

TaMo to grow commercial vehicle market share to 40% by 2027

Our Bureau
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Tata Motors is aiming to claw back market share in commercial vehicles (CVs) and improve it further, taking it to 40 per cent in 2027, while it also plans to boost its EBITDA to the teens level from 11.8 per cent, the company said in an investor presentation.

Its share in the CV segment fell to 37.1 per cent in FY25 from 39.2 per cent the previous year, though it maintained its market share in its core heavy truck portfolio.

Tata Motors also plans capex at 2-4 per cent of revenues for its CV business, compared to 2.8 per cent of revenue last year at ₹1,900 crore.

The focus would be on improving market share and profits, and market beating

revenue growth, it said. The path to this target would be achieved through boosting revenue scale of operations, margin-accretive business with low capital base and high return on capital employed, and efficiency in costs.

The company said it had met, in FY25, most of the commitments it had made for the segment, such as double-digit EBITDA margin, capex target and exceeding free cash flow guidance at 10 per cent of revenue. It added it expected domestic CV industry to continue on a steady upward trajectory. Its focus would also be on the small CV business where it plans to win back market share through product portfolio improvement and increased competitiveness.

STRONGER PORTFOLIO

In the passenger segment the maker of Nexon and Har-

rier vehicles plans to strengthen its portfolio, through strategic interventions across its hatchbacks and SUVs. Over the next five years, it plans to have seven new nameplates and 23 product refreshes.

By FY30, it aims to achieve 10 per cent EBITDA for the consolidated electric vehicle and passenger vehicle (PV) business and positive free cash flows.

In the PV segment, it expects demand to be muted in the current fiscal year following on the moderation in demand seen last year. The company plans to launch the Sierra in the second half of FY26.

It said global trade uncertainties could result in continued volatilities. Last fiscal year was marked by increased competitive intensity in SUVs, as well as inflationary trends in commodities and forex.