TaMo eyes mkt share gains in CV, PV biz

Outlines up to ₹35K crore capex for PV segment over FY26-FY30

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Tata Motors (TaMo) is aiming to gain market share across its passenger vehicle (PV) and commercial vehicle (CV) businesses — targeting a 40 per cent share in CVs and a 16 per cent share in PVs by 2027. Meanwhile, it has already achieved earnings before interest, tax, depreciation, and amortisation (Ebitda) break-even in its electric vehicle (EV) business at 1.2 per cent (up 830 basis points), ahead of its target of 2025–26 (FY26).

The company is already a market leader in CVs, with a 37.1 per cent share in 2024–25 (FY25). In PVs, however, it aims to overtake its Korean peer Hyundai, with a long-term target of an 18–20 per cent share. Currently, TaMo has a 14 per cent share of the PV market.

It has also lined up sizeable investments to this end — it aims to spend 2–4 per cent of its CV business revenues as capital expenditure/capex (₹1,500–3,000 crore) over the next few years. It has also outlined a capital allocation of ₹30,000–35,000 crore for the PV business over FY26 through 2029-30 (FY30), most of which will be sharply focused on electric mobility. In FY25, TaMo spent 2.8 per cent of its CV revenues, or ₹1,900 crore, on capex, and 5.8 per cent of its PV revenues, or ₹2,800 crore, as capex.

The carmaker said it aims for the EV business to have a 20 per cent penetration in its portfolio by 2026-27 and take that up to 30 per cent by FY30, with continued improvements in margins. The EV business is well-funded for the next three years, TaMo said in its investor presentation, adding that it is aiming to lead the transition towards software-defined vehicles in India. The company has committed to a capex of ₹16,000–18,000 crore between FY25 and FY30 for its EV portfolio.

The company has also benefited from government production-linked incentives, which amounted to ₹102 crore for 2023-24 and ₹250 crore for FY25. Two existing models — Tiago.ev and Punch.ev — qualify for benefits under domestic value addition norms. Additional models like the Nexon.ev and Harrier.ev are expected to qualify for certification in FY26.

Tata Motors added that it plans to "converge" its cost structure for EVs with internal combustion engine vehicles and deliver positive Ebitda.

The EV business has maintained over 55 per cent market share, but it has been losing ground in the electric space in recent years.

Overall, it remains optimistic that the Indian PV industry will grow to 6 million units by FY30. By then, it plans seven new launches and 23 facelifts and refreshes.

As for CVs, the industry is expected to grow at a 3–5 per cent compound annual growth rate (CAGR) through FY30, supported by rising freight demand and infrastructure spending. Road freight movement (in billion tonne-kilometre) is expected to grow at a 5–7 per cent CAGR.