

CHARTERED ACCOUNTANTS

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**Auditor's Report On Quarterly Consolidated Financial Results and Consolidated Year to
Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement**

To,

Board of Directors of Patel Engineering Ltd

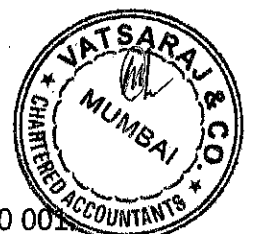
1. We have audited the quarterly consolidated financial results of **Patel Engineering Ltd** for the quarter ended March 31, 2013 and the consolidated year to date results for the period April 1, 2012 to March 31, 2013 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us.

Management's Responsibility for the Consolidated Financial Statements

2. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in



Accounting Standards issued by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

4. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
5. We did not audit the financial statements of 15 subsidiaries and 1 Joint Venture included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated financial statements reflect net total assets of Rs 315.65 Crores as at March 31, 2013; as well as the total revenue of Rs. 637.14 Crores as at March 31, 2013 and 3 Associates whose Share of Loss is Rs 2.43 Crores. These interim financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.
6. We have placed reliance on the unaudited financial statements as certified by the management of 3 subsidiaries included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated financial statements reflect net total assets of Rs 220.44 Crores as at March 31, 2013; as well as the total revenue of Rs. 602.00 Crores as at March 31, 2013 and 2 Associates whose Share of Profit is Rs Nil.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:

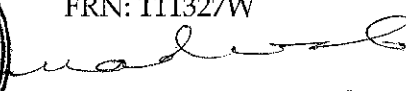


- (i) include the quarterly financial results and year to date of the following entities as per Annexure 1;
 - (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - (iii) give a true and fair view of the consolidated net profit/loss and other financial information for the quarter ended March 31, 2013 as well as the consolidated year to date results for the period from April 1 2012 to March 31, 2013
8. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

Place: Mumbai
Date: June 28, 2013



For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W


CA Mayur Kisnadwala
Partner
M. No. 33994

Annexure 1 of the Auditors Report

Consolidation of the following entity as per Accounting Standard - 21 "Consolidated Financial Statements"

Sr. No.	Name of the Subsidiary
1	Michigan Engineers Pvt. Ltd. (Consolidated)
2	Patel Realty (India) Ltd (Consolidated)
3	Patel Eng. Infra Pvt. Ltd.
4	Friends Nirman Pvt. Ltd.
5	Patel Concrete & Quarries Pvt. Ltd.
6	Zues Minerals Trading Pvt. Ltd.
7	Pan Realtors Pvt. Ltd.
8	Bhooma Realities Pvt Ltd.
9	Patel Engineering Singapore Pte Ltd
10	Shasvat Land Projects Pvt. Ltd.
11	Pandora Infra Pvt. Ltd.
12	Patel Engineers Pvt. Ltd.
13	Vismaya Constryctions Pvt. Ltd.
14	Patel Patron Pvt. Ltd.
15	Patel Engineering Lanka Ltd.
16	Patel Energy Resource Ltd (Consolidated)
17	Patel Lands Ltd
18	Energy Design Pvt Ltd
19	ASI Constructors, Inc
20	Patel Engineering Mauritius Ltd
21	Patel Engineering, Inc (Consolidated)

Consolidation of the following entity as per Accounting Standard -27 "Financial Reporting of Interest in Joint Venture"

Sr. No.	Name of the Joint Venture
1	Patel Michigan JV

Consolidation of the following entity as per Accounting Standard - 23 " Accounting for Investment in Associates in Consolidated Financial Statements"

Sr. No.	Name of the Associates
1	Patel KNR Heavy Infra Ltd.
2	Raichur Sholapur Trans Co. Ltd.
3	Patel-KNR Infra. Ltd.
4	Terra Land Developers Ltd.
5	ACP Tollways Pvt. Ltd.

