

# Profits at India's Tata Motors surge on pent-up demand

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The Tata Motors logo is seen on the engine grille of a truck in Mumbai

Profits at India's Tata Motors jumped 67 percent during the last quarter of 2020, the company said Friday, benefiting from pent-up demand that saw consumers flock to buy cars.

The Mumbai-headquartered firm, which owns British luxury brand Jaguar Land Rover (JLR), saw consolidated net profit climb to 29.06 billion rupees (\$398.91 million) during the October-December quarter from 17.38 billion rupees a year earlier.

The results are a strong comeback for the automobile giant, which reported losses for three consecutive quarters as the pandemic hammered demand in domestic and [international markets](#).

"Due to a strong festive season and a clear preference for personal mobility, the (passenger vehicle) business posted its highest sales in last 33 quarters," chief executive Guenter Butschek said in a statement.

JLR sales were up 19.1 percent year on year in China, but lower globally as uncertainty over the

pandemic and Britain's post-Brexit future continues to weigh on demand.

Tata Motors' revenues rose 5.5 percent to 756.54 billion rupees, the firm said.

Indian carmakers were struggling with low demand due to an [economic slowdown](#) and lack of liquidity through 2019, before the virus and a months-long lockdown dealt a further blow to Asia's third-largest economy.

But India's economic prospects are now looking up, with both the International Monetary Fund and Prime Minister Narendra Modi's government predicting double-digit growth in the 2021-22 financial year.

With over 10.5 million coronavirus cases, the country of 1.3 billion people is the second worst-hit in the world.

But reported new cases have fallen dramatically in recent weeks and authorities hope the economy will be boosted by a major vaccination drive that started this month.

Tata Motors shares closed 1.6 percent lower in Mumbai ahead of the earnings announcement.

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