

PETRON ENGINEERING CONSTRUCTION LIMITED					
UNAUDITED FINANCIAL RESULTS (PROVISIONAL)					
FOR THE QUARTER ENDED 31st DECEMBER, 2007					
	(Rs. in lacs)				
PARTICULARS	Quarter Ended		Nine Months Ended		Previous Accounting Year ended
	31.12.2007	31.12.2006	31.12.2007	31.12.2006	31.03.2007
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Net Sales/Income from Operations	6,481	5,647	19,334	17,027	23,938
2. Other Income	28	35	58	67	88
3. Total Income (1+2)	6,509	5,682	19,392	17,094	24,026
4. Expenditure					
a) (Increase)/ Decrease in Stock in trade	-16	33	-151	-107	28
b) Consumption of Raw Material	1,235	940	3,076	3,829	3,709
c) Purchase of traded goods	188	377	1,500	0	1,719
d) Employees Cost	1,260	1,447	3,723	4,697	6,149
e) Depreciation	232	94	507	275	389
f) Other Expenditure					
i) Sub-contract charges	1,492	1,065	4,196	3,665	4,990
ii) Others Expenditure	1,693	1,001	4,878	3,113	5,404
g) Total	6,084	4,957	17,729	15,472	22,388
5. Interest/Financial Charges	227	175	697	502	703
6. Exceptional items	-	-	-	-	1
7. Profit (+)/ Loss (-) from Ordinary Activities before tax (3)-(4+5+6)	198	550	966	1,120	934
8. Tax expenses					
i) Current	80	188	350	403	305
ii) Deferred	-	-	-	-	(2)
iii) Fringe Benefit Tax					
Earlier year	-	-	-	18	18
Current	8	10	22	25	40
iv) Total	88	198	372	446	361
9. Net Profit (+) / Loss (-) from Ordinary Activities after Tax (7-8)	110	352	594	674	573
10. Extraordinary items (Net of tax expenses Rs.)	-	-	-	-	66
11 Net Profit(+)/Loss(-) for the period (9-10)	110	352	594	674	639
12. Paid up Equity Share Capital (Face Value of Rs.10/- each)	754	754	754	754	754
13.Reserve (Excluding Revaluation Reserves) (As per Balance Sheet of previous Accounting Year)	-	-	-	-	5192
14. Earnings Per Share (EPS)					
a).Basic & diluted EPS before extra-ordinary items for the period, for the year to-date and for the previous year (Not to be annualized)	1.46	4.67	7.88	8.94	8.48
b).Basic & diluted EPS after extra-ordinary items for the period, for the year to-date and for the previous year (Not to be annualized)	1.46	4.67	7.88	8.94	8.48
15.Public shareholding					
i) No. Of shares	2,774,110	2,774,110	2,774,110	2,774,110	2,774,110
ii) Percentage of shareholding	36.80	36.80	36.80	36.80	36.80
EPS is not annualised for Three months ended 31.12.2007					
Segment-wise Revenue and Capital Employed under Clause 41 of the Listing Agreement					
Segment Results (Profit before Interest & Tax)					
- Engineering Construction	0	720	0	1617	1633
- Hotel Division	0	5	-	5	5
Total Profit Before Interest & Tax	0	725	0	1,622	1,638
Capital Employed (Segment Assets Less Segment Liabilities)					
- Engineering Construction					
- Hotel Division	-	6,089	-	6,089	5,947
Total Capital Employed in Segments	-	6,089	-	6,089	5,947

Note (1)	The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 31st January, 2008
(2)	The running business of the Hotel Division of the company with all assets and co-related liabilities has been sold/transferred with effect from 1st April, 2007 and hence to this extent figures for the previous period disclosed above are not comparable.
(3)	The company is engaged in the business of Engineering Construction Projects only (E&C) . All operations fall in single segment.
(4)	No provision for Deferred Taxation and Forseeable losses on on-going contracts has been made.
(5)	Provision/Adjustments, if any, arising on account of Revised Accounting Standard AS 15 on employees benefits issued by the Institute of Chartered Accountants of India will be reckoned at the year end.
(6)	The audited Accounts for the year ended 31 st March, 2007 was having qualifications by the Auditors M/s. M. S. Sankaran & Co., Chartered Accountants as under to which the Directors have dealt with the same in the Directors' Report to the Shareholders which has been circulated. However the same is given hereunder :
	I] Auditors Remarks :
	Attention is invited to Note J of Schedule U of the Financial Notes forming part of Accounts. As detailed in the note, no provision has been made for foreseeable losses on contracts under execution during the year.
	Explanation by Directors :
	In respect of three on-going long term fixed price contracts under execution there has been inordinate delay in the work on account of non-receipt of materials, cranes, fronts from the clients and labour problems. This has severely affected the operations, costs, profitability and cash flows at the site operation level. The Company had represented to the client to alter the payment terms by revision of billing schedule and also preferred claim for extended stay compensation. In addition to the above the Company has also submitted quote for additional cost for achieving mile stone for synchronization by March, 2008. All the above are pending consideration by the client.
	In view of above, it has not been possible to correctly estimate the escalated revised costs and revenue which are at present unknown. Consequently, the technical evaluation to quantify the possible foreseeable losses on these contracts has not been possible. Hence no provision has been made for Foreseeable losses on these contracts in the accounts.
	The above remarks are self explanatory.
	II] Auditors Remarks :
	In our opinion, the Company's internal audit system needs to be strengthened as regards coverage or areas has to be commensurate with the size and nature of its business.
	Explanation by Directors :
	The Company is strengthening the Internal Audit System.
	III] Auditors Remarks :
	The Company has defaulted in the repayment of loans due to Bankers on : Working Capital arrangement during the year and the year end default was Rs. 2,42,85,182/-.
	Explanation by Directors :
	The Company has fully paid since then all the dues to the Bankers.
(7)	There was no complaint of Investor pending at the beginning of the Accounting Year. During the quarter ended 31.12.2007 the Company received no complaint and fourteen intimations. All have been attended as on date.
(8)	The previous Years/Quarters figures have been regrouped / recast wherever necessary.
	For PETRON ENGINEERING CONSTRUCTION LIMITED
Mumbai:	T S DAS
31st January, 2008	MANAGING DIRECTOR