
Unitech net profit down by 22 pct in Q4

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BS reported that Unitech Limited decline of 22% in its consolidated net profit for the quarter ended March 31st to INR 279.7 crore, compared with INR 360.2 crore for the corresponding period last year.

Its net profit for the full year 2008-09 also fell 28% at INR 1,197.7 crore, compared with INR 1,661.9 crore for the corresponding period last year. Revenue for the year came down by 23% to INR 3315.6 crore, as compared with INR 4,280.1 crore for the corresponding period last year.

The performance has been better than market expectations, as well as its peer group. This is largely due to sharp increase in other income, which came from its telecom joint venture. In the quarter ending March, its other income was INR 421 crore, as against INR 94 crore in the corresponding quarter last year.

Company official said “The increase in other income is primarily due to interest accrued from investment made in the telecom JV and the fees charged on rendering services from the telecom business.”

Unitech expects to book around 20 million square feet of residential space in the current financial year. The company along with its rival developer DLF is focusing on mid income housing projects priced at INR 0.15 million per units to INR 0.50 million per unit.

Meanwhile, Unitech’s promoters raised INR 1,625 crore in April from the sale of shares to qualified institutional investors. The promoters will infuse INR 1,150 crore in the company by subscribing to convertible warrants.

(Sourced from Business Standard)

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