

## Petron Engineering Construction Limited

Regd. Office: Swastik Chambers, Sion-Trombay Road, Chembur, Mumbai-400071

### Unaudited Financial Results for the Quarter Ended 30 th June, 2008

Rupees. In Lacs

Particulars	Quarter ended			Year ended
	30 th June-08 (Unaudited)	30 th June-07 (Unaudited)	31st March-08 (Audited)	31st March-08 (Audited)
Net sales /income from operations	9,448.88	6,329.90	8,861.24	27,972.70
Other income	98.40	19.13	21.85	42.59
<b>Total income</b>	<b>9,547.28</b>	<b>6,349.03</b>	<b>8,883.09</b>	<b>28,015.29</b>
<b>Expenditure</b>				
Material consumed and cost of goods sold	1,851.08	839.57	1,824.63	4,984.09
(Increase)/decrease in stock in trade	43.00	(197.41)	(174.75)	(80.65)
Purchase of traded goods	336.25	588.51	198.30	1,707.07
Sub-contract charges	1,995.95	1,328.25	2,473.32	6,485.38
Employees cost	2,198.52	1,329.65	1,992.00	5,717.69
Depreciation & Amortisation	135.48	133.78	114.80	621.10
Other expenditure	2,321.30	1,740.82	2,354.72	6,959.66
<b>Total Expenditure</b>	<b>8,881.57</b>	<b>5,763.17</b>	<b>8,783.03</b>	<b>26,394.33</b>
<b>Interest</b>	<b>153.56</b>	<b>199.70</b>	<b>176.17</b>	<b>730.75</b>
<b>Exceptional items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) from ordinary activities before tax</b>	<b>512.15</b>	<b>386.16</b>	<b>(76.11)</b>	<b>890.21</b>
Provision for fringe benefits tax	11.00	7.50	17.50	40.00
Provision for taxation - Current tax	161.24	150.00	(26.34)	323.66
- Deferred tax	8.58	-	87.03	87.03
<b>Total Provision for Tax</b>	<b>180.82</b>	<b>157.50</b>	<b>78.19</b>	<b>450.69</b>
<b>Profit and loss from ordinary activities after tax</b>	<b>331.33</b>	<b>228.66</b>	<b>(154.30)</b>	<b>439.52</b>
<b>Paid-up share equity share capital</b> (face value of Rs 10 per share)	<b>755.08</b>	<b>755.08</b>	<b>755.08</b>	<b>755.08</b>
<b>Reserves excluding revaluation reserve</b> (as per balance sheet of previous accounting period)				<b>5,631.82</b>
<b>Basic and diluted earning per share for the period</b> (not annualised)	<b>4.40</b>	<b>3.03</b>		<b>5.83</b>
<b>Aggregate of public shareholding</b>				
a) Nos of shares	3,593,007	3,593,007		3,593,007
b) % of shareholding	47.66%	47.66%		47.66%

**Notes:**

- 1 The above results have been approved by the audit committee and taken on record by the board of directors at their meeting held on 31st July, 2008
- 2 The Company is primarily engaged in the business of 'Engineering & Construction' and operates in a single business segment based on the nature of the products and services, the risks and returns etc. Accordingly, these financial results have been prepared for this single segment.
- 3 The Company received one investor's complaint during the quarter, which is pending as at 30 th June, 2008 and is being resolved.
- 4 Figures for the previous periods have been regrouped and reclassified wherever necessary and feasible, in order to make them comparable.
- 5 The auditors comments on the accounts of pervious financial year 2007-08 and the company's response thereto are as under:

<b>Auditors' Remarks</b>	<b>Company's Response</b>
a. Accounting of taxes on cash basis (impact unascertainable)	Consistently following this accounting practice. No impact.
b. Confirmation and reconciliation of balances of debtors, creditors, loans and advances; and non-provision against overdue balances of debtors, loans & advances (amount unascertainable)	Initiated steps to reconcile <del>balances, obtain and</del> confirmation <del>balances,</del> and recover overdue amounts. The effect, if any, will be accounted on completion of this exercise.
c. Non-provision of foreseeable losses on certain on-going projects (amount unascertainable)	Company has represented to clients. Pending outcome of the same, it is not possible to correctly estimate the foreseeable losses at this stage
d. Changed in depreciation policy on Temporary Structure at project sites <del>resulting in lower charge to profit and loss account by Rs. 98,77,669/-</del>	Since, the Depreciation will be charged off over the tenure of the project, <u>it will</u> <u>fairely represent the actual cost relevant for the respective periods in future.</u>

For **Petron Engineering Construction Limited**

Mumbai  
31st July, 2008

**T. S. Das**  
Managing Director