

Tata Motors Recovers On Jaguar, Land Rover Sales

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MUMBAI, India (AP) — India's Tata Motors posted quarterly profit of 19.9 billion rupees (\$428.4 million) Tuesday, turning around a loss as reviving global demand for its Jaguar and Land Rover brands made up for rising commodities costs.

The company returned to profitability on a consolidated basis for the April to June quarter from a loss of 3.3 billion rupees (\$70.9 million) rupees during the same period last year.

Consolidated quarterly revenues grew 64.2 percent, to 270.6 billion rupees (\$5.8 billion).

"Commodity prices and cost pressures will continue to impact our business going forward," said chief financial officer C. Ramakrishnan.

The company said it sold 57,153 Jaguar and Land Rover vehicles during the period, up from 35,947 vehicles the same time last year, led by growth of 104 percent in China, where it is talking with joint-venture partners about setting up an assembly plant.

Its Jaguar Land Rover division reported a third straight quarter of profitability, with June quarter profits at 2.2 billion rupees (\$47.6 million), up from a loss of 640 million rupees (\$13.8 million) this time last year.

Demand for Jaguar Land Rover has so exceeded expectations that the company is facing supply bottlenecks with engines, which are supplied by Ford Motor Co., executives said.

Excluding its divisions and subsidiaries, Tata Motors said profit fell 23 percent to 4.0 billion rupees (\$85.3 million) because of higher input costs and a one-time revenue boost this time last year from asset sales.

Standalone revenues grew 63 percent, to 113.0 billion rupees (\$2.4 billion) thanks to strong domestic demand, favorable lending rates and India's robust economic growth.

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