

April 30, 2019

To,

Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

The National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra - Kurla Complex,
Mumbai 400 051

Company Code No. 531120

Company Code: PATELENG/EQ

Dear Sir's,

Subject: Financial Results Outcome of Board Meeting held on April 30, 2019.

The Board of Directors of the Company in their meeting held on April 30, 2019 have interalia considered and approved the following:

1. Audited Standalone Financial Results of the Company for the quarter and financial year ended March 31, 2019. (A copy of the Audited Standalone Financial Results along with Audit Report issued by M/s. T. P. Ostwal & Associates LLP under Regulation 33 of SEBI (LODR) Regulations, 2015 are enclosed herewith.)
2. Audited Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 2019. (A copy of the Audited Consolidated Financial Results along with Audit Report issued by M/s. T. P. Ostwal & Associates LLP under Regulation 33 of SEBI (LODR) Regulations, 2015 are enclosed herewith.)

The Board Meeting commenced at 3.00 p.m. and concluded at 6.15 p.m.

Kindly take the same on record and oblige.

Thanking you.

For Patel Engineering Limited

Shobha Shetty

Shobha Shetty
Company Secretary
Membership No. FCS 10047



REGD. OFFICE :

Patel Estate Road, Jogeshwari (W), Mumbai - 400 102. India
Phone +91 22 26767500, 26782916 • Fax +91 22 26782455, 26781505
E-mail headoffice@pateleng.com www.pateleng.com

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Company Code No. 531120

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Dear Sir's,

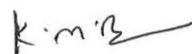
Subject: Declaration in respect of unmodified opinion on Standalone and Consolidated Financial Statement for Financial Year ended March 31, 2019

With reference to the subject matter, and in terms of SEBI (LODR) Regulations 2015, we hereby declare that the Auditor report issued by M/s. T. P. Ostwal & Associates LLP, Statutory Auditors on Standalone & Consolidated Statement for the financial year ended on March 31, 2019 is unmodified.

Kindly take the same on record and oblige.

Thanking you.

For Patel Engineering Limited



Kavita Shirvaikar
Whole Time Director & CFO
DIN: 07737376



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T. P. Ostwal & Associates LLP

CHARTERED ACCOUNTANTS

Suite#1306-1307, 13th Floor, Lodha Supremus, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

+91 22 49454000 (Board) Fax: +91 22 49454010

Web: <http://www.tpostwal.in>, E-mail: itax@tpostwal.in

Auditor's Report on Quarterly Financial Results and Year to Date Results of the Patel Engineering Limited pursuant to the Regulations 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To the Board of Directors of Patel Engineering Limited

1. We have audited the accompanying statement of standalone financial results of **PATEL ENGINEERING LIMITED** (the "Company") for the quarter and year ended March 31, 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The standalone financial results for the quarter and year ended March 31, 2019 have been prepared on the basis of the unaudited financial results for the nine-month period ended December 31, 2018, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of SEBI Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone unaudited financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 'Interim Financial Reporting', specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, our audit of the annual standalone Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of SEBI Regulation and the Circular.
2. 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 misstatements. 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 the management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulation in this regards; and
 - ii. give a true and fair view of the net profit, other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2019



4. Emphasis of Matter:

We invite attention to:

- a) As per Section 71 of Companies Act, 2013 the Company has created adequate Debenture Redemption Reserve for the Secured Redeemable Non-Convertible Debenture issued by the Company. However, in terms of Section 71 read with Rule 18(7)(C) of Companies Share Capital and Debentures Rules, 2014, the Company has not made the required deposit/investment to secure the repayment of debentures. Our opinion is not modified in respect of this matter.
- b) The independent Branch Auditors of the Real Estate Division, have without qualifying their audit report on the Standalone Ind AS financial statement for the year ended March 31, 2019 have drawn attention with respect to Company's investment and loans and advances in Waterfront Developers Limited (Mauritius), where notice dated 04th June, 2015 was received from Government of Mauritius for the termination of Lease Agreement entered on 11th December, 2009 with Les Salines Development Limited (subsidiary of Waterfront). In this case the process of Arbitration has been initiated with the Government of Mauritius. Our report is not modified with respect to above matter.

5. Other Matter:

- a) We did not audit the financials statements of the Real Estate Division included in the Standalone financial statements of the Company whose financial statements reflect total assets of Rs. 461.00 Crores as at March 31, 2019 and the total revenue of Rs. 0.01 Crores & Rs. 172.28 Crores for the quarter and year ended on that date respectively, as considered in the standalone financial statements of this division have been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of division, is based solely on the report of such other auditor. Our report is not modified with respect to above matter.
- b) The standalone financial results include the financial results of 9 unincorporated joint venture / operations which have not been audited by their auditors, whose financial results reflect Net Total Assets of Rs. 104.16 Crore as at 31st March 2019, Company's Share in Total revenue after elimination of inter-company revenue, is Rs. 59.21 Crores & Rs.158.74 Crores, Total Profit (net) after tax of Rs. 0.33 Crores & Rs.2.89 Crores and total comprehensive income (net) of Rs. Nil & Rs. Nil for the quarter and year ended on that date respectively, and Net cash outflow amounting to Rs.4.25 Crores for the year ended on that date, as considered in these standalone financial results. The separate set of financials of these joint venture / operations for the year ended March 31, 2019 and March 31, 2018 and the separate set of financial information for the nine months ended December 31, 2018 and December 31, 2017 respectively are prepared by the management in accordance with accounting principle generally accepted in India, including Ind AS. Our opinion in so far it relates to the amounts and disclosure in respect of these joint



operations is solely based on the report of the management certified accounts. Our opinion is not modified in respect of this matter.

- c) The standalone financial results also include the financial results of 5 joint venture/ operations which have been audited / reviewed by other auditors, whose financial results reflect the Net Total Assets of Rs. (3.40) Crore as at March 31, 2019, Company's Share in Total revenue after elimination is Rs. 25.04 Crores & Rs. 67.45 Crores, Total profit (net) after tax of Rs. (0.39) Crores & Rs.1.85 Crores and total comprehensive income (net) of Rs. Nil & Rs. Nil for the quarter and year ended on that date respectively and Net cash outflow amounting to Rs.5.82 Crores for the year ended on that date, as considered in these standalone financial results. The separate set of financials of these joint venture / operations for the year ended March 31, 2019 and are in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) and which have been audited for the year by the other auditors under generally accepted auditing standards applicable in India and 2018 and the separate set of financial information for the nine months ended December 31, 2018 and 2017 are management furnished financial information. Our opinion in so far it relates to the amounts and disclosure in respect of these joint operations is solely based on the report of the other auditors. Our opinion is not modified in respect of this matter.
6. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review, as required under the Regulation and the Circular.

For T.P. Ostwal & Associates LLP

Chartered Accountants

Registration Number: 12444W/W100150

Anil A. Mehta

Anil A. Mehta

Partner

Membership Number: 030529

Mumbai, April 30, 2019



STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
ON MARCH 31, 2019

Rs in Crores

PART I					
PARTICULARS	QUARTER ENDED			YEAR ENDED	
	31.03.2019 Unaudited	31.12.2018 Unaudited	31.03.2018 Unaudited	31.03.2019 Audited	31.03.2018 Audited
1. Revenue from operations	490.40	484.10	468.91	2,069.89	2,038.90
2. Other income	99.49	55.50	75.23	286.21	381.35
3. Total income	589.89	539.60	544.14	2,356.10	2,420.25
4. Expenses					
a) Cost of material consumed	41.58	71.64	58.23	214.00	207.19
b) Cost of construction	333.20	281.48	271.32	1,282.56	1,061.04
c) Purchase of stock in trade	-	-	-	2.30	-
d) Employee benefits expense	44.91	36.36	42.36	155.10	138.70
e) Finance cost	84.02	83.10	107.41	322.52	536.24
f) Depreciation	11.39	9.54	10.27	40.93	44.47
g) Other expenses	61.01	20.31	47.27	138.91	176.05
Total expenses	576.11	502.43	536.86	2,156.32	2,163.69
5. Profit before exceptional items and tax (3-4)	13.78	37.17	7.28	199.78	256.56
6. Exceptional item (Refer note no. 5)	(0.57)	-	(69.29)	84.43	204.30
7. Profit before tax (5-6)	14.35	37.17	76.57	115.35	52.26
8. Tax expense / (Credit) :					
a) Current (net)	15.72	10.26	(67.90)	92.54	9.88
b) Deferred	(13.42)	(1.83)	61.48	(60.06)	(16.70)
9. Profit for the period (7-8)	12.05	28.74	82.99	82.87	59.08
10. Other comprehensive income (OCI)					
A (i) Items that will not be reclassified to profit or loss					
- Remeasurements of the defined benefit plans	0.31	(0.97)	(1.59)	0.10	(3.45)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.01)	0.32	0.60	0.06	1.25
11. Total comprehensive income for the period	12.35	28.09	82.00	83.03	56.88
12. Earnings per share					
a) Basic (not annualised)	0.76	1.79	5.29	5.22	3.76
b) Diluted (not annualised)	0.52	1.14	3.60	2.97	3.44
See accompanying notes to the financial results					

Notes :

1. The company has opted for publishing standalone results on quarterly basis.

2. The above audited financial results were reviewed by the Audit Committee and approved and taken on record by the Board at their meeting held on April 30, 2019.

3. The Ministry of Corporate Affairs vide notification dated 28th March, 2018 has made "Revenue from Contracts with Customers" (IND AS 115) mandatory w.e.f. 1st April, 2018. The Company has applied the retrospective approach, as per para C3(b) of IND AS 115, to contracts which were not completed as on 1st April, 2018 and the cumulative effect of applying this standard is recognised at the date of initial application i.e. 1st April, 2018 in accordance with para C7 of IND AS 115 as an adjustment to the opening balance of retained earnings of Rs. 3.73 crore (net of deferred tax) based on satisfaction of performance obligation (at a point in time).

4. Recognition of revenue based on satisfaction of performance obligation (at a point in time), due to application of the IND AS 115, has caused increase in income from projects by Nil & Rs 26.61 crore; decrease in cost of sales by Rs. 0.57 crore and increase in cost of sales by Rs 22.18 crore and increase in profit before tax by Rs. 0.57 crore and Rs 4.44 crore for the quarter & year ended March 31, 2019 respectively, as compared to the previously permitted percentage of completion method. The comparatives have not been restated and hence are not comparable with previous period figures.



**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
ON MARCH 31, 2019**

5. As per terms of S4A part B, two NCDs of the Company have been converted into Optionally Convertible Debenture (OCD) @7% p.a. including coupon rate. As per Ind As 109 Financial Instruments, this qualifies for derecognition of existing financial liability and recognition of the new financial liability. On initial recognition of these financial liability (OCDs) is to be fair valued. Fair value of the OCDs is based on the difference in market interest rate at which the Company borrows the money and the interest rate on OCDs, after considering fair value of conversion option. Due to difference in fair value and book value of the liability, a gain of Rs. 10.35 crores arises in the current year. This amount will be reversed in subsequent years, during tenure of the OCDs, through unwinding of interest as per effective interest rate method to increase the debt to it's face value at the end of the terms of the OCDs. The said gain, net of Rs. 0.73 crores loans written off / impairment and Rs. 9.06 crores provision for expected diminution in value of an Investment in a partnership firm and loan to one subsidiary, is shown under exceptional item.

6. The company is engaged in the Engineering and construction industry which is seasonal in character. The company's margins in the quarterly results vary based on the accrual of cost, recognition of income in different quarters etc. due to the nature of its receipt of claims/awards. In view of this, financial results for the quarter are not comparable with quarterly/annual results.

7. Figures of last quarter are the balancing figures between audited figures in respect of full financial year and the published Year-to-Date figures upto the third quarter of the current financial year.

8. The previous period figures have been regrouped / rearranged/recasted wherever necessary for the purpose of comparison.

9. Additional disclosure as per regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

a. Credit rating of the Company's debt is BBB-

b. The Company continue to maintain 100% asset cover based on the valuation report for the secured non convertible debentures issued by it.

	31-Mar-19	31-Mar-18
c. Debt Equity Ratio	1.00	1.12

d. The Previous due date for Payment of interest / principal of LIC - 11.30% NCD (ISIN INE244B07144) :

i) Interest - March 17, 2019 - paid

ii) Principal - Not Applicable

e. Next due date for payment of interest / principal of LIC - 11.30% NCD (ISIN INE244B07144) :

i) Interest - June 17, 2019

ii) Principal - September 17, 2022

	31-Mar-19	31-Mar-18
f. Debt Service Coverage Ratio (EBDIT/(Interest +current maturity of LTD))	1.35	1.13
	31-Mar-19	31-Mar-18
g. Interest Service Coverage Ratio (EBIT/Interest)	1.36	1.10
h. Debenture Redemption Reserve (in crores)	17.20	25.00
i. Networth (in crores)	2,286.68	2,201.14

Place : Mumbai

Date : April 30, 2019



For Patel Engineering Ltd.

K.M.B.

Kavita Shirvaikar

Whole Time Director & Chief
Financial Officer



PATEL ENGINEERING LIMITED

STANDALONE STATEMENT OF ASSETS & LIABILITIES AS AT



	Audited Mar 31-2019 (Rs. Cr.)	Audited Mar 31-2018 (Rs. Cr.)
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	269.90	248.32
(b) Capital work-in-progress	2.88	1.72
(c) Other intangible assets	0.11	0.21
(d) Financial assets		
(i) Investments	600.50	494.86
(ii) Trade receivables	639.66	561.52
(iii) Loans	798.82	849.02
(iv) Other financial assets	31.69	20.51
(e) Deferred tax assets (net)	125.35	63.92
(f) Current tax assets (net)	44.83	205.82
(g) Other non current assets	586.29	544.89
Total non-current assets	3,100.03	2,990.79
2 Current assets		
(a) Inventories	2,874.05	2,685.23
(b) Financial assets		
(i) Trade receivables	210.74	198.56
(ii) Cash and cash equivalents	109.84	117.65
(iii) Other bank balances	0.02	0.05
(iv) Loans	184.75	162.63
(v) Other financial assets	11.67	5.82
(c) Other current assets	658.82	562.79
(d) Assets classified as held for sale	15.00	15.87
Total current assets	4,064.89	3,748.60
TOTAL ASSETS	7,164.92	6,739.39
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	16.42	15.70
(b) Other equity	2,287.46	2,210.42
Total equity	2,303.88	2,226.12
2 Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	909.54	920.95
(ii) Trade payables		
a) Total Outstanding dues of micro enterprises and Small enterprises	-	-
b) Total Outstanding dues of creditors other than micro enterprises and Small enterprises	310.48	247.44
(iii) Other financial liabilities	0.44	0.33
(b) Long-term provisions	5.90	6.08
(c) Other non current liabilities	616.15	329.48
(d) Deferred revenue	5.50	3.79
Total non-current liabilities	1,848.01	1,508.07
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,274.16	1,455.61
(ii) Trade payables		
a) Total Outstanding dues of micro enterprises and Small enterprises	1.69	0.25
b) Total Outstanding dues of creditors other than micro enterprises and Small enterprises	882.25	662.58
(iii) Other financial liabilities	135.71	124.01
(b) Short-term provisions	1.19	1.60
(c) Other current liabilities	718.03	761.15
Total current liabilities	3,013.03	3,005.20
TOTAL EQUITY AND LIABILITIES	7,164.92	6,739.39



Place : Mumbai
Date : April 30, 2019



For Patel Engineering Ltd.

K.m.B.

Kavita Shirvaikar
Whole Time Director & Chief Financial Officer

PATEL ENGINEERING LTD.

Regd. Office : Patel Estate Road, Jogeshwari (W) , Mumbai- 400 102

CIN:L99999MH1949PLC007039

STANDALONE SEGMENT REPORTING

Primary Segment :

Rs in Crores

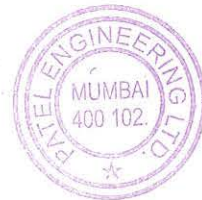
PARTICULARS	QUARTER ENDED			YEAR ENDED	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
	Unaudited	Unaudited	Unaudited	Audited	Audited
Segment revenue					
EPC	491.26	429.79	449.63	1,931.24	1,863.58
Real Estate	(0.86)	54.31	19.28	138.65	175.32
Total segment revenue	490.40	484.10	468.91	2,069.89	2,038.90
Segment Result					
EPC	0.96	1.61	76.34	98.31	(8.81)
Real Estate	13.39	35.56	0.23	17.04	61.07
Total segment result (before exceptional items)	14.35	37.17	76.57	115.35	52.26
Segment Assets					
EPC				6,703.94	6,431.72
Real Estate				460.99	307.67
Total segment assets				7,164.93	6,739.39
Segment Liabilities					
EPC				4,707.58	4,498.47
Real Estate				153.46	14.78
Total segment liabilities				4,861.04	4,513.25

Geographical Segment :

Segment revenue					
Within India	420.34	419.55	468.91	1,886.81	2,038.90
Outside India	70.06	64.55	-	183.08	-
Total segment revenue	490.40	484.10	468.91	2,069.89	2,038.90

Non Current Assets		
Within India	3,081.95	2,990.78
Outside India	18.09	-
Total non current assets	3,100.04	2,990.78

Place : Mumbai
Date : April 30, 2019



For Patel Engineering Ltd.

Kavita Shirvaikar
Whole Time Director & Chief Financial Officer



T. P. Ostwal & Associates LLP

CHARTERED ACCOUNTANTS

Suite#1306-1307, 13th Floor, Lodha Supremus, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

+91 22 49454000 (Board) Fax: +91 22 49454010

Web: <http://www.tpostwal.in>, E-mail: itax@tpostwal.in

Auditor's Report on Consolidated Year to Date Results of the Company Pursuant to the regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

TO THE BOARD OF DIRECTORS OF PATEL ENGINEERING LIMITED

1. We have audited the accompanying statement of consolidated annual financial results ('the Statement') of PATEL ENGINEERING LIMITED (the "Company") and its subsidiaries (the company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities for the quarter and year ended March 31, 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The consolidated financial results for the quarter and year ended March 31, 2019 have been prepared on the basis of the unaudited financial results for the nine-month period ended December 31, 2018, the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our review of the consolidated unaudited financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 'Interim Financial Reporting', specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular.
2. 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 consolidated annual financial statement are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us and upon consideration of reports of other auditors on separate financial statements and other financial information of subsidiaries, associates and jointly controlled entities, this statement:



- (i) Includes the financial results for the year ended March 31, 2019 of the following entities:

Subsidiary Companies:

Water Front Developers Limited (Consolidated), Patel Engineering Infrastructure Limited (Consolidated), Friends Nirman Private Limited, Patel Concrete & Quarries Private Limited, Zeus Minerals Trading Private Limited, Bhooma Realities Private Limited, Shasvat Land Projects Private Limited, Pandora Infra Private Limited, Patel Engineers Private Limited, Vismaya Constructions Private Limited, Patel Patron Private Limited, Patel Energy Resource Limited (Consolidated), Energy Design Private Limited, Patel Lands Limited, Hampus Infrastructure Private Limited, PBSR Developers Private Limited, Hera Realcon Private Limited, Lucina Realtors Private Limited, Apollo Buildwell Private Limited, Arsen Infra Private Limited, Shreeanant Construction Private Limited, Patel Engineering Mauritius Limited (Consolidated), Patel Engineering Singapore Pte Limited (Consolidated), Patel Engineering Lanka Limited, Michigan Engineers Private Limited (Consolidated), Patel KNR Infrastructure Limited, Patel Engineering, Inc (Consolidated)

Jointly Controlled Entities

AGE Patel JV, Patel Avantika Deepika BHEL JV, Patel V Arks JV, Patel - V Arks - Precision JV, PEL-PPCL-HCPL JV, Patel Michigan JV, CICO Patel JV, Patel Sew JV, Patel KNR JV, KNR Patel JV, Patel Soma JV, Patel UEIPL JV, Patel VI JV, Onycon Enterprise

Associate Companies

Hitodi Infrastructure Limited, Raichur Sholapur Transmission Company Limited, Patel KNR Heavy Infrastructure Ltd

- (ii) are presented in accordance with the requirements of the Regulation read with the Circular, in this regards; and
- (iii) give a true and fair view of the consolidated net profit (including comprehensive income) and other financial information of the Group for the year ended March 31, 2019.

4. Emphasis of Matter:

We invite attention to:

- a) As per Section 71 of Companies Act, 2013 the Company has created adequate Debenture Redemption Reserve for the Secured Redeemable Non-Convertible Debenture issued by the Company. However, in terms of Section 71 read with Rule 18(7)(C) of Companies Share Capital and Debentures Rules, 2014, the Company has not made the required deposit/investment to secure the repayment of debentures. Our opinion is not modified in respect of this matter.



- b) The Independent Branch Auditors of the Real Estate Division, have without qualifying their audit report on the Standalone Financial Statement for the year ended March 31, 2019, have drawn attention in respect to Company's investment and loans and advances in Waterfront Developers Limited (Mauritius), where notice dated 04th June, 2015 was received from Government of Mauritius for the termination of Lease Agreement entered on 11th December, 2009 with Les Salines Development Limited (subsidiary of Waterfront). In this case the process of Arbitration has been initiated with the Government of Mauritius. Our report is not modified with respect to above matter.
- c) The Consolidated Financial results of the company for the year ended March 31st, 2019 regarding the subsidiary Apollo Buildwell Pvt Ltd and Hera Realcon Pvt. Ltd. wherein their auditors without qualifying their opinion have drawn attention with respect to Material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. However the Financial statements are prepared on going concern basis. Our report is not modified with respect to above matter.

5. Other Matters:

- a) We did not audit the financials statements of the Real Estate Division included in the Standalone financial statements of the Company whose financial statements reflect total assets of Rs. 461.00 Crore as at March 31, 2019 and the total revenue of Rs. 172.28 Crore for the year ended on that date respectively, as considered in the standalone financial statements of this division have been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of division, is based solely on the report of such other auditor. Our report is not modified with respect to above matter.
- b) The consolidated Ind AS financial statements include the financial statements of 9 unincorporated joint ventures / operations which have not been audited by their auditors, whose financial statement have been prepared and certified by the Management. These financial statements reflect the Net Total Assets of Rs.104.16 Crore as at 31st March 2019, Company's Share in Total revenue after elimination of inter-company revenue Rs.158.74 Crores, Total Profit (net) after tax of Rs.2.89 Crores, Total Comprehensive Income (net) of Rs. Nil and Net cash outflow amounting to Rs.4.25 Crores for the year ended on that date, as considered in these consolidated financial statements. Our opinion in so far it relates to the amounts and disclosure in respect of these joint ventures / operations is solely based on the report of the management certified accounts. Our opinion is not modified in respect of this matter.
- c) The consolidated Ind AS financial statements also include the financial statement of 5 joint ventures / operations which have been audited / reviewed by other auditors, whose financial statement reflect the Net Total Assets of Rs. (3.40) Crore as at March 31, 2019, Company's Share in Total revenue after elimination Rs. 67.45 Crores, Total Profit (net) after tax of Rs.1.85 Crores, total comprehensive income (net) of Rs. Nil and Net cash outflow amounting to Rs.5.82 Crores for the year ended on that date, as considered in these consolidated financial statements. Our opinion in so far it relates to the amounts



and disclosure in respect of these joint ventures / operations is solely based on the report of the other auditors. Our opinion is not modified in respect of this matter.

- d) We did not audit the financial statements of 21 subsidiaries, whose financial statements/financial information reflect net total assets of Rs. 656.56 Crores as at 31st March, 2019, total revenues of Rs. 191.71 Crores and net cash inflows amounting to Rs. 1.34 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidation Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the auditors. Our opinion is not modified in respect of this matter.
- e) We did not audit the financial statements of 6 subsidiaries, whose financial statements/financial information reflect total assets of Rs. 24.92 Crores as at 31st March, 2019, total revenues of Rs. 29.17 Crores and net cash outflows amounting to Rs. 31.90 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The Consolidated Ind AS financial statements also include the Group's share of Net Loss of Rs. 29.28 Crores for the year ended 31st March, 2019, as considered in the consolidated Ind AS financial statements, in respect of 3 associates, whose financial statements/financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidation Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group. Our opinion is not modified in respect of this matter.

For T. P. Ostwal & Associates LLP

Chartered Accountants
(Registration No. 12444W/W100150)

**Anil A. Mehta**

Partner

Membership Number: 030529

Mumbai, April 30, 2019



PATEL ENGINEERING LTD.

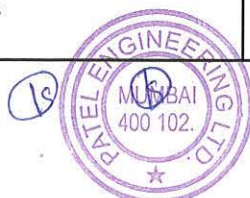
Regd. Office : Patel Estate Road, Jogeshwari (W) , Mumbai- 400 102

CIN:L99999MH1949PLC007039


**STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE YEAR ENDED
ON MARCH 31, 2019**

Rs in Crores

PART I		
PARTICULARS	YEAR ENDED	
	31.03.2019 Audited	31.03.2018 Audited
1. Revenue from operations	2,362.20	2,274.55
2. Other income	175.10	242.59
3. Total income	2,537.30	2,517.14
4. Expenses		
a) Cost of material consumed	256.04	255.49
b) Cost of construction	1,404.15	1,159.46
c) Purchase of stock in trade	2.29	-
d) Employee benefits expense	167.63	150.97
e) Finance cost	370.27	489.42
f) Depreciation	50.20	54.27
g) Other expenses	177.24	177.84
Total expenses	2,427.82	2,287.45
5. Profit before exceptional items and tax (3-4)	109.48	229.69
6. Exceptional item (Refer note no. 6)	(89.15)	136.17
7. Profit before tax (5-6)	198.63	93.52
8. Tax expense / (Credit) :		
a) Current (net)	95.09	12.14
b) Deferred	(50.60)	(23.41)
9. Profit for the period (7-8)	154.14	104.79
10. Other comprehensive income (OCI)		
A (i) Items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit plans	0.24	(3.45)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.06	1.25
11. Total other comprehensive income for the year	0.30	(2.20)
12. Total comprehensive income and other comprehensive income for the year (9 + 10)	154.44	102.59
13. Non controlling interest	5.71	6.68
14. Owners of the parent (12 - 13)	148.73	95.91
15. Earnings per share		
a) Basic (not annualised)	9.71	6.67
b) Diluted (not annualised)	4.87	5.28
See accompanying notes to the financial results		



**STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE YEAR ENDED
ON MARCH 31, 2019**

Notes :

1. The above Consolidated financial results were reviewed by the Audit Committee and approved and taken on record by the Board at their meeting held on April 30, 2019.
2. The Company has chosen the option of publishing standalone results on quarterly basis; therefore, quarterly comparative consolidated financial information is not provided.
3. Financial results of the overseas subsidiaries are translated into Indian Rupees using the average exchange rates prevailing during the period and other monetary/ non monetary items are translated at closing rate. Net exchange rate difference is recognized as Foreign Exchange Translation Reserve.
4. The Ministry of Corporate Affairs vide notification dated 28th March, 2018 has made "Revenue from Contracts with Customers" (IND AS 115) mandatory w.e.f. 1st April, 2018. The Company has applied the retrospective approach, as per para C3(b) of IND AS 115, to contracts which were not completed as on 1st April, 2018 and the cumulative effect of applying this standard is recognised at the date of initial application i.e. 1st April, 2018 in accordance with para C7 of IND AS 115 as an adjustment to the opening balance of retained earnings of Rs. 3.73 crore (net of deferred tax) based on satisfaction of performance obligation (at a point in time).
5. Recognition of revenue based on satisfaction of performance obligation (at a point in time), due to application of the IND AS 115, has caused increase in income from projects by Nil & Rs 26.61 crore; decrease in cost of sales by Rs. 0.57 crore and increase in cost of sales by Rs 22.18 crore and increase in profit before tax by Rs. 0.57 crore and Rs 4.44 crore for the quarter & year ended March 31, 2019 respectively, as compared to the previously permitted percentage of completion method. The comparatives have not been restated and hence are not comparable with previous period figures.
6. Exceptional item includes :
 - a) As per terms of S4A part B, two NCDs of the Company have been converted into Optionally Convertible Debenture (OCD) @7% p.a. including coupon rate. As per Ind As 109 Financial Instruments, this qualifies for derecognition of existing financial liability and recognition of the new financial liability. On initial recognition of these financial liability (OCDs) is to be fair valued. Fair value of the OCD is based on the difference in market interest rate at which the Company borrows the money and the interest rate on OCDs, after considering fair value of conversion option. Due to difference in fair value and book value of the liability, a gain of Rs. 10.35 crores arises in the current year. This amount will be reversed in subsequent years, during tenure of the OCDs; through unwinding of interest as per effective interest rate method to increase the debt to its face value at the end of the term of the OCDs.
 - b) Excess provision made in earlier years reduced by provision made for impairment based on indication of diminution in value of advance to a firm/ subsidiaries and against corporate guarantee given on behalf of an associate company amounting to Rs. 78.80 crores.
7. The Consolidated results of the Company has three reportable business segments, "Civil Construction", "Real Estate" and "Others."
8. The provision for tax is calculated in accordance with the tax laws applicable to the current financial year.
9. The previous year figures have been regrouped / rearranged wherever necessary for the purpose of comparison.



Place : Mumbai
Date : April 30, 2019



For Patel Engineering Ltd.

K.M.S.

Kavita Shirvaikar

**Whole Time Director & Chief
Financial Officer**

PATEL ENGINEERING LIMITED

CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES AS AT



	Audited Mar 31-2019 (Rs. Cr.)	Audited Mar 31-2018 (Rs. Cr.)
I. ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	547.28	525.37
(b) Capital work-in-progress	1,062.75	792.13
(c) Other intangible assets	0.52	0.22
(d) Goodwill on consolidation	30.70	30.70
(e) Financial assets		
(i) Investments	116.44	140.48
(ii) Trade receivables	639.66	561.52
(iii) Loans	65.58	47.69
(iv) Other financial assets	31.68	20.51
(f) Deferred tax assets (net)	163.87	116.61
(g) Current tax assets (net)	51.18	212.28
(h) Other non current assets	650.84	589.38
Total non-current assets	3,360.50	3,036.89
2 Current assets		
(a) Inventories	3,546.34	3,161.57
(b) Financial assets		
(i) Trade receivables	229.60	241.16
(ii) Cash and cash equivalents	124.48	131.63
(iii) Other bank balances	0.02	0.05
(iv) Loans	80.02	77.83
(v) Other financial assets	11.68	5.82
(c) Current tax assets (net)	14.64	14.63
(c) Other current assets	818.30	729.04
(d) Assets classified as held for sale	15.00	15.87
Total current assets	4,840.08	4,377.59
TOTAL ASSETS	8,200.58	7,414.48
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	16.42	15.70
(b) Other equity	2,260.29	2,144.11
Equity attributable to owners of the parent	2,276.71	2,159.81
Non-controlling interests	56.59	55.75
Total Equity	2,333.30	2,215.56
2 Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,304.80	1,332.43
(ii) Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	316.85	301.53
(iii) Other financial liabilities	0.44	0.33
(b) Long-term provisions	6.89	7.03
(c) Other non current liabilities	432.96	129.98
(d) Deferred revenue	5.50	3.79
Total non-current liabilities	2,067.44	1,775.09
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,343.78	1,539.43
(ii) Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	1.69	0.25
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,091.09	1,094.57
(iii) Other financial liabilities	154.21	137.03
(b) Short-term provisions	1.66	2.16
(c) Other current liabilities	1,207.41	650.39
Total current liabilities	3,799.84	3,423.83
TOTAL EQUITY AND LIABILITIES	8,200.58	7,414.48



Place : Mumbai
Date : April 30, 2019



For Patel Engineering Ltd.

K. M. R.

Kavita Shirvaikar
Whole Time Director & Chief Financial Officer

PATEL ENGINEERING LTD.

Regd. Office : Patel Estate Road, Jogeshwari (W) , Mumbai- 400 102

CIN:L99999MH1949PLC007039

CONSOLIDATED SEGMENT REPORTING**Primary Segment :**

Rs in Crores

PARTICULARS	YEAR ENDED	
	31.03.2019	31.03.2018
	Audited	Audited
Segment revenue		
EPC	2,323.69	2,154.32
Real Estate	38.52	120.23
Total segment revenue	2,362.20	2,274.55
Segment Result		
EPC	133.82	100.65
Real Estate	(2.30)	(9.84)
Others	(22.03)	2.72
Total segment result (after exceptional items)	109.48	93.53
Segment Assets		
EPC	6,609.43	6,766.52
Real Estate	651.52	465.96
Other	939.64	182.00
Total segment assets	8,200.59	7,414.48
Segment Liabilities		
EPC	5,013.06	4,536.41
Real Estate	275.30	135.82
Other	578.84	526.69
Total segment liabilities	5,867.20	5,198.92

Geographical Segment :

Segment revenue		
Within India	2,175.07	2,202.66
Outside India	1,871.36	-
Total segment revenue	4,046.43	2,202.66

Non current assets		
Within India	3,321.42	2,838.83
Outside India	39.10	54.89
Total non current assets	3,360.52	2,893.72

For Patel Engineering Ltd.



Kavita Shirvaikar

Whole Time Director & Chief Financial Officer

Place : Mumbai

Date : April 30, 2019

