Petron Engineering Construction Limited

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2013

Rupees in Lacs

Particulars	Quarter Ended			Year Ended
	30th June 2013 (Unaudited)	*31st March 2013 (Audited)*	*30th June 2012 (Unaudited)*	*31st March 2013 (Audited)*
1 **Income from Operations**				
(a) Net Sales/Income from Operations (net of Excise Duty)	10,733	12,868	13,376	52,427
(b) Other Operating Income	-	-	-	-
Total Income Operations (Net)	**10,733**	**12,868**	**13,376**	**52,427**
2 **Expenditure**				
(a) Cost of Materials Consumed	3,625	5,402	5,485	20,697
(b) Changes in Project inventories	10	(7)	(90)	120
(c) Sub-contracting expenses	1,935	1,993	2,618	9,369
(d) Employees Benefits Expense	2,459	2,795	2,731	11,031
(e) Depreciation and Amortisation Expense	423	425	391	1,629
(f) Other expenditure	1,797	2,473	1,575	8,374
Total	**10,249**	**13,081**	**12,710**	**51,220**
3 **Profit/(Loss) from operations before other income and finance costs (1-2)**	**484**	**(213)**	**666**	**1,207**
4 Other Income	98	497	263	1,340
5 **Profit/(loss) from ordinary activities before Finance Cost (3+4)**	**582**	**284**	**929**	**2,547**
6 Finance Cost	521	552	503	2,236
7 **Profit/(Loss) from ordinary activities before Tax (5-6)**	**61**	**(268)**	**426**	**311**
8 Tax Expense	20	135	113	302
9 **Net Profit / (Loss) for the period (7-8)**	**41**	**(403)**	**313**	**9**
10 Exceptional Items	-	-	-	-
11 **Net Profit/ (Loss) from ordinary activities after tax (9-10)**	**41**	**(403)**	**313**	**9**
12 Extraordinary Items (net of Tax expense)	-	-	-	-
13 **Net Profit/ (Loss) for the period (11-12)**	**41**	**(403)**	**313**	**9**
14 Paid-up equity share capital (Face Value: Rs.10/- per equity share)	754	754	754	754
15 Reserve excluding Revaluation Reserves as per balance sheet of previous year				14,446
16 Earnings per Share (EPS)				
(a) Basic and diluted EPS before Extraordinary Items	0.54	(5.34)	4.15	0.12
(b) Basic and diluted EPS after Extraordinary Items	0.54	(5.34)	4.15	0.12
(A) PARTICULARS OF SHAREHOLDING				
1 Public shareholding				
- Number of Shares	2,075,197	2,075,197	2,075,197	2,075,197
- Percentage of shareholding	27.53%	27.53%	27.53%	27.53%
2 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	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%
-% of Shares (as a % of the total share capital of the Company)	72.47%	72.47%	72.47%	72.47%

Particulars	
(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

Notes:

1 The above financial results have been reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on the 31st July, 2013.

2 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.

3 The previous period's figures have been regouped/reclassified to make them comparable with the current period's figures wherever necessary.

4 The Auditors have commented on,

Auditors' Qualification	Company's Response
In respect of a contract, as at June 30, 2013 trade receivable, unbilled revenue & trade payable of Rs. 1,267 Lacs (net of mobilization advance of Rs 2,926 Lacs), Rs. 6,256 Lacs and Rs. 1,844 Lacs respectively are subject to final confirmation as the said contract is under negotiation. In the absence of such confirmations and pending final outcome of the negotiations, we are unable to comment upon the amounts ultimately receivable/payable in respect of this contract and the consequential impact, if any, on the reported profit for the quarter ended June 30, 2013 and corresponding Assets and Liabilities as at that date. Our Audit Report on the financial statements for the year ended March 31, 2013 was modified in respect of the above matter.	The Company has received a written communication in May, 2013 & June, 2013 from the customer affirming their intent to revive the subject mega project (the largest private investment in the region) - which is nearly 60% complete - within this year, which had hit a temporary roadblock because of the cost escalation, natural disaster and financial constraints. As per the communication, the customer is persistently endeavoring to get required equity infusion from current and/or new investors to eventually do a financial closure. Apart from the above letter, the same has also been reaffirmed by the top executives of the customer in discussions. As qualified by the auditors in their report on the realization of trade receivables and unbilled revenue, the management hereby informs that the amount outstanding in the form of trade receivables is duly confirmed by the customer as payable while the unbilled revenues are in the form of unfinished works and inventories, most of which are marketable, if required. The management is confident of its recovery in due course of time. Further, the accounts payable shall be subject to the reconciliation of the work performed at the said project and can be accurately ascertained after re-negotiation upon restart of the project or otherwise, as the case may be.

SIGNED FOR IDENTIFICATION BY

S.R. BATLIBOI & CO. LLP
MUMBAI

Mumbai, 31st July, 2013

For Petron Engineering Construction Limited

Ajay Hans
Managing Director