

A Study on Business Administration Strategy Adopted by Manufacturing Companies in Indian Context

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This study examines the business administration strategies adopted by manufacturing companies in India, with a specific focus on Mahindra & Mahindra, Bajaj Auto, and Ashok Leyland. It analyses how organizational, overall business strategies contribute to operational efficiency, competitiveness, and long-term sustainability. The research is based entirely on secondary data collected from academic journals, research articles, company reports, and credible online sources. Findings suggest that these companies adopt a combination of innovative practices, strategic planning, resource optimization, and agile approaches to respond to dynamic market conditions. By aligning manufacturing strategies with broader business objectives, these firms enhance performance and maintain a competitive edge in both domestic and international markets. This study provides insights for managers, policy-makers, and researchers seeking to understand effective strategic management practices in the Indian manufacturing sector.

Keywords: business, business administration, strategic planning, business strategy

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1. Introduction

Business administration is a comprehensive discipline that involves managing, organizing, and coordinating various business activities to achieve organizational goals effectively. It focuses on efficient resource utilization, sound decision-making, and smooth operational management, forming the foundation of any successful enterprise—be it a start-up or a large corporation. In today's fast-changing environment, business administration is not limited to managing operations but also includes developing strategic directions that ensure sustainability and competitiveness.

Business strategy has become a vital element of modern organizations due to rapid globalization, technological advancement, and evolving market dynamics. Global alliances, digital transformation, and increased competition have created both opportunities and challenges for businesses. To survive and succeed, companies must adopt well-formulated strategies that align with their goals and external environment. A sound business strategy serves as a roadmap that guides managerial actions, resource allocation, and decision-making to ensure long-term growth.

Strategic management, as an integral part of business administration, emerged in the 1970s and evolved over time to encompass not just planning but also implementation and evaluation. It can be viewed as a continuous process involving three core stages—strategic analysis, strategy formulation, and strategy implementation. Strategic analysis helps identify internal strengths and weaknesses along with external opportunities and threats. Strategy formulation translates these insights into actionable plans, while implementation ensures these plans are effectively executed to achieve desired outcomes.

In the Indian context, manufacturing companies operate in an increasingly competitive and dynamic environment influenced by factors such as globalization, government policies, and technological innovation. The introduction of initiatives like *Make in India* has encouraged firms to adopt efficient and sustainable business strategies to enhance productivity and global competitiveness.

Companies such as Tata Steel, Bajaj, Ashok Layland and Mahindra & Mahindra have implemented strategies focusing on innovation, cost efficiency, and quality improvement to maintain a competitive edge.

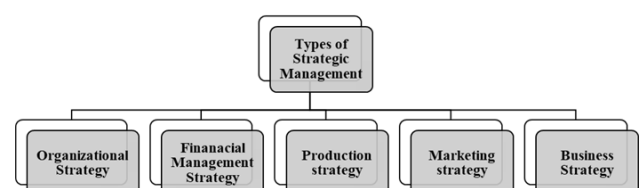
However, challenges such as rising input costs, policy changes, and global market fluctuations require manufacturing firms to constantly reassess and refine their strategies. Effective strategic management at all organizational levels—rather than being confined to top executives—has become essential for agility and adaptability. The success of any manufacturing company now depends on its ability to anticipate market changes, innovate continuously, and integrate strategic thinking across all functions.

Therefore, this study focuses on analysing the business administration strategies adopted by manufacturing companies in India. It aims to understand how these strategies contribute to organizational performance, competitiveness, and sustainability in a rapidly changing business environment.

1.1 Business Strategy

Business strategy refers to the major objectives and initiatives formulated by top management to enhance organizational performance and competitiveness through effective utilization of resources. It involves defining the company's mission, vision, and long-term goals; developing suitable policies, programs, and action plans; and ensuring their efficient implementation. Strategic tools such as SWOT analysis and the Balanced Scorecard help managers assess internal strengths and weaknesses, evaluate external opportunities and threats, and monitor performance. A well-defined business strategy ensures alignment, adaptability, and sustainable growth in a dynamic environment.

1.2 Types of Strategic Management



Type of Strategy	Focus	Key Outcome
Organisational Strategy	Links individuals, teams, and departments into a cohesive system to enhance coordination and decision-making.	Promotes efficiency, collaboration, and alignment of goals across the organisation.
Financial Management Strategy	Ensures proper flow and utilization of financial resources across subsidiaries and headquarters.	Maintains financial stability, supports growth, and ensures long-term sustainability.
Production Strategy	Focuses on where and how to produce goods efficiently to meet market demand and expand globally.	Improves productivity, optimizes resources, and enhances competitiveness.
Marketing Strategy	Involves understanding customer needs, promoting products effectively, and aligning offerings with market demand.	Builds brand value, retains customers, and reduces mismatches between demand and supply.
Business Strategy	Defines mission, vision, and long-term goals while guiding resource allocation and policy development.	Ensures strategic alignment, performance evaluation, and sustainable business growth.

2. Literature Review

Manufacturing strategy in India has evolved over time to address sector-specific challenges and enhance global competitiveness. Studies by Dangayach and Deshmukh (2003) show that Indian manufacturing companies, especially in the automobile, electronics, machinery, and process industries, prioritize quality, cost efficiency, and timely delivery. At the same time, there is increasing focus on innovation, product development, and flexibility to meet changing market demands. The adoption of advanced manufacturing technologies and integrated information systems has further improved operational performance and strengthened competitive advantage. Dangayach (2006) also notes that Indian machinery manufacturing firms are aligning their manufacturing strategies with broader business objectives, focusing on product design, production planning, and workforce management to enhance overall efficiency.

In the broader context of business administration, Indian companies are adopting adaptive strategies to respond to a dynamic business environment. Kansal et al. (2021) highlight the significance of sustainability, technological adoption, and leadership in shaping organizational success.

Integrating sustainability measures into management accounting and performance evaluation has become crucial for ensuring transparency and accountability. Furthermore, Choudhury (2024) points out that foreign-owned firms in India often implement holistic strategies, investing in research and development and global operations, whereas domestic firms tend to emphasize resource management and expanding their local customer base.

Sector-specific strategies are also evident across Indian manufacturing. The automobile industry emphasizes rapid product development, continuous improvement, and innovation to remain competitive globally, while the process industry prioritizes operational efficiency and cost management to maintain profitability. Agile manufacturing practices have been widely adopted to improve responsiveness and flexibility, enabling firms to quickly adjust to market changes and customer demands. Indian manufacturing companies face challenges such as rising input costs, policy changes, and global competition, which necessitate strategies like lean manufacturing, supply chain optimization, and digital transformation. Government initiatives such as "Make in India" have further encouraged domestic manufacturing and attracted foreign investment, creating opportunities for strategic growth.

Overall, the literature indicates that effective business administration and strategic management practices are essential for Indian manufacturing companies to maintain competitiveness, enhance operational efficiency, and achieve sustainable growth. Companies that integrate manufacturing strategies with broader business objectives, invest in innovation, and adopt flexible, responsive approaches are better positioned to succeed in the rapidly changing Indian and global markets.

3. Research Methodology

This study follows a descriptive research design and is based entirely on secondary data. Data has been collected from research articles, journals, academic papers, company reports, and credible online databases. The study analyzes existing literature on business administration and strategic management practices adopted by Indian manufacturing companies to understand trends, challenges, and best practices.

3.1 Objective

- To understand the concept of business administrative strategy.
- To examine the various business administration strategies adopted by manufacturing companies in India.

3.2 Scope of the Study

This study focuses on business administration strategies adopted by manufacturing companies in India, with specific emphasis on Mahindra & Mahindra, Bajaj Auto, and Ashok Leyland. The research analyses strategic management practices across organizational, financial, production, marketing, and overall business strategy dimensions. The study covers the effectiveness of these strategies in improving operational efficiency, competitiveness, and long-term sustainability in the Indian manufacturing sector. It also examines how these companies align their manufacturing and business strategies with organizational objectives, market demands, and emerging business challenges. The findings are intended to provide insights for managers, policymakers, and researchers interested in improving strategic management and operational performance in manufacturing firms.

3.3 Limitation of the Study

- The study is based entirely on secondary data, which may limit the depth of insights into the real-time decision-making and internal strategic processes of the companies.
- Only three manufacturing companies (Mahindra & Mahindra, Bajaj Auto, and Ashok Leyland) are considered, which may not fully represent the diversity of strategies across the entire Indian manufacturing sector.
- The study does not include primary data collection, such as surveys or interviews, which could have provided direct insights from company executives and managers.
- Findings may be influenced by the availability and accuracy of publicly accessible reports, articles, and online data.

3.4 Data Collection

1.1 Bajaj Auto

Bajaj Auto Limited is an Indian motorcycle and auto rickshaw manufacturer founded in 1945.

It began as a distributor for Vespa scooters before obtaining a manufacturing license in 1959. The company grew rapidly in the 1970s as its affordable two-wheelers gained popularity. It faced new competition in the 1980s from Japanese and Italian brands but maintained its lead in India through focus on low costs and wide distribution network. Liberalization policies in the 1990s opened India's market, and Bajaj invested in new technology and partnerships to develop modern products and increase exports.

Business Model of Bajaj Auto

Bajaj Auto's business model focuses on cost efficiency, scale, and strategic expansion into new markets. It manufactures competitively priced products and caters to different consumer segments. Partnerships and joint ventures with prominent automobile manufacturers, such as KTM and Triumph, help the company manufacture better automobiles and reach new markets. Bajaj Auto invested INR 57 core in bicycle and electric scooter rental startup Yulu. The company will also manufacture electric vehicles for Yulu.

Mission

"To be an ever-adapting and value-adding vendor for businesses that ease the lives of people through technology".

Bajaj Auto is committed to delivering sustainable mobility solutions and superior products. The company emphasizes three core priorities: quality (ensuring its offerings meet or exceed customer expectations), innovation (investing in research and development to stay at the forefront of automotive technology), and sustainability (minimizing environmental impact and promoting eco-friendly operations).

Vision

"To be a global manufacturer that ensures customer success through unparalleled quality, technology, and innovation".

Bajaj Auto aspires to lead in sustainable mobility by promoting electric and hybrid vehicle production. It also aims for global leadership in the two- and three-wheeler segments, strengthening its international presence. Innovation, customer-centricity, and social responsibility are integral to this vision.

Core Values

- **Customer Centricity:** Putting customers at the heart of operations, focusing on satisfaction and engagement.
- **Innovation:** Continuously pursuing technological advancement and new product development.
- **Integrity:** Upholding ethical conduct, transparency, and strong corporate governance.
- **Sustainability:** Reducing environmental impact through cleaner production practices and resource management.
- **Collaboration:** Working with partners, academia, and other stakeholders to drive innovation and efficiency.

SWOT Analysis of Bajaj Auto

The Bajaj Auto SWOT Analysis highlights its strengths, weaknesses, opportunities, and threats, showcasing its market position and growth potential.

Strengths

1. Strong Brand Recognition: Bajaj Auto is a well-established brand with a presence in over 70 countries, making it amongst the most recognized Indian automotive brands globally. Its flagship products, such as Pulsar and RE auto-rickshaw, have strong brand loyalty.
2. Product Diversification: It offers a wide range of two- and three-wheelers, which appeal to all segments: commuter, sports, and commercial vehicles. It helps the company reach a wider customer base.
3. Economies of scale: It benefits from economies of scale in manufacturing, with an annual capacity to manufacture more than 6 million vehicles.

Weaknesses

1. High Dependence on Exports: Heavy dependence upon exports exposes Bajaj Auto to geopolitical and currency exchange risks, which can impact profitability.
2. Low Penetration in Electric Vehicles: Bajaj Auto, even with the launch of the Chetak electric scooter, has relatively few electric vehicle offerings compared to competitors that are aggressively launching a variety of electric vehicles.

3. Fluctuating Demand for Products in the Market: The performance of the company largely depends on the economic cycles of its key markets. Hence, demand for vehicles, especially in price-sensitive categories, varies cyclically.

Opportunities

1. Expansion in Electric Vehicles: Increasing demand for 'greener' transport opens up great avenues for Bajaj Auto to expand its range of electric vehicles and tap a sizable chunk of the EV market.
2. Rural Market Penetration: With increasing disposable incomes and improving roads in rural areas, Bajaj Auto's quest to enhance market penetration can be supplemented by offering reasonably priced but effective mobility solutions that exactly address the needs and priorities of rural consumers.
3. Investment in Technology: Developing advanced technologies can give Bajaj Auto an edge over its competitors and attract new customers.

Threats

1. Intense Competition: Two- and three-wheeler segments are very competitive due to the presence of prominent automobile companies such as Hero MotoCorp and TVS. New EV companies are aggressively trying to gain market share.
2. Regulatory Challenges: Increasing environmental regulations and safety standards require continuous investment in R&D and compliance, thereby straining resources and affecting profit margins.
3. Economic Slowdowns: Economic slowdowns, both within the home country and globally, can have a major impact on the revenues of Bajaj Auto.

PESTLE Analysis of Bajaj Auto

Political

- Government incentives for electric mobility and green transport.
- Policies around import tariffs, trade agreements, and export regulations.
- Stability or instability in trade policies influencing export markets.

Economic

- Economic growth in India increases demand for personal mobility.
- Fuel prices, inflation, and interest rates impact buying power.

- Exchange rates impact export profits and cost of imported parts.

Social

- Growing consumer awareness about environment and sustainability.
- Preference shift towards cleaner mobility solutions.
- Urbanization and rising middle class increase demand for personal vehicles.

Technological

- Advances in battery technology, motor efficiency, and connectivity.
- Emergence of IoT, digitalization in vehicles, and smart transport.
- R&D in alternative energy, lightweight materials, and autonomous features.

Legal

- Emission norms, safety standards, and regulatory compliance (e.g. Bharat Stage norms).
- Intellectual property laws and patents for technology.
- Standards for vehicle certification, homologation, and export compliance.

Environmental

- Pressure to reduce carbon footprint and emissions.
- Resource constraints (e.g. rare earth metals, battery raw materials).
- Need for sustainable manufacturing processes, waste management, and recycling initiatives.

VRIO Analysis of Bajaj Auto

Using the VRIO framework (Value, Rarity, Imitability, Organization) to assess Bajaj Auto's strategic resources:

Innovation / R&D Capability

Value: Provides competitive products in EV and hybrid segments.

Rarity: High investment and technical expertise make it less common in local competitors.

Imitability: Requires significant investment, time, and specialized skills—difficult to imitate quickly.

Organization: Bajaj is organized to support innovation (structures, culture, resources).

Brand and Reputation

Value: Commands customer trust and brand loyalty.

Rarity: Strong brand in two/three-wheelers is not easily matched by new entrants.

Imitability: Other firms may imitate brand strategies, but building brand reputation takes time.

Organization: Bajaj's marketing, after-sales, and quality systems support brand strength.

Global Distribution and Export Network

Value: Allows market diversification and revenue growth.

Rarity: Not all competitors enjoy such extensive international presence.

Imitability: Possible over time, but requires investment and local partnerships.

Organization: Bajaj's structure supports export operations and compliance in many markets.

Sustainability Initiatives and Green Manufacturing

Value: Aligns with future market and regulatory demands.

Rarity: Early movers in sustainable processes and renewable energy use may stand out.

Imitability: Possible but often costly and requires long-term commitment.

Organization: Bajaj is organized to deploy sustainability initiatives meaningfully across operations.

Financial Strength / Resource Backing

Value: Enables investment in new technology, R&D, and expansion.

Rarity: Not every firm has strong capital backing and stable finances.

Imitability: Hard to replicate overnight, depends on scale and creditworthiness.

Organization: Bajaj's corporate governance, financial systems, and planning support efficient utilization.

1.2 Mahindra & Mahindra

Mahindra & Mahindra was founded as a steel trading company on 2 October 1945 in Ludhiana as Mahindra & Muhammed by brothers Harikrishnan and Jayakrishnan and Jagdish Chandra Mahindra along with Malik Ghulam Muhammad. Anand Mahindra, the present Chairman of Mahindra Group, is the grandson of Jagdish Chandra Mahindra. After India gained independence and Pakistan was formed, Muhammad emigrated to Pakistan.

Muhammad acquired Pakistani citizenship and settled in Lahore, and in 1948 became Pakistan's first finance minister. The Group today is a global federation of companies united by a common purpose – to enable people to 'Rise'. The present chairmen of Mahindra Group, Anand Mahindra is currently handling the company. He was born on May 1, 1955 in Mumbai to Harish and Indira Mahindra. Anand's father, a well-known industrialist, always emphasized the importance of using businesses to benefit society. Over the years, this principle has guided Anand's decisions and shaped the transformation of the Mahindra Group into one of the most admired Indian companies in the world.

Business Model of M&M

The Mahindra Way (TMW) is the group's business excellence model. It is an approach that extends beyond the quality of our products and services to encompass excellence across functions, processes and operations within businesses.

Being the business excellence model of the group, TMW promotes the adoption of certain Group Common Policies and Practices (GCPPs) to be followed by all businesses and functions. Towards this endeavor, TMW works closely with process owners of these common policies and practices such as Group Strategy Office, Group Sustainability, Central Safety Council, Diversity Council, Group HR, Group Corporate Industrial Relations, Corporate Governance Cell and Corporate Social Responsibility. The diagram below represents the framework which can guide the company in structuring the adoption of TMW.



The framework has four important elements:

- Organization
- Management Processes
- Business Processes
- Business Results

1. Organization

Each company has its own foundation in the form of an organization consisting of people, values and culture. TMW can be adopted by any company irrespective of the nature of its business activities and organization. TMW helps a company strengthen its foundations through the encouragement of systematic and continuous improvement in the way the company conducts its business and through the adoption of Group Common Policies and Practices. During assessment, assessors would get an appreciation of these aspects through their interaction with employees during company presentations as well as work-site visit where they would get a sense of the real life work environment within the organization and the extent to which Group Common Policies and Practices have been adopted.

2. Management Processes

Management Processes are fundamental to the way in which any company strives for excellence. These are processes which are common to all companies irrespective of size or industry. Every company implementing The Mahindra Way is expected to specifically plan improvements for the following four processes:

Top Management Leadership and Strategy

The process of formulating the company's long term vision and goals, translating these into future milestones as well as into strategic priorities and action plans, communicating and deploying these across the organization and setting up review systems to ensure efficient monitoring and corrective steps.

Daily Work Management and Standardization

The process of translating strategy into routine work and standardizing activities at all levels in the company in a manner which maximizes efficiency and productivity.

Quality Management and Quality Improvement

The process of, firstly, setting up a system for quality management and, secondly, promoting continuous improvement in quality of products, services and processes in the company.

Employee Involvement and Development

The process of developing the capabilities of the company's employees and engaging them in the company's long term goals and strategic initiatives so that are fully involved in the company's quest for excellence.

3. Business Processes

Besides the above four Management Processes, a company is expected to deploy the TMW approach to promote excellence in all its Business Processes. These are processes which are critical to the day-to-day running of a business. These may be different in different businesses or industries. Typically, they may determine the input – output relationship between different departments and functions including support functions.

To begin with, in keeping with the TMW principle of prioritization, a company will select those key Business Processes which are critical to its long term business goals and strategy. Having selected these, the company is expected to work systematically towards improving the quality of the selected processes.

In subsequent years, companies will increase the number of Business Processes under The Mahindra Way so that over a period of time, the company deploys TMW across the organization and progresses successfully on its journey of improving quality and achieving excellence in all its activities.

4. Business Results

TMW is a business-driven initiative of the Mahindra group. It follows that the focus on Management and Business Processes will translate into sustainable, improved business results for all stakeholders of the company. TMW, therefore, requires structured budgeting and planning of results in areas such as financial, customer satisfaction, process efficiency, employee satisfaction and the like.

PESTLE Analysis of Mahindra & Mahindra

Political

- Supportive government policies for electric mobility and renewable energy can favor M&M's EV initiatives.
- Trade policies, tariffs, and bilateral agreements influence export performance and imports of components.

- Political stability or instability in key markets can affect demand and supply chains.

Economic

- Macroeconomic conditions such as inflation, GDP growth, and consumer spending power impact vehicle sales.
- Exchange rate fluctuations affect export earnings and the cost of imported inputs.
- Rising input costs (steel, aluminum, components) directly affect margins.

Social

- Shift in consumer preferences toward sustainability, green transportation, and eco-friendly products.
- Increasing urbanization and rising middle class in India may boost demand for vehicles.
- Growing awareness of environmental issues can drive demand for electric and low-emission vehicles.

Technological

- Advancements in battery technology, energy storage, electric drivetrains, and vehicle connectivity are key.
- Digitalization, IoT integration, and software-driven mobility services (connected vehicles) are becoming vital.
- Innovations in materials, lightweight design, and alternative propulsion (hydrogen, hybrid) shape competitive edge.

Legal

- Emission standards (e.g. Bharat Stage regulations) and safety regulations impose compliance costs.
- Intellectual property laws and patent protection for new technologies are critical.
- Vehicle certification, homologation, and legal regulations in foreign markets affect market entry.

Environmental

- Pressure to reduce carbon footprint, emissions, and adopt sustainable manufacturing processes.
- Resource constraints (e.g. rare metals for batteries) and environmental regulations governing waste, emissions, and recycling.

- Regulatory push for circular economy, green norms, and environmental compliance readiness.

SWOT Analysis of Mahindra & Mahindra

Strengths

- Diverse Product Portfolio: presence in automobiles, tractors/agriculture, and financial services strengthens revenue streams.
- Strong brand recognition and customer loyalty in India; high brand valuation.
- Extensive Distribution and Service Network: over 1,500 dealerships across rural and urban India.
- Leadership in certain vehicle segments (e.g., utility vehicles) and a solid share in tractor/agriculture business.
- Significant investment in R&D and commitment to electric mobility: e.g. the launch of the XUV.e series and plans for multiple EVs.

Weaknesses

- Heavy Dependence on the Indian Market: about 84% of revenue derived domestically, limiting geographic diversification.
- Profit margins under pressure due to rising raw material costs and competitive pricing.
- Challenges in International Markets: difficulty maintaining consistent quality, brand recognition, and market penetration overseas.
- Underutilization of Production Capacity: some plants reportedly operate below optimal levels, raising per-unit costs.
- Dependence on external suppliers for critical components like electronics, semiconductors, etc., making the supply chain vulnerable.

Opportunities

- Rising demand for electric and sustainable vehicles offers a growth frontier.
- Expansion into emerging global markets, especially in Africa, Latin America, etc., diversifying revenue sources.
- Collaborations or joint ventures in technology (e.g. EV, battery, software) to strengthen capabilities.

- Digital transformation in agriculture: leveraging IoT, smart farming, and data analytics in the agribusiness vertical.
- Government policy support, subsidies, and incentives for green mobility under schemes like FAME (Faster Adoption and Manufacturing of Electric Vehicles).

Threats

- Intensifying competition from both domestic and international automakers investing heavily in EV and mobility technologies. Volatility in raw material and input costs (steel, aluminum, semiconductors, etc.).
- Stricter environmental regulations and emissions norms forcing higher compliance costs.
- Rapid technological disruption: new entrants or innovations (autonomous vehicles, alternative fuels) could shift the competitive landscape.
- Geopolitical tensions and supply chain disruptions affecting imports of components or access to foreign markets.

1.3 Ashok Layland

Ashok Leyland, flagship of the Hinduja group, is the 2nd largest manufacturer of commercial vehicles in India, the 4th largest manufacturer of buses in the world, and the 19th largest manufacturers of trucks. Headquartered in Chennai, 9 manufacturing plants gives an international footprint – 7 in India, a bus manufacturing facility in Ras Al Khaimah (UAE), one at Leeds, United Kingdom and a joint venture with the Alteams Group for the manufacture of high-pressure die-casting extruded aluminium components for the automotive and telecommunications sectors, Ashok Leyland has a well-diversified portfolio across the automobile industry. Ashok Leyland has recently been ranked as 34th best brand in India.

Business Model

The Ashok Leyland business strategy is centered on creating value through technological innovation, operational efficiency, and sustainability. With a strong focus on market leadership and customer satisfaction, the company has developed strategies to address challenges and leverage opportunities in the dynamic commercial vehicle industry. From the Business Model Canvas on DCF modeling, Ashok Leyland's business model can be understood through its key components (in narrative form):

- **Key Partnerships:** Ashok Leyland maintains strong relationships with raw-material suppliers (steel, aluminum, plastics, rubber) from firms like Tata Steel, Hindalco, etc. It also partners with technology providers (e.g. Bosch for automotive electronics, Microsoft for cloud and digital solutions) and collaborates with other vehicle manufacturers (e.g. Eicher) to share expertise. It also secures government contracts, which form a significant part of its sales.
- **Key Activities:** The company's primary operations include vehicle manufacturing (light, medium, heavy commercial vehicles, buses), research and development (particularly in electric/hybrid vehicles and emission technologies), quality assurance (maintaining ISO standards and rigorous testing), and supply chain management (managing procurement, logistics, and vendor networks).
- **Key Resources:** Ashok Leyland draws on manufacturing plants across India (locations like Hosur, Chennai, Alwar, etc.), a skilled workforce of engineers and technicians, strong brand equity in the commercial vehicle segment, and in-house R&D facilities focused on innovation and sustainable tech.
- **Value Propositions:** The firm offers durable, reliable commercial vehicles suited for diverse sectors (transport, logistics, public transportation, construction). It emphasizes cost-of-ownership advantages (fuel efficiency, lower maintenance), strong after-sales support (vast service network, spare parts availability, fast response), and increasingly green technologies (fuel-efficient engines, early EV development).
- **Customer Relationships:** Ashok Leyland employs dedicated account managers for large fleet clients, uses feedback systems, loyalty programs, and personalized service initiatives to maintain and deepen customer engagement and retention.
- **Channels:** It reaches its customers through a large authorized dealership network across India, direct sales to fleet clients, online platforms for inquiries and some sales, and export distributors covering overseas markets.
- **Customer Segments:** Its customers include transport and logistics companies, public transportation agencies (bus operators),

construction firms needing heavy vehicles, and government departments procuring buses and commercial vehicles.

- **Cost Structure:** Major cost components include raw material procurement (steel, aluminum, plastics), manufacturing operations (labor, overheads, plant operations), R&D expenditure, marketing and sales (promotions, advertising, sales force), and logistics/supply chain costs.
- **Revenue Streams:** The primary revenue comes from vehicle sales. Additional revenues come from after-sales services and maintenance, spare parts sales, and financing or leasing services provided through its finance arm.

SWOT Analysis of Ashok Leyland

Strengths

- Strong brand reputation and market presence in the commercial vehicle sector, especially in India.
- Wide dealership and service network, enabling good after-sales support and customer reach.
- Robust partnerships with technology firms and suppliers support innovation and supply chain stability.
- Significant investment in R&D and advanced technologies (e.g. fuel-efficient engines, early moves into electric mobility).
- Diverse revenue streams (vehicle sales, spare parts, after-sales services, financing) provide resilience.

Weaknesses

- High dependency on commercial and heavy vehicle segment, which is sensitive to economic cycles and capital expenditure trends.
- Cost pressures from raw materials (steel, aluminum) and supply chain disruptions.
- Large capital investments required for clean technology transition (EVs, green manufacturing) pose financial strain.
- Managing complexity across multiple plants, suppliers, and geographies can raise operational risks.

Opportunities

- Growing demand for sustainable and green vehicles, especially under government policies promoting electric mobility.
- Infrastructure development and increased logistics needs in India can drive demand for commercial vehicles.
- Export opportunities in emerging markets with growing freight and transport sectors.
- Collaboration with global technology firms to leapfrog in electric and connectivity features.
- Expansion of service and parts business, digital services, and modular offerings as extended revenue sources.

Threats

- Intense competition from domestic and international players in commercial and electric vehicle space.
- Regulatory uncertainties—stricter emissions norms, safety standards, and vehicle certifications.
- Volatility in input costs (steel, raw materials), fluctuations in currency exchange rates affecting imports/exports.
- Supply chain disruptions (e.g. in semiconductors, battery components) could hamper production.
- Rapid technological changes which might make current investments obsolete if innovation lags.

PESTLE Analysis of Ashok Leyland

Political

- Government policies promoting infrastructure and public transportation expansion favor commercial vehicle makers.
- Electric mobility subsidies, incentives, and regulations affect strategic direction.
- Trade policies, import/export duties, and international agreements impact cost of components and export competitiveness.

Economic

- Economic growth and investment in infrastructure increase demand for commercial vehicles.

- Inflation, interest rates, and customer financing availability influence vehicle purchase decisions.
- Currency fluctuations impact import costs for components and margins on exports.

Social

- Urbanization and rising demand for logistics/transport services.
- Growing awareness of environmental issues increases demand for cleaner vehicles.
- Changing preferences toward reliability, total cost of ownership, and after-sales service.

Technological

- Advances in battery, electric powertrain, connectivity (IoT/telematics), and alternative fuel technologies influence product development.
- Digital transformation in manufacturing (Industry 4.0), predictive maintenance, and smart supply chains.
- Technology alliances and co-development become essential to stay competitive.

Legal

- Emission norms and safety regulations (Bharat Stage VI, global norms) impose compliance costs and design changes.
- Intellectual property laws, patents, and licensing affect tech collaborations.
- Certification, homologation standards, and cross-border regulatory compliance matter especially for exports.

Environmental

- Pressure to reduce carbon emissions, improve fuel efficiency, adopt clean technologies.
- Resource constraints and raw material sourcing issues, especially for rare materials (in batteries, electronics).
- Need for sustainable manufacturing practices, waste management, recycling, and green supply chains.

4. Findings

1. Strategic Integration: All three companies have deeply embedded strategic management frameworks—Mahindra & Mahindra through “The Mahindra Way,” Bajaj Auto via its innovation-driven cost-efficiency model, and Ashok Leyland through its value-creation business canvas.

2. Focus on Innovation: Continuous investment in R&D and technology is a shared strength. Bajaj leads in affordable innovations, M&M in electric and agricultural solutions, and Ashok Leyland in sustainable commercial mobility.

3. Sustainability Orientation: Each company demonstrates growing commitment to green manufacturing, EV development, and resource efficiency, aligning with India’s “Make in India” and sustainability goals.

4. Market Adaptability: The companies respond effectively to globalization, regulatory shifts, and customer preferences by adopting flexible production and supply chain strategies.

5. Challenges Identified: Rising input costs, technological disruptions, dependency on domestic markets, and global competition are major constraints faced by all three firms.

6. Operational Excellence: Streamlined production, standardization, and strong after-sales service networks have enhanced competitiveness and brand loyalty, particularly for Mahindra and Ashok Leyland.

Managerial Implications

The findings of this study provide several practical insights for managers and decision-makers in the Indian manufacturing sector. First, a structured approach to strategic management—spanning organizational, financial, production, and marketing strategies—is critical to achieving operational efficiency and competitive advantage. Managers must prioritize continuous innovation, sustainability, and technology adoption to remain relevant in a rapidly evolving business environment. Employee engagement and capacity building should be emphasized; as strategic initiatives require alignment across all organizational levels. Furthermore, managers should leverage data-driven decision-making, predictive analytics, and digital tools to improve resource allocation, optimize supply chains, and enhance responsiveness to market changes.

Companies that integrate long-term strategic thinking with agile operational practices are more likely to achieve sustainable growth and global competitiveness.

5. Recommendation

1. Diversify Internationally: Companies should reduce dependence on domestic markets by expanding exports and building stronger global partnerships.

2. Strengthen Digital Capabilities:

Adoption of Industry 4.0 technologies, IoT, and data analytics can enhance operational efficiency and predictive management.

3. Enhance Supply Chain Resilience: Building robust local supplier networks and adopting digital logistics systems can mitigate risks related to input shortages or disruptions.

4. Invest in Human Capital: Continuous employee development, leadership training, and cross-functional integration can strengthen organizational agility.

5. Accelerate Green Transition: Expanding the EV product range, adopting renewable energy in manufacturing, and investing in circular economy initiatives can improve sustainability and global competitiveness.

6. R&D Collaboration: Forming joint research alliances with technology firms and academic institutions can enhance innovation speed and reduce costs.

6. Conclusion

The study concludes that strategic management plays a crucial role in shaping the success of manufacturing companies in India. Mahindra & Mahindra, Bajaj Auto, and Ashok Leyland exemplify how structured business strategies drive performance, sustainability, and innovation. Despite external challenges such as market volatility, policy changes, and global competition, these companies have demonstrated resilience through adaptive strategies and efficient operational frameworks. The integration of sustainability, technology, and strategic foresight has enabled them to maintain leadership positions in their respective sectors. Going forward, a continued focus on global expansion, digital transformation, and sustainable innovation will be essential for achieving long-term growth and competitiveness in the evolving industrial landscape.

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