

TATA MOTORS LTD/FI
Form 6-K
August 25, 2006

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the Month of August 2006
Commission File Number: 001-32294

TATA MOTORS LIMITED

(Translation of registrant's name into English)

BOMBAY HOUSE
24, HOMI MODY STREET,
MUMBAI 400 001, MAHARASHTRA, INDIA
Telephone # 91 22 6665 8282 Fax # 91 22 6665 7799
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes No

If 'Yes' is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not Applicable

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Item 1: Form 6-K dated August 25, 2006 along with the Press Release.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

Tata Motors Limited
By: /s/ Hoshang K Sethna
Name: Hoshang K Sethna
Title: Company Secretary

Dated: August 25, 2006

Item 1

TATA MOTORS LIMITED Bombay House

24, Homi Mody Street,
Mumbai 400 001, Maharashtra, India

Tata Motors sets up TML Financial Services Ltd.

MUMBAI, August 25, 2006: Tata Motors has set up a new subsidiary for its vehicle financing operations. The new entity, TML Financial Services Ltd. (TMLFSL), is a 100% subsidiary and will function as an NBFC (Non Banking Finance Company), for which it has received the necessary approval from the Reserve Bank of India. TMLFSL will support and enhance the vehicle financing activities of Tata Motorfinance.

The overall vehicle financing done by Tata Motors' auto financing arm in the year 2005-06 was about Rs.5500 crores, a 60% increase over Rs. 3400 crores in the previous fiscal. In 2005-06, Tata Motorfinance accounted for 23.8% of Tata Motors domestic sales. A total of about 113,000 contracts were booked, including refinance and Construction Equipment (CEQ), while 96,247 new vehicles were financed, a 43% increase compared to 67,356 vehicles in 2004-05. Refinance business grew by 110%, while CEQ business grew by 165% in 2005-06.

All statements contained herein that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed herein regarding matters that are not historical fact. These forward-looking statements and any other projections (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements or other projections. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov. We may, from time to time, make additional written and oral forward-looking statements, including statements contained in our filings with the Securities and Exchange Commission and our reports to shareholders. We do not undertake to update any forward-looking statement that may be made from time to time by or on our behalf.
