

PROJECT 3

Financial Forecasting for Tata Motors Ltd.

Objective:

The goal of this project was to forecast important financial measures, notably sales, EBITDA, and earnings per share, for Tata Motors Ltd. Using the financial information from the previous project, I employed the linear regression forecasting approach to anticipate future performance to assist in financial decision-making.

Methodology:

Data used: Historical financial statements generated during Project 1.
Forecasting Method: Each metric's future trends are estimated using linear regression with Excel's FORECAST tool.

Results:

Tata Motors' forecasting predicts a rebound from historical instability, with continuous rise in sales, EBITDA, and profits per share (EPS) beyond 2023. Despite substantial hurdles in previous years, the company's financial performance appears to have stabilised. Sales growth is forecast to peak in 2024 before gradually stabilising, while EBITDA and EPS are likely to recover and rise steadily beginning in 2026. This points to a healthy long-term future, with enhanced operational efficiency and financial health.
