

The Tata Nano arrives





The making of the Nano

Ratan Tata rolls the window down and talks about the vision and conviction, the innovation and improvisation that went into creating the people's car.

What does the Nano — which made its official debut on March 23, 2009 — really mean for the chairman of Tata Sons, in many ways the inspiration behind the car?

That's what *Christabelle Noronha* set out to discover when she met Mr Tata at Pune in late 2007 in the lead up to the unveiling of the Nano.

The Nano is the realisation of a long-cherished ambition. Do you feel vindicated? Are you apprehensive?

As urbanisation gathers pace, personal transport

has become a big issue, especially since mass transport is often not available or is of poor quality. Two-wheelers — with the father driving, the elder child standing in front and the wife behind holding a baby — is very much the norm in this country. In that form, two-wheelers are a relatively unsafe mode of transporting a family. The two-wheeler image is what got me thinking that we needed to create a safer form of transport.

The Nano was never meant to be a Rs1-lakh car; that happened by circumstance. I was interviewed by the [British newspaper] *Financial Times* at the Geneva Motor Show and I talked about this future product as a low-cost car. I was asked how much it would cost and I said about Rs1 lakh. The next day they had a headline to the effect that the Tatas are to produce a Rs100,000 car.

My immediate reaction was to issue a rebuttal, to clarify that that was not exactly what I had said. Then I thought, I did say it would be around that figure, so why don't we just take that as a target. When I came back our people were aghast, but we had our goal.

This project has proven to everyone that if you really set yourself to doing something, you actually can do it. What does it mean to me? It means that we have in us the capability to undertake a challenge that many car companies have chosen not to address or have been unable to address.

What are the innovations that have made the Tata Nano possible, from design to product finalisation?

Initially I had conceived a car made by engineering plastics and new materials, and using new technology like aerospace adhesives instead of welding. However, plastics didn't lend themselves to the volumes we wanted because of the curing time required.

Volumes mean the world in this context. When we were planning facilities for the car and working out a business plan, the business plan shown to me was looking at a figure of 200,000. I said the figure is crazy. If we can do this, we should be looking at a million cars a year, and if we cannot do a million then we shouldn't be doing this kind of car at all.

Other than emission norms and safety standards, what are the challenges, physical and psychological, that Tata Motors had to overcome to make this car happen?

There was the usual dilemma of what is basic and what is nice to have. A basic car may not have all the niceties its fancier cousins sport, and when you're looking at saving money on every single bit of the car — even parts that cost as little as Rs20 — you keep facing these dilemmas. Hundreds of such dilemmas have risen.

However, we were always conscious that there should be no quality stigma attached to the buying of this product. One thing we were clear about: this was never going to be a half-car. Nobody wants a car that is less than everybody else's car. Our car may have a small engine and certain limitations in terms of being basic, but that does not make it inferior.

When future versions of this car hit the market, will they not be in direct competition with the Indica?

No. The way I see it, this vehicle will cannibalise some of the lower-end car market and some of the higher-end motorcycle and scooter market. It will eat into both of those markets but it will also create a market of its own. It will expand the market by creating a niche that did not previously exist. It may well cannibalise some of the higher-end car market, but to a small extent, and probably only when people look to buy a second or third car.

I'm trying to think of a parallel where someone has introduced a product at a disruptively low price and changed the market. A good example would be the Swatch watch, low-cost, trendy and with a wide range. ●



The people's car

On March 23, 2009, Tata Motors announced the commercial launch of the Tata Nano, keenly awaited across India since its unveiling on January 10, 2008.

Speaking at the launch at the Parsi Gymkhana in Mumbai, Tata Sons and Tata Motors Chairman Ratan Tata said: "The Nano represents the spirit of breaking conventional barriers. From the drawing board to its commercial launch, the concept, development and productionisation of the car has overcome several challenges. It is to the credit of the team at Tata Motors that a car once thought impossible by the world is now a reality. I hope it will provide safe, affordable, four-wheel transportation to families who till now have not been able to own a car.

"We are delighted in presenting the Tata Nano to India and the world."

Nano fact file

- ▶ **Engine specification:** 2-cylinder aluminium MPFI 624cc petrol engine mated to a four-speed gear box
- ▶ **Dimensions:** 3.1 x 1.5 x 1.6 metres
- ▶ **Emission control:** CO₂ emission of 101gm/km, Bharat Stage II and Bharat Stage III
- ▶ **Mileage:** 23.6km/litre
- ▶ **Weight:** 600kg (1,300 pounds)
- ▶ **Variants:** Tata Nano Standard, Tata Nano CX and Tata Nano LX