one another as a result of 'acquisition/amalgamation/merger' corporate actions.
- 2) Pre- and post-share price changes of Tata Motors do not significantly differ from one another as a result of 'financial' corporate actions.
- 3) Pre- and post-share price changes of Tata Motors do not significantly differ from one another as a result of 'new ventures/initiatives/developments' corporate actions.

## **6. MATERIALS AND METHODS**

The corporate decisions of TATA MOTORS have been segmented as (i) 'Acquisition / amalgamation / merger' (ii) 'Financial' and (iii) 'New ventures / initiatives / developments'. Secondary sources such as corporate websites, daily news sources, and stock price archives have been consulted for data collection. The paired-sample t-test is used to examine the data in order to draw meaningful conclusions.

## 7. PREVIOUS STUDIES

Yinwong Cheung and Lilian K. Ng b's study on global evidence about the stock market and overall economic activity added to the body of research literature. Empirical evidence of long-term correlations between five national stock markets and measures of aggregate real activity, such as the real oil price, real consumption, real money, and real production, was found using the Johansen cointegration technique.

It was discovered that changes in the macroeconomic variables and deviations from a long-term relationship are generally associated with real returns on these indices. Furthermore, some additional information on stock return variance that is not already present in dividend yields, interest rate spreads, and future GNP growth rates is provided by the limits implied by the cointegration results.

According to a study by D.V. Lokeswar Reddy on the effects of GDP and inflation on stock market returns in India, a number of internal and external factors can influence stock prices. These include adjustments to the GDP level, interest rates, and inflation rates.

The government can affect these rates by enacting laws that raise the standard of living for its people. It has been discovered that variations in these components account for a significant portion of the volatility in stock prices. For example, maintaining low interest rates promotes investment and raises stock prices.

In their study, "Macroeconomic Risk Influences on the Property Stock Market," Kim Hiang Liow, Muhammad Faishal Ibrahim, and Qiong Hung examine how the state of the economy affects stock prices and how much premiums investors are willing to pay for high-risk real estate investments.

According to a research by Chris Floraciks and Costas Milas on stock market illiquidity and real-time GDP growth, stock market illiquidity is linked to slower future GDP growth in the UK. Due to regime-switching behaviour in terms of the market's liquidity, this link is strongest during times of market illiquidity.

Stock market responses to capital investment decisions are implied by the SU HAN CHAN and GEORGE W. GAU, 1995 study. The study is relevant to how the stock market responded between 1978 and 1990 when company relocation decisions were announced.

The researchers discovered that investors' confidence in the move's potential for success and the company's motivations for moving are what drive stock market reactions to corporate relocation decisions. This study shows that similar reactions are seen by the stock market when businesses announce plans to invest.

The study of Managerial Decisions and Long-Term Stock Price Performance by Mark I. Mitchell and Erik Stafford is also found significant for the research samples. A rapidly expanding body of research asserts that by producing substantial estimates of long-term anomalous returns following significant corporate events, the efficient market hypothesis is rejected. This document recommends using a multi-year average of abnormal returns to buy and hold and draw conclusions during the starting phase.

The researchers demonstrate that this approach, which generates test statistics four times as large, is seriously erroneous because it presupposes the independence of multi-year abnormal returns for event corporations. Almost little indication of a dependable outlier performance was seen for the samples when the researchers adjusted for the positive cross correlation of event company outliers.

A Study on Free Cash Flow, Issuance Costs, and Stock Prices by Jean-Paul Decamps, Thomas mariotti Jean-Charles Rochet, and Stephane Villeneuve contributed a dynamic model of a firm facing agency costs of free cash flow and external financing cost is developed and a solution is derived for a firm's optimal balance sheet dynamics. According to this prediction, there will be direct and indirect variations in the marginal value of cash with stock price volatility. This helps explain how different factors influence the stock price's volatility.

K.H. Chung and Charlie Charoenwong B. conducted a study on investment prospects and market response to capital expenditure decisions. The researchers discovered that when a company decides to invest capital in response to favourable investment prospects, the share price responds favourably. The study discovered that announcements made by businesses regarding increases or decreases in their capital expenditures have an impact on those businesses' stock values. This hypothesis is typically supported by empirical evidence. In any case, how well a company's present investment prospects perform determines how its stock price responds to these choices.

A study by Simon Gilchrist and Gurh Uberman on how stock price bubbles affect corporate investments revealed that a large distribution in all directions in one's investment in business belief and short-selling forces to limit can result in the statement that the owner market turns into air-filled liquid balls. This study argues that companies, as opposed to investors, have significant influence over such transformations into air-filled, liquid balls by issuing fresh statements of ownership at higher paper money rates. As a result, the cost of money decreases and the actual amount invested in the company rises.

Another important piece of research is Sherman D. Hanna's work, "Subjective and Objective Risk Tolerance: Implications for Portfolios." When it came to primary money business property groups, the most well-suited selection groups for part-ownership in certain companies were established for terms of one, five, and twenty years. Putting money into the properties of business and the business limits are key points of view. In certain cases, enterprises with a 20-year or longer history should have warlike groups of part-ownership, even for those investors with very low emotional and mental risk or a medical condition that allows them to use certain substances without negative effects.

Qi Chen, Italy Goldstein, and Wei Jiang's study on price informativeness and price sensitivity of investments appears to be relevant to this investigation as well. The unit examines how two indicators of the amount of private information provided in statements of ownership—price non-synchronicity and the likelihood of well-detailed trading—have a significant favourable impact on the business ownership.

Furthermore, the effect is significant for controls pertaining to managing news delivery and other information-related, non-fixed effects. The findings imply that managers of businesses should take a cue from the private information provided in the statement of being a part owner regarding the key components of their own companies and incorporate it into the public information provided when making business decisions.

The researchers' discovery is related to the possibility that it also explains the investment-to-price sensitivity, which is caused by financial constraints and events that both the learning narrow path and the possibly taking place, in addition, narrow way send into this sensitivity.

Ross Levine and Sara Zervos' study on the evolution of the stock market and its long-term expansion made some sound suggestions. Observations from one line of business argue that it isn't, while conditions from another line of industry highlight how crucial the financial system is to preparing forces, distributing capital, and minimising amounts of money made. Dispersing power among the group, exercising self-control, and taking more liberated paths pose a risk to the business manager.

Additionally, certain theories provide a basis for the assumption that the more complicated a market is, the more it will increase the expansion of commodities and money-making opportunities. This section examines whether the claim of being a part owner of market development and long-term growth in goods or money-making activities have a solid, experience-based correlation.

The predetermined portion of being a part owner of market development appears to be larger than zero and has a substantial correlation with the expansion of the manufacturing sector over the long term, according to cross-country growth regressions.

Diego Escobari and Mohammed Jafarine's study on investor uncertainty and stock market risk is equally pertinent to this one. The authors provide a cutting-edge method for gauging investor uncertainty. To evaluate the effectiveness of the measure, they employ information on stock market indices and investor sentiment. The findings indicate that during economic downturns, investor uncertainty increases and is associated with a decline in investor sentiment.

Furthermore, the findings bolster the notion that sentiment and returns have a positive connection, which is understood to indicate a positive relationship between risk and investor uncertainty.

The authors also discover that lag values have a significant influence on investors' market risk and uncertainty. Periods of high uncertainty are reliably captured by the authors' measure, as demonstrated by a positive and highly statistically significant correlation with other existing measures of uncertainty.

## 8. ANALYSIS AND DISCUSSION

Corporate decisions of Tata Motors and share price movements (FY 2021 to FY 2024 up to 29<sup>th</sup> February 2024) are analysed as under:

**Table 1: ‘Acquisition/amalgamation/merger’ corporate decisions and share prices of Tata Motors**

Sl.No	Date	Corporate Decisions	Pre-Value	Post-Value
1	8/7/2021	“Tata Motors partners with J&K Bank”	317.05	306.35
2	8/11/2021	“Tata Motors joins hands with Equitas SFB”	489.65	509.75
3	9/11/2021	“Tata Motors partners with the Bank of India”	501.45	510.8
4	15/12/2021	“Tata Motors partners with Bandhan Bank “	489.5	491.95
5	23/5/2022	“Tata Motors and Tata Power Join Hands”	417.95	425.6
6	30/5/2022	‘Tata Motors signs MoU with Ford India’s Sanand plant’	429.6	443.85
7	25/7/2022	“Tata Motors signs an MoU with EC Wheels India”	454.85	441.05
8	28/7/2022	“Tata Motors joins hands with Axis Bank”	443.95	449.65
9	7/8/2022	“Tata Motors signs Definitive Agreement with Ford India’s Sanand plant”	468.1	475.6
10	12/8/2022	“Tata Motors and State Bank of India join hands”	476.65	489.7
11	23/8/2022	“Tata Motors partners with Tata Power”	454.45	463.1
12	12/10/2022	“Tata Motors continues its association with Jamshedpur FC”	393.3	398.95
13	24/11/2022	“Tata Motors joins hands with HDFC Bank”	424.15	433.25
14	29/11/2022	“Tata Motors partners with IndusInd Bank”	433.2	439.35
15	20/12/2022	“Tata Motors partners with the Strate School of Design in Bengaluru”	417.9	402.9
16	10/1/2023	“Tata Passenger Electric Mobility Limited completes acquisition of Ford India’s Sanand plant”	389.4	418.05
17	23/1/2023	“Tata Motors Partners with ICICI Bank”	403.1	422.1
18	1/3/2023	“Tata Motors and State Bank of India sign MoU”	417.9	420.45
19	5/9/2023	“Tata Motors partners with Tata Power Renewable Energy Limited”	608.8	610.25
20	2/11/2023	“TPEM and JLR announce platform-sharing partnership”	627.35	647.8
21	21/11/2023	“Tata Motors and Inchcape plc usher in a new era of commercial vehicle excellence in Thailand”	674.05	681.1

Source: Official sources of Tata Motors and BSE.

Hypothesis 1: Pre- and post-share price changes of Tata Motors do not significantly differ from one another as a result of ‘acquisition/amalgamation/merger’ corporate actions.

**Data Analysis:** The hypothesis was tested using paired sample t test and the results are shown below.

**Table 1.1: Paired Samples Statistics**

		N	Mean	Std. Deviation	Std. Error Mean
Pair 1	Tata Motors Pre Value	21	463.445	84.02	18.33
	Tata Motors Post Value	21	470.552	86.61	18.90

Source: Based on data given in Table 1

**Table 1.2: Paired Samples Correlations**

	N	Correlation	Sig.
Pair 1 Tata Motors Pre Value and Tata Motors Post Value	21	0.995	0.00

Source: Based on data given in Table 1

**Table 1.3: Paired Sample Test**

	Paired differences					T	df	Sig (2-tailed)
	Mean	S.D	S.E	95% confidence interval of the differences				
				lower	upper			
<b>Pair 1</b> Tata Motors Pre Value and Tata Motors Post Value	-7.107	10.89	2.38	-12.07	-2.149	-2.99	20	0.007

Source: Based on data given in Table 1

The t-test brings the p-value as 0.007. The Null Hypothesis is rejected because the p-value is within the significance limit of 0.05. Pre- and post-share price changes of Tata Motors differ significantly from one another as a result of 'acquisition/amalgamation/merger' corporate actions.

**Table 2: 'Financial' corporate decisions and share prices of Tata Motors**

Sl.No	Date	Corporate Decision	Pre-Value	Post-value
1	1/7/2021	"Q1 FY22 Grows by 353% over Q1 FY21"	339.55	344.85
2	8/7/2021	"Global wholesales at 2,14,250 in Q1 FY22"	317.05	306.35
3	26/7/2021	"Consolidated Q1 FY22 Results"	295.65	291.3
4	1/8/2021	"Domestic sales of 51,981 units in July 2021"	293.95	296.8
5	2/8/2021	"Increases passenger vehicle prices by 0.8%"	293.95	303.75
6	1/11/2021	"Consolidated Q2 FY22 Results: Revenue +14.7%"	483.75	487.8
7	1/12/2021	"Sales of 62,192 units in November 2021"	458.8	479
8	6/12/2021	"Delivers All-New Winger Vaccine Van in Dharwad"	480	481.9
9	1/1/2022	"Total sales of 1,99,633 units in Q3 FY22"	482.35	497.45
10	13/1/2022	"Global wholesales at 2,85,445 in Q3 FY22"	507.1	509.75
11	18/1/2022	"Marginal price hike on its passenger vehicles"	525	520.75
12	31/1/2022	"Consolidated Q3 FY22 Results"	497.4	504.3
13	1/3/2022	"Total sales of 77,733 units in February 2022"	454.15	447.6
14	15/3/2022	"Receives an order for 250 EVs from Aurangabad Mission Green Mobility"	411.7	424.8
15	22/3/2022	"Increase prices of its commercial vehicles from 1st April 2022"	427.95	435.7

16	1/4/2022	"Total sales of 2,43,459 units in Q4 FY22"	454.15	447.6
17	12/4/2022	"Global wholesales at 3,34,884 in Q4 FY22"	452.05	431
18	23/4/2022	"Increases price of its passenger vehicles"	438.95	425.25
19	1/5/2022	"Total sales of 72,468 units in April 2022"	437.55	432.75
20	12/5/2022	"Consolidated Q4 FY22 Results"	387.9	404.35
21	26/5/2022	"Files a record number of 125 patents in FY22"	417.05	429.6
22	1/6/2022	"Total sales of 76,210 units in May 2022"	443.85	439
23	28/6/2022	"Increase prices of its commercial vehicles from 1st July 2022"	414.55	417
24	1/7/2022	"Total sales of 2,31,248 units in Q1 FY23"	411.7	408.35
25	8/7/2022	"Global wholesales at 3,16,443 in Q1 FY23"	430.8	437
26	9/7/2022	"Increase prices of its passenger vehicles from today"	441.6	430.25
27	27/7/2022	"Consolidated Q1 FY23 Results"	441.05	442.35
28	1/8/2022	"Total sales of 81,790 units in July 2022"	449.65	476.05
29	1/9/2022	"Total sales of 78,843 units in August 2022"	471	462.15
30	1/10/2022	"Total sales of 2,43,387 units in Q2FY23"	404.65	397.65
31	10/10/2022	"Global wholesales at 3,35,976 in Q2FY23"	412.2	393.3
32	1/11/2022	"Total sales of 78,335 units in October 2022"	412.6	422.1
33	5/11/2022	"Marginal price hike on its passenger vehicles"	425.35	434.9
34	9/11/2022	"Consolidated Q2 FY23 Results"	434.9	412.2
35	1/12/2022	"Total sales of 75,478 units in November 2022"	439.35	438.3
36	13/12/2022	"Increase prices of commercial vehicles from January 2023"	414.1	417.95
37	1/1/2023	"Total sales of 2,28,169 units in Q3FY23"	388.1	394.8
38	9/1/2023	"Global wholesales at 3,22,556 in Q3FY23"	382.15	413.05
39	25/1/2023	"Consolidated Q3 FY23 Results"	422.1	445.55
40	27/1/2023	"Increases prices across its passenger vehicles from Feb 1st, 2023"	419	443.55
41	1/2/2023	"Total sales of 81,069 units in January 2023"	452.15	444.65
42	10/2/2023	"Ends introductory pricing for Tiago.ev"	436.65	441.1
43	21/3/2023	"Announces Price Increase for Commercial Vehicles Ahead of BS6 Phase II Emission Norms"	410.75	416.05
44	14/4/2023	"Increase prices of its passenger vehicles, effective May 1st, 2023"	469.55	471.9
45	25/4/2023	"Files a record number of 158 patents in FY23 and Secures 71 grants"	475.05	478.05
46	3/7/2023	"Marginal price hike on its passenger vehicles from July 17, 2023"	595.5	591.3
47	7/7/2023	"Global wholesales at 3,22,159 in Q1 FY24"	600.8	618.45
48	1/8/2023	"Total sales of 80,633 units in July 2023"	644.05	622.7
49	1/9/2023	"Total sales of 78,010 units in August 2023"	601.1	608.8
50	1/10/2023	"Total sales of 2,43,024 units in Q2 FY24"	630.35	620.3
51	6/10/2023	"Global wholesales at 3,42,376 in Q2 FY24"	619.55	617.4
52	1/11/2023	"Total sales of 82,954 units in October 2023"	628.5	636.8
53	2/11/2023	"Consolidated Q2 FY24 Results"	627.35	647.8
54	1/12/2023	"Total sales of 74,172 units in November 2023"	706.25	705.45
55	10/12/2023	"Announces price increase of its commercial vehicles from January 2024"	714.65	720.75
56	9/1/2024	"Global wholesales at 338,177 in Q3 FY24"	789.05	808.25



57	21/1/2024	"Increase prices of its passenger vehicles from February 1, 2024"	819	800.4
58	2/2/2024	"Consolidated Q3 FY24 Results"	878.35	926.8
59	13/2/2024	"Reduces EV prices up to Rs. 1.2 Lakh"	911.25	918.3

Source: Official sources of Tata Motors and BSE.

Hypothesis 2: Pre- and post-share price changes of Tata Motors do not significantly differ from one another as a result of 'financial' corporate actions.

**Data Analysis:** The hypothesis was tested using paired sample t test and the results are shown below.

**Table 2.1: Paired Samples Statistics**

		N	Mean	Std. Deviation	Std. Error Mean
Pair 1	Tata Motors Fin Pre	59	490.25	135.45	17.63
	Tata Motors Fin Post	59	493.62	137.90	17.95

Source: Based on data given in Table 2

**Table 2.2: Paired Samples Correlations**

		N	Correlation	Sig.
<b>Pair1</b>	Tata Motors Fin_pre & Tata Motors Fin post	59	0.995	0.00

Source: Based on data given in Table 2

**Table 2.3: Paired Sample Test**

	Paired differences					t	df	Sig (2-tailed)
	mean	S.D	Std error mean	95% confidence interval of the differences				
				lower	upper			
Pair1 Tatamotors_pre_value & Tatamotors_post_value	-3.37	13.57	1.77	-6.91	0.17	1.907	58	0.062

Source: Based on data given in Table 2

The t-test brings the p-value as 0.062. The Null Hypothesis is accepted because the p-value is not within the significance limit of 0.05. Pre- and post-share price changes of Tata Motors do not differ significantly from one another as a result of 'financial' corporate actions.

**Table 3: ‘New venture/initiatives/developments’ corporate decisions and share prices of Tata Motors**

Sl. No	Date	Corporate Decision	Pre Value	Post Value
1	19/9/2022	“Launches All-New 5W/30 Synthetic Engine Oil for Commercial Vehicles”	432.4	434.25
2	11/10/2022	“Tiago.ev receives a blockbuster opening”	395.95	396.5
3	18/10/2022	“Provides eco-friendly public transport solutions to Jammu & Kashmir’s smart cities”	396.1	399.05
4	7/11/2022	“Celebrates its production milestone of 50,000 Evs”	425.35	433
5	16/12/2022	“Operating 921 electric buses in Bengalure”	416.65	417.9
6	9/2/2023	“Delivers 218 Winger veterinary vans to the Government of West Bengal”	440.1	445.6
7	28/2/2023	“Launches Re.Wi.Re, its first Registered Vehicle Scrapping Facility”	417.9	425.95
8	22/3/2023	“Receives an order for 1000 XPRES T EVs from OHM E Logistics Pvt Ltd in Hyderabad”	412.4	419.1
9	17/4/2023	“Introduces the new Nexon EV MAX #DARK”	469.55	472.95
10	19/4/2023	“Opens bookings of the Altroz iCNG”	472.95	476.8
11	28/7/2023	“BMTc to induct advanced electric buses”	645.9	644.05
12	6/9/2023	“Delhi charges ahead with 400 Tata Motors Starbus Evs”	611.05	614.75
13	9/9/2023	“Delivers 181 Winger veterinary vans to the Government of Odisha”	627.15	634.7
14	13/9/2023	“Launches ‘Truck Utsav”	620.8	624.35
15	17/10/2023	“Launches new avatars of Safari and Harrier”	666.1	668.35
16	23/10/2023	“Unveils state-of-the-art facilities”	662.7	637.85
17	28/11/2023	“Inaugurates its state-of-the-art Registered Vehicle Scrapping Facility in Chandigarh”	673.65	712.15
18	5/12/2023	“Launches all-new Intra V70 pickup, Intra V20 Gold pickup and Ace HT+”	705.45	722.4
19	28/1/2024	“Tata Motors electric buses in Jammu”	811.45	840.85
20	30/6/2021	“Bags order of 15 hydrogen-based fuel cell buses from Indian Oil Corporation Ltd.”	341.55	344.2
21	15/7/2021	“Delivers 14 XPRES T EVs to Garden Reach Shipbuilders & Engineers Ltd., in Kolkata”	309.45	311.25
22	28/7/2021	“Tata Nexon EV all set to electrify Nepal”	291.3	293
23	29/7/2021	“Launches the all-new Ace Gold Petrol CX at Rs. 3.99 lakh”	284.45	293.95
24	31/8/2021	“Drives in the All New Tigor EV Sedan with Ziptron technolog”	291.9	295.2
25	17/12/2021	“Setting up of a vehicle scrapping facility in Maharashtra”	491.95	447.15
26	11/1/2022	“Sets new Benchmarks for Automobile Safety in India”	503.7	507.1
27	19/1/2022	“Launches new Forever range of passenger vehicles in Bhutan”	510.95	515.7
28	21/3/2022	“Tata ALTROZ DCA launched at INR 8.1 lakh”	433.8	440.3
29	31/3/2022	“Launches the All New Tigor EV Sedan with Ziptron technolog in Nepal”	435.65	441.1

30	2/4/2022	Delivers 712 EVs in Maharashtra and Goa	441.1	446.8
31	20/5/2022	“Bags an order for 50 EVs from M/s ANERT through EESL”	398.75	421.6
32	30/5/2022	“Delivers 51 EVs in Nagpur”	429.6	443.85
33	6/6/2022	“Bags an order for delivering the biggest EV fleet in India”	431.9	435.95
34	20/7/2022	“Launches the all-new Winger BS6 range in Nepal”	448.95	454.75
35	9/8/2022	“Launches Tigor XM variant powered with its iCNG technology at INR. 7,39,900”	475.6	476.65

Source: Official sources of Tata Motors and BSE.

Hypothesis 3: Pre- and post-share price changes of Tata Motors do not significantly differ from one another as a result of ‘new ventures/initiatives/developments’ corporate actions

**Data Analysis:** The hypothesis was tested using paired sample t test and the results are shown below.

**Table 3.1: Paired Samples Statistics**

		N	Mean	S.D	S.E Mean
Pair 1	Tata Motors_pre_value	35	480.691	128.69	21.75
	Tata Motors_post_value	35	485.403	131.38	22.21

Source: Based on data given in Table 3

**Table 3.2: Paired Samples Correlations**

		N	Correlation	Sig.
Tata Motors_pre_value & Tata Motors_post_value		35	0.995	0

Source: Based on data given in Table 3

**Table 3.3: Paired Sample Test**

	Paired differences			t	df	Sig (2-tailed)
	mean	Std. Deviation	Std error mean			
Pair1 Tata Motors_pre_value- Tata Motors_post_value	-4.71	13.12	2.22	-2.127	34	0.041

Source: Based on data given in Table 3

The t-test brings the p-value as 0.041. The Null Hypothesis is rejected because the p-value is within the significance limit of 0.05. Pre - and post-share price changes of Tata Motors differ significantly from one another as a result of ‘new ventures / initiatives / developments’ corporate actions.

## 9. MAJOR FINDINGS OF THE STUDY AND DISCUSSION

The major findings are:

- a) 'Acquisition / Amalgamation / Merger' corporate decisions of TATA MOTORS have impacted on the share price movements.
- b) 'Financial' corporate decisions of TATA MOTORS have not influenced the share prices.
- c) 'New Ventures / Initiatives / Developments' corporate decisions of TATA MOTORS have impacted on the share price movements.

This study evidently discloses that stock market investors are significantly influenced by 'Acquisition/Amalgamation/ Merger' and 'New ventures / Initiatives / Developments' corporate decisions of TATA MOTORS. This is interesting to find that 'Acquisition/ Amalgamation/ Merger' and 'New ventures / Initiatives / Developments' corporate decisions of TATA MOTORS influence the share prices. Each 'Acquisition / Amalgamation / Merger' and 'New ventures / Initiatives/ Developments' corporate decision of TATA MOTORS become important for the investor community. Even 'Financial' Corporate Decisions of TATA MOTORS depicts Pvalue 0.006 which is very close to the significant level. This will emphasise even more how crucial TATA MOTORS is to the Indian economy and how investors consider the company's key business choices. The findings reveal that unlike in the case of HUL where the researchers have reported that corporate decisions have no significant impact on the share price fluctuations (Shino P Jose et al., 2023), the share price movements of Tata Motors are influenced by the corporate decisions. It is strongly advised to conduct a thorough study to determine the reason behind TATA MOTORS' corporate decisions regarding 'Acquisition / Amalgamation / Merger and 'New Ventures / Initiatives / Developments' which have had a substantial impact on share prices.

## 10. SUGGESTIONS AND CONCLUSION

According to the study, (i) TATA MOTORS should never deviate from enhancing its innate strengths and 'Acquisition / Amalgamation / Merger' & 'New Ventures / Initiatives / Developments' corporate decisions, as its clients are influenced corporate decisions. (ii) Given the weight that investors place on corporate decision choices, TATA MOTORS should stick to its policies regarding acquisition / amalgamation / merger' and 'New Ventures / Initiatives / Developments'. In summary, it can be said that TATA MOTORS makes strategic decisions that are formulated and carried out based on company policy. The study's significance level was determined by taking into account investor confidence and TATA Motors' robust fundamentals.

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