



Petron Engineering Construction Limited
 Regd. Office: Swastik Chambers, Sion-Trombay Road, Chembur, Mumbai-400071
Audited Financial Results for the Year Ended 31st March, 2010

(Rs. In Lacs)

Particulars	3 Months Ended	3 Months Ended	Year Ended	Year Ended
	31/03/10	31/03/09	31/03/10	31/03/09
	Unaudited	Unaudited	Audited	Audited
1 (a) Net Sales/Income from Operations	14,929.36	12,490.70	53,196.94	45,713.63
(b) Other Operating Income	-	-	-	-
Total Income	14,929.36	12,490.70	53,196.94	45,713.63
2 Expenditure				
a (Increase)/decrease in stock in trade and work in progress	19.20	112.41	4.71	28.13
b Consumption of raw materials	2,932.16	1,842.46	11,649.14	11,212.67
c Purchase of traded goods	1,276.03	537.20	2,207.47	645.26
d Sub-contract charges	3,368.35	4,460.59	13,438.87	12,250.21
e Employees cost	2,352.21	1,623.04	8,522.20	8,117.39
f Depreciation	223.56	187.30	903.20	682.77
g Other expenditure	3,352.91	4,011.48	12,388.37	11,385.01
Total	13,524.42	12,774.48	49,113.95	44,321.43
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	1,404.95	(283.78)	4,082.99	1,392.20
4 Other Income	124.68	269.56	178.57	462.83
5 Profit before Interest & Exceptional Items (3+4)	1,529.62	(14.22)	4,261.56	1,855.03
6 Interest	158.12	180.06	675.06	708.87
7 Profit after Interest but before Exceptional Items (5-6)	1,371.50	(194.28)	3,586.50	1,146.16
8 Exceptional Items	-	-	-	-
9 Profit(+)/ Loss(-) from Ordinary Activities before tax (7+8)	1,371.50	(194.28)	3,586.50	1,146.16
10 Tax Expense				
(Current Tax	424.07	(153.48)	1,213.28	173.38
Tax for earlier year	-	39.78	-	39.78
IFringe Benefit Tax	-	7.00	-	40.00
IDeferred Tax	62.63	118.50	(15.10)	246.29
11 Net Profit(+)/ Loss(-) from Ordinary Activities after tax (9-10)	884.79	(206.08)	2,388.32	646.71
12 Extraordinary items (net of Tax expense)	-	-	-	-
13 Net Profit(+)/ Loss(-) for the period (11-12)	884.79	(206.08)	2,388.32	646.71
14 Paid-up equity share capital (Face Value: Rs.10/- per equity share)	753.84	753.84	753.84	753.84
15 Reserve excluding Revaluation Reserves as per balance sheet of previous year	8,492.28	6,278.52	8,492.28	6,278.52
16 Earnings per Share (EPS)				
(a) Basic and diluted EPS before Extraordinary items	11.74	(2.73)	31.68	8.58
(b) Basic and diluted EPS after Extraordinary items	11.74	(2.73)	31.68	8.58
17 Public shareholding				
- Number of Shares	35,82,877	35,82,877	35,82,877	35,82,877
- Percentage of shareholding	47.53%	47.53%	47.53%	47.53%
18 Promoters & Promoter Group Shareholding				
(a) Pledge / Encumbered				
- No of Shares	Nil	Nil	Nil	Nil
- % of Shares (as a % of the total shareholding of promoter & promoter group)	Nil	Nil	Nil	Nil
- % of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil
(b) Non encumbered				
- No of Shares	39,55,523	39,55,523	39,55,523	39,55,523
- % of Shares (as a % of the total shareholding of promoter & promoter group)	100.00%	100.00%	100.00%	100.00%
- % of Shares (as a % of the total share capital of the Company)	52.47%	52.47%	52.47%	52.47%

Notes:

- The above results were reviewed by the audit committee and then approved by the board of directors of the Company at its meeting held on 31st May, 2010.
- The Board recommends a dividend of Rs.2 per equity share subject to the approval of the shareholders.
- The Company is primarily engaged in the business of 'Engineering, Procurement & 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.
- Investors' complaint for the quarter ended 31st March 2010. Opening -Nil, Received-Nil and Closing-NIL.
- Figures for the previous periods have been regrouped and reclassified wherever necessary and feasible, in order to make them comparable.
- Other expenditure include overdue/bad debts written off of Rs.212.62 lacs during the quarter (corresponding quarter: Rs.150.49 lacs) and Rs.945.36 lacs during the year (previous year: Rs.150.49 lacs).
- The auditors had, in earlier periods, qualified that the Company was not following accrual basis of accounting for certain indirect taxes (i.e. service tax, VAT & sales tax). During the year the Company has changed its accounting policy in respect of these taxes to accrual basis, which has resulted into higher charge to the Profit & Loss a/c by Rs.1,648.59 lacs for the year. The auditors have accordingly removed their qualification in this regard.
- (a) As per the past practice, sales tax and service tax have been included in 'Sales and contracts revenue' (gross). Accordingly, gross revenue includes the said taxes of Rs.3,807.51 lacs (previous year: Rs.3,105.34 lacs) however same has no impact on the profit of the respective year.
 (b) Auditors have invited attention regarding non-confirmation of certain debtors, creditors, loans & advances and other liabilities. The impact of consequential adjustments, if any, in the opinion of management would not be material.
- The auditors have qualified their report in respect of non-provision for shortfall, if any, in recovery against certain debtors and detention of the fixed assets. The Company has initiated legal action for recovery of its dues and release of the assets detained and the management is confident of its recovery.

For Petron Engineering Construction Limited

T S Das
 Managing Director

Mumbai, 31st May, 2010