

Property sale boosts HM Q1 profit

Kolkata, Aug 4: Ambassador-maker Hindustan Motors reported a net profit of Rs 17 crore in April-June Q1 numbers, thanks to a Rs 47.63 crore sale of a property in Halol, Gujarat. In the same period in the last fiscal the company had posted a loss of Rs 19 crore. But net sales during the period slumped 18.68% to Rs 121 crore against Rs 149 crore in the corresponding period last fiscal.

CK Birla, chairman, Hindustan Motors, speaking at the 69th annual general meeting here on Thursday said the company was making every effort to grow the topline and boost sales. "We will be launching a number of models under the Mistubishi banner over the next few months," he said.

He refused to give a time-frame for a turnaround, only saying, "things haven't happened in the past but we are trying to push sales." The company earned Rs 24 crore from the Halol property sale last quarter and Rs 47 crore this quarter. Birla also denied charges that the new Mamata Banerjee government had showcaused the company on the plot it sold to Shriram Properties for an integrated IT and township project from its Uttarpara factory land in 2007 for Rs 285 crore. "They have asked for some clarifications and we have reverted to them," he said. Sources said the government was unhappy with the use of funds for the land, but Birla said the entire amount had been ploughed back to the company. The company was supposed to have used the funds to restart the plant and pay workers' dues. Four years ago, HM sold 314 acres of its Uttarpara land, where it makes the Ambassador, to Bangalore-based Shriram Properties. In all, HM had 700-odd acre till the sale. *fe Bureau*