

Petron Engineering Construction Limited

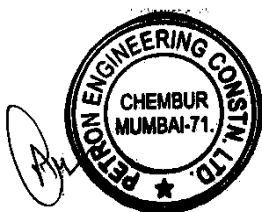
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STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2015

Particulars	Quarter Ended			Half Year Ended		Rupees in Lacs
	30th September 2015 (Unaudited)	30th June 2015 (Unaudited)	30th September 2014 (Unaudited)	30th September 2015 (Unaudited)	30th September 2014 (Unaudited)	Year Ended 31st March 2015 (Audited)
1 Income from Operations						
(a) Net Sales/Income from Operations (net of service tax, sales tax & excise duty)	11,333	10,296	10,229	21,629	16,220	41,368
(b) Other Operating Income	3	12	-	15	-	50
Total Income Operations (Net)	11,336	10,308	10,229	21,644	16,220	41,418
2 Expenditure						
(a) Cost of Materials Consumed	3,554	3,065	3,891	6,619	5,765	14,733
(b) Changes in Project inventories	13	57	127	70	(5)	(70)
(c) Sub-contracting expenses	3,396	2,986	2,420	6,382	4,524	10,499
(d) Employees Benefits Expense	2,093	2,155	2,111	4,249	4,070	8,146
(e) Depreciation and Amortisation Expense	178	206	245	384	518	978
(f) Other expenditure	1,387	1,298	1,328	2,686	2,366	4,959
Total	10,622	9,767	10,112	20,390	17,238	39,245
3 Profit/(Loss) from Operations before Other Income, Finance cost and Exceptional Items	714	541	117	1,254	(1,018)	2,173
4 Other Income	68	252	75	320	125	851
5 Profit/(loss) from ordinary activities before Finance Cost and Exceptional Items	782	793	192	1,574	(893)	3,024
6 Finance Cost	635	619	752	1,254	1,445	2,838
7 Profit/(Loss) from ordinary activities after Finance costs but before Exceptional items	147	174	(560)	321	(2,338)	186
8 Exceptional items	-	-	-	-	-	-
9 Net Profit / (Loss) from ordinary activities before tax	147	174	(560)	321	(2,338)	186
10 Tax Expenses	45	59	4	104	(35)	124
11 Net Profit/ (Loss) from ordinary activities after tax	102	115	(564)	217	(2,303)	62
12 Extraordinary items (net of taxes Rs.Nil)	-	-	-	-	-	-
13 Net Profit/ (Loss) for the period	102	115	(564)	217	(2,303)	62
14 Paid-up equity share capital (Face Value: Rs.10/- per equity share)	754	754	754	754	754	754
15 Reserve excluding Revaluation Reserves as per balance sheet of previous year	-	-	-	-	-	14,831
16 Earnings per Share (EPS) (of Rs 10/- each) (not annualised)						
(a) Basic and diluted EPS before Extraordinary items	1.35	1.53	(7.49)	2.87	(30.55)	0.82
(b) Basic and diluted EPS after Extraordinary items	1.35	1.53	(7.49)	2.87	(30.55)	0.82
(A) PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of Shares	2,075,197	2,075,197	2,075,197	2,075,197	2,075,197	2,075,197
- Percentage of shareholding	27.53%	27.53%	27.53%	27.53%	27.53%	27.53%
2 Promoters & Promoter Group Shareholding						
(a) Pledge / Encumbered						
- No of Shares	Nil	Nil	Nil	Nil	Nil	Nil
- % of Shares (as a % of the total shareholding of promoter & promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
- % of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
(b) Non encumbered						
- No of Shares	5,463,203	5,463,203	5,463,203	5,463,203	5,463,203	5,463,203
- % of Shares (as a % of the total shareholding of promoter & promoter group)	100%	100%	100%	100%	100%	100%
- % of Shares (as a % of the total share capital of the Company)	72.47%	72.47%	72.47%	72.47%	72.47%	72.47%

Particulars	Three months ended 30th September 2015
(B) INVESTOR COMPLAINTS	
Pending at the beginning of the Quarter	Nil
Received during the Quarter	Nil
Disposed of During the Quarter	Nil
Remaining unresolved at the end of Quarter	Nil



Statement of Assets and Liabilities

Rupees in Lacs

Particulars	As at 30th September 2015 (UnAudited)	As at 31st March 2015 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	754	754
(b) Reserves and surplus	15,604	15,387
Sub-total- Shareholders' funds	16,358	16,141
2 Non-current liabilities		
(a) Long-term borrowings	996	1,516
(b) Deferred tax liabilities (net)	82	74
(c) Other long-term liabilities	2,842	1,877
(d) Long-term provisions	125	126
Sub-total- Non-current liabilities	4,045	3,593
3 Current liabilities		
(a) Short-term borrowings	12,738	13,825
(b) Trade Payable	11,732	10,759
(c) Other Current liabilities	16,461	16,736
(d) Short term provisions	343	262
Sub-total Current liabilities	41,274	41,582
TOTAL - EQUITY AND LIABILITIES	61,677	61,316
B ASSETS		
1 Non-current assets		
(a) Fixed assets	6,838	7,254
(c) Deferred tax assets (net)	-	-
(b) Non-current Investments (Cost Rs. 1,000)	0	0.01
(c) Long-term loans and advances	4,365	4,082
(d) Other non-current assets	9,588	9,465
Sub-total- Non-current assets	20,791	20,801
2 Current assets		
(a) Inventories	84	253
(b) Trade receivables	14,464	16,435
(c) Cash and cash equivalents	1,499	1,489
(d) Short-term loans and advances	2,647	1,737
(e) Other current assets	22,192	20,601
Sub-total- Current assets	40,886	40,515
TOTAL - ASSETS	61,677	61,316



(b) The company has recognised revenue of Rs.1,353 (till 30th June 2015 Rs.2,426/- lacs) (till 31st March 2015 Rs.2,555/- lacs) on account of cost overruns on certain contracts, pending acceptance / confirmation from customers and our inability to comment on the amounts ultimately receivable in respect of these contracts and its impact on the reported profit for the three months / half year ended 30th Sept 2015 and corresponding impact on the state of affairs as on date, cannot be commented presently. This matter was also qualified in the report of the predecessor auditors on the financial statements for the quarter/ half year ended 30th Sept 2014 and audit report on the financial statements for the year ended 31st March 2015.

The contracts have provisions for issuance of change orders due to modifications in specifications, scope and methodology of execution of work, escalation in rates due to prolongation of the contracts. During execution of works, some of the specifications, scope, methodology of execution have undergone changes for which change order requests have been sent to the respective clients. The management is confident of receiving the recognised revenue after completion of pending formalities in due course of time.

(c) In respect of recognized revenues during the quarter of Rs. 1,597 Lacs (till March 31, 2015 and 30th June 2015 Rs.1,301 lacs) and till 30th Sept.2015 Rs.2,898 lacs on account of cost overruns arising due to design changes, contract interpretation issues and delay in completion on certain contracts, which in the opinion of auditors, should not have been recognized because they are not in accordance with the revenue recognition principles set out in the Accounting Standard AS 7 Construction Contracts. Accordingly the revenue, profit and unbilled revenue balance as of March 31, 2015 and 30th Sept. 2015 been stated higher by Rs. 1,301 Lacs and 2,898 Lacs respectively. Auditors have also commented on the financial statements for the year ended March 31, 2015 and review report for the quarter / half year ended 30th Sept. 2014 and quarter ended June 30, 2015.

There are contractual provisions in some of the contracts for claims against extended stay at pre-determined rates per month as specified in the respective contracts. Accordingly the Company has lodged claims for the extended stay. Further, during execution of works, some of the specifications, scope, methodology of execution have undergone changes for which change order requests have been submitted with the respective clients. The Company is negotiating with the Clients and is confident of realisation of those claims.

For Petron Engineering Construction Limited



Ajay Hans
Managing Director
DIN 03068249

Mumbai, 14th November, 2015