

Tata Motors has ambitious growth plans but analysts remain on neutral gear

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Shares of Tata Motors gained a little over 2 per cent on Tuesday following the analyst meet for India business.

Brokerages were cautious although the auto major set ambitious targets for both the domestic commercial vehicle (CV) and passenger vehicle (PV) businesses.

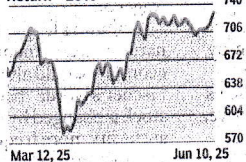
Domestic brokerage Motilal Oswal highlighted that execution remains a key monitorable given the weak demand environment both in CVs and PVs, and rising cost pressures.

Tata Motors expects CV

Tata Motors

Return 10%

₹ 732



industry volumes to grow at a slower CAGR of 3-5 per cent over the next five years relative to average freight demand CAGR of 5-7 per cent due to the impact of dedicated freight corridors (DFCs). Market experts noted that Tata Motors aims to achieve 40 per cent market share in CV segment and 16

per cent in PV segment during FY27. In FY26, only single-digit growth is likely.

HEADWINDS

JLR is also facing multiple headwinds including tariff uncertainties and demand weakness in key regions like Europe and China. Due to lack of positive triggers, Motilal Oswal reiterated neutral rating at a target price of ₹690.

Nomura also assigned neutral rating at a target price of ₹799.

HDFC Securities remained cautious in the near term due to the tariff overhang, subdued global macro, an ageing PV portfolio, slow-

ing EV growth amid higher competition and moderate growth for CVs. The brokerage maintained reduce rating at a target price of ₹733.

Nuvama Institutional Equities has retained reduce call at a target price of ₹670, considering the subdued domestic CV outlook.

Global brokerage Jefferies has an underperform rating on the stock at ₹630 per share.

In contrast, JM Financial has maintained buy call at a target price of ₹815 and ICICI Securities assigned add rating at an unchanged target price of ₹775.

BNP Paribas assigned outperform at ₹830 target price.