Patel
Since 1949

PATEL ENGINEERING LTD.
CIN : L99999MH1949PLC007039

100/510/005/

September 1, 2015

To,

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

Company Code No. 531120

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

Company Code: PATELENG/EQ

Dear Sirs

Sub: 66th Annual General Meeting of Members.

This is to inform you that the Annual General Meeting (AGM) of the Members of the Company is scheduled to be held on September 28, 2015 at 3.30 pm at Shree Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai 400 102.

Enclosed herewith is the copy of AGM Notice and Annual Report 2015 of the Company.

Pursuant to Clause 16 of the Listing Agreement this is to inform you that the Register of Members & Share Transfer Books of the Company will remained closed from September 22, 2015 to September 28, 2014 (both days inclusive) for the purpose of Annual General Meeting.

Kindly take the same on your records.

Thanking you,

Yours truly,

For Patel Engineering Ltd.

Shobha Shetty

PATEL ENGINEERING LTD. MUMBAI 400 102.

Shobha Shetty
Company Secretary
Encl: as above

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

PATEL ENGINEERING LTD.

Regd. office: Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai 400 102
Tel No: +91 22 2676 7500 Fax: +91 22 2678 2455
CIN:L99999MH1949PLC007039, Website: www.pateleng.com

NOTICE is hereby given that the Sixty Sixth Annual General Meeting of the Members of Patel Engineering Ltd. will be held on Monday, September 28, 2015 at 3.30 pm at Shree Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai 400 102 to transact the following Business:

Ordinary business

1. To consider and adopt :-

a. the audited Financial Statement of the Company for the financial year ended March 31, 2015, together with the Reports of the Board and the Auditors thereon; and

b. the audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2015 together with the Report of the Auditors thereon.

2. To appoint a Director in place of Mr. Pravin Patel (DIN 00029453) who retires by rotation and, being eligible, offers himself for re-appointment.

3. To appoint M/s Vatsaraj & Co, Chartered Accountants, (Firm's Registration no. 111327W) as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at such remuneration as may be mutually agreed upon between the Board of Directors and the Auditors.

Special business

4. Appointment of Mr. K. Ramasubramanian as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**Resolved that** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder, **Mr. K. Ramasubramanian** (DIN 01623890), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 71th Annual General Meeting of the Company to be held in the year 2020.

5. Appointment of Ms. Geetha Sitaraman as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**Resolved that** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder, **Ms. Geetha Sitaraman** (DIN 07138206), a Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 71th Annual General Meeting of the Company to be held in the year 2020.

6. Variation in the terms of appointment of Mr. Pravin Patel

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

"Resolved that in partial modification to the resolution passed at 64th Annual General Meeting of the Company and pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of Companies Act, 2013 (the Act) the Rules, Regulations, Guidelines and Circular issued and subject to necessary approvals, if any, approval of the members of the Company be and is hereby accorded for payment of following perquisites to Mr. Pravin Patel (DIN 00029453), Chairman and Whole time Director of the Company in addition to present remuneration of ₹ 1 per annum, effective from April 1, 2015.

- Medical reimbursement for self and spouse on actual basis;
- Return holiday package (including accommodation) once in a year by first/business class with family or reimbursement of expenses incurred by him on such travel/accommodation.

Resolved further that where in any financial year during the tenure of Mr. Pravin Patel as Whole Time Director, the Company has no profits or the profits are inadequate, the Board be authorized to determine the minimum remuneration to be paid to Mr. Pravin Patel subject to requisite approvals, if any.

Resolved further that the Board of Directors of the Company (hereinafter referred to as "the Board which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise the powers conferred by this Resolution) be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or expedient in the interest of the Company and to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the members of the Company"

7. Ratification of remuneration payable to M/s D. Radhakrishnan & Co. as Cost Auditors of the Company for FY 2014 -15

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**Resolved that** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. D. Radhakrishnan, Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2014-15, be paid a remuneration of ₹ 3.50 lacs per annum plus applicable service tax.

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. Adoption of Patel Engineering General Employee Benefits Scheme, 2015

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"Resolved that in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "Regulations") and other applicable laws, if any, and subject to such other approvals as may be required, the consent of the members be and is hereby accorded to the adoption of the **'Patel Engineering General Employee Benefits Scheme, 2015'** (the "Scheme") being a general employee benefits scheme (GEBS), formulated under Part D of the Regulations, to provide welfare benefits including but not restricted to medical, housing and education related assistance to eligible employees as detailed in the Scheme ("Welfare Benefits").

Resolved further that the brief terms of the Scheme shall be:

a. The objects of the PATEL ENGINEERING GENERAL EMPLOYEE BENEFITS SCHEME, 2015 is to acquire, hold, use the Trust property for the welfare and benefit of the beneficiaries, to subscribe for or to purchase or to otherwise acquire, hold and if necessary, dispose of permitted investment and apply the returns and benefits thereof for the benefit of beneficiaries, to utilize the dividend and/or sale proceeds of the permitted investments made by the trust for the welfare and benefit of the employees and to repay loans obtained from the Settlor.

b. A permanent employee of the Company working in India or out of India and such other employees as mentioned in the Scheme and who has completed at least one year of service in the Company and have an annual compensation of ₹ 6,00,000 or below per annum ('eligible employees').

c. The eligible employees and/or their eligible dependents will be granted the following benefits:

- healthcare benefits,
- hospital care or benefits,
- benefits in the event of sickness, accident, disability, death or scholarship funds,
- education related assistance,
- such other benefit as the Board of Directors or the Nomination and Remuneration Committee may determine from time to time.

d. The Board/ Nomination and Remuneration Committee shall after approval of the application received from eligible employees, grant benefits thereto within reasonable period.

e. The Nomination and Remuneration Committee shall, based on various criteria for selection of Eligible Employees, at their sole discretion determine the Employees eligibility for participation in the Scheme.

f. The maximum quantum of benefits to be provided per employee under a scheme(s) will not exceed ₹ 10,00,000 in a financial year.

g. The Scheme will be administered through Patel Engineering Employees Welfare Trust as per the Trust Deed, Terms of Reference of Nomination and Remuneration Committee and the terms and conditions of the Scheme and involves new issue of shares by the Company and secondary acquisition by the Trust.

h. The Trust can make secondary acquisition upto the maximum limits specified under the Employee Share Based Employee benefits Regulations, 2014.

i. The Company shall conform to the accounting policies specified under Regulation 15 of the Employee Share Based Employee benefits Regulations, 2014.

Resolved further that the Board (including the Nomination and Remuneration Committee) be and is hereby authorised to vary or modify the terms of the Scheme in accordance with any guidelines or regulations that may be issued, from time to time, by any appropriate authority unless such variation, modification or alteration is detrimental to the interest of the employees and to administer and supervise the schemes and implementation thereof in accordance with the Regulations.

Resolved further that the Board (including the Nomination and Remuneration Committee) shall at its absolute discretion delegate such powers of administration and/or supervision of the schemes jointly to the Trustees of Patel Engineering Employees Welfare Trust ("Trust") settled by the Company vide an indenture dated May 4, 2001 as amended by the Supplemental Deed of Amendment dated April 23, 2009 including any subsequent variations, modifications or alterations (jointly referred to as the "**Deed of Trust**")

Resolved further that the Board of Directors be and are hereby authorised to carry out any amendments to the Deed of Trust to carry out such suitable amendments or changes as may be required and necessary to comply with any statutory requirements including but not limited to requirements under the Regulations.

Resolved further that in accordance with the provisions of the Regulations, the Memorandum and Articles of Association of the Company, the Act and other applicable laws, consent of the Members is hereby accorded to the Board (including the Nomination and Remuneration Committee) to give such directions to the Trust in relation to the utilization of assets, income and Trust property held by the Trust for the purposes of the GEBS Scheme in a manner so as to effectively provide the benefits under the GEBS Scheme to the eligible employees as determined under the GEBS Scheme.

Resolved further that the Board (including the Nomination and Remuneration Committee) be and is hereby authorised to make modifications in the Scheme, as it may deem fit from time to time in its absolute discretion to bring it in conformity with the provisions of the Regulations and any other applicable laws, as amended from time to time and the said Board be and is hereby authorised, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to sign any documents, deeds, settle any issues, questions, difficulties or doubts that may arise in this regard.

Resolved further that the Board be and is hereby authorised to delegate all or any powers conferred herein, to any Director or a Committee of Directors (including the Nomination and Remuneration Committee), with power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc., as may be necessary in this regard."

9. Further issuance of Securities not exceeding ₹ 2,000 crores.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**Resolved that** pursuant to Section 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, including the rules made thereunder and any amendments, statutory modifications and / or re-enactment thereof for the time being in force (the "Act"), all other applicable laws and regulations including the Foreign Exchange Management Act,1999 ("FEMA"), the Foreign Exchange Management (Transferor Issue of Security by a Person Resident outside India)Regulations, 2000 including any statutory modifications or re-enactment thereof, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and modified from time to time and such other statues, notifications, clarifications, circulars, rules and regulations as may be applicable, as amended from time to time, issued by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), Stock Exchanges, the Securities and Exchange Board of India ("SEBI") including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI Regulations") and any other appropriate authorities, as may be applicable and in accordance with the enabling provisions in the Memorandum and Articles of Association of the Company and / or stipulated in the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, SEBI, RBI, Stock Exchanges and any other relevant statutory / governmental authorities (the "concerned Authorities") as may be required and applicable and further subject to such terms and conditions as may be prescribed or imposed by any of the concerned Authorities while granting such approvals, consents, permissions and sanctions as may be necessary, which the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee(s) constituted / to be constituted by the Board to exercise the powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons

as may be permitted), Equity Shares and / or Equity Shares through depository receipts including American Depository Receipts (ADRs), Global Depository Receipts (GDRs) and / or Foreign Currency Convertible Bonds (FCCBs), Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Optionally Convertible Debentures (OCDs), and / or other securities convertible into Equity Shares at a later date, at the option of the Company and / or the holder(s) of such securities or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (collectively referred as "Securities"), as the Board at its sole discretion or in consultation with underwriters, merchant bankers, financial advisors or legal advisors may at any time decide, by way of one or more public or private offerings in domestic and / or one or more international market(s), with or without a green shoe option, or issued / allotted through Qualified Institutions Placement in accordance with the SEBI Regulations, or by any one or more combinations of the above or otherwise and at such time or times and in one or more tranches, whether rupee denominated or denominated in foreign currency, to any eligible investors, including residents and / or non-residents and / or qualified institutional buyers and / or institutions / banks and / or incorporated bodies and / or individuals and / or trustees and / or stabilizing agent or otherwise, whether or not such Investors are members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations, for an aggregate amount not exceeding ₹ **2,000 crore (Rupees Two Thousand Crore Only)** on such terms and conditions and in such manner as the Board may in its sole discretion decide including the timing of the issue(s) / offering(s), the Investors to whom the Securities are to be issued, terms of issue, issue price, number of Securities to be issued, the Stock Exchanges on which such securities will be listed, finalization of allotment of the Securities on the basis of the subscriptions received including details on face value, premium, rate of interest, redemption period, manner of redemption, amount of premium on redemption, the ratio / number of Equity Shares to be allotted on redemption / conversion, period of conversion, fixing of record date or book closure dates, etc., as the case may be applicable, prescribe any terms or a combination of terms in respect of the Securities in accordance with local and / or international practices including conditions in relation to offer, early redemption of Securities, debt service payments, voting rights, variation of price and all such terms as are provided in domestic and / or international offerings and any other matter in connection with, or incidental to the issue, in consultation with the merchant bankers or other advisors or otherwise, together with any amendments or modifications thereto ("the Issue").

Resolved further that the Securities to be created, issued, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Equity Shares to be allotted in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Company.

Resolved further that if the issue or any part thereof is made for a QIP, FCDs, PCDs, OCDs or any other Securities, which are convertible into or exchangeable with the Equity Shares of the Company (hereinafter collectively referred as "Other Specified Securities" and together with Equity Shares of the Company (hereinafter referred as "Specified Securities") within the meaning of the SEBI Regulations) or any combination of Specified Securities as may be decided by the Board, issued for such purpose shall be fully paid-up and the allotment of such Specified Securities shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI Regulations and the Specified Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized Stock Exchange, or as may be permitted from time to time under the SEBI Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI Regulations.

Resolved further that in the event of issue of Specified Securities by way of a QIP, the 'Relevant Date' on the basis of which the price of the Specified Securities shall be determined as specified under SEBI Regulations, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of Specified Securities or such other time as may be decided by the Board and as permitted by the SEBI Regulations, subject to any relevant provisions of applicable laws, rules and regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

Resolved further that in the event the Securities are proposed to be issued as American Depository Receipts ("ADRs") or Global Depository Receipts("GDRs"), pursuant to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable pricing provisions issued by the Ministry of Finance, the relevant date for the purpose of pricing the Equity Shares to be issued pursuant to such issue shall be the date of the meeting in which the Board or duly authorised committee of directors decides to open such issue after the date of this resolution.

Resolved further that in the event of issue of Other Specified Securities, the number of Equity Shares and / or conversion price in relation to Equity Shares that may be issued and allotted on conversion shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring exercise.

Resolved further that without prejudice to the generality of the above, the aforesaid issue of Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevent market practices in the capital markets including but not limited to the terms and conditions relating to variation of the price or period of conversion of Other Specified Securities into Equity Shares or for issue of additional Securities and such of these Securities to be issued, if not subscribed, may be disposed of by the Board, in such manner and / or on such terms including offering or placing them with banks / financial institutions / mutual funds or otherwise, as the Board may deem fit and proper in its absolute discretion, subject to applicable laws, rules and regulations.

Resolved further that for the purpose of giving effect to the above resolution and any issue, offer and allotment of Securities, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds, things and matters connected therewith, as it may, in its absolute discretion deem necessary, desirable or incidental thereto including without limitation the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, the entering into and executing arrangements / agreements for managing, underwriting, marketing, listing of Securities, trading, appointment of Merchant Banker(s), Advisor(s), Registrar(s), paying and conversion agent(s) and any other advisors, professionals, intermediaries and all such agencies as may be involved or concerned in such offerings of Securities and to issue and sign all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions whether in India or abroad, for the issue and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s), including but not limited to prospectus and / or letter of offer and / or circular, documents and agreements including conducting all requisite filings with GOI, RBI, SEBI, Stock Exchanges, if required and any other concerned authority in India or outside, and to give such directions that may be necessary in regard to or in connection with any such issue, offer and allotment of Securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit, without being required to seek any further consent or approval of the members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, and accordingly any such action, decision or direction of the Board shall be binding on all the Members of the Company.

Resolved further that for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and / or GDRs on the Stock Exchanges in India.

Resolved further that the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company to give effect to the aforesaid resolution and thereby such Committee of Directors or one or more such Directors as authorized are empowered to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modifications as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in this regard."

10. Issue of Non-Convertible Debentures on a Private Placement basis

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution:**

Resolved that pursuant the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of securities) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the Members be and is hereby accorded to authorise the Board of Directors of the Company to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating up to ₹ **1,000 crore (Rupees One Thousand Crore only)** outstanding at any point of time, on private placement, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto;

Resolved further that the purposed of creating, offering, issuing and allotting the Debentures, the Board be and is hereby authorized on behalf of the Company to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board of Directors
Patel Engineering Limited

Shobha Shetty
Company Secretary
(Membership No. A17228)

August 14, 2015
Mumbai

Registered Office:
Patel Estate Road,
Jogeshwari-(West),
Mumbai-400 102

NOTES

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business under item nos. 5 to 10 above is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

   A person can act as a proxy on behalf of members not exceeding 50(fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

   In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

3. Members / Proxies holders are requested to:-

   i) bring their copy of Annual report and Attendance Slip at the venue of the meeting

   ii) carry government recognize photo ID card proof for identification / verification purpose

   iii) note that members present in person or through registered proxy shall be entertained at the meeting.

   iv) note that the attendance slip / proxy form should be signed as per the specimen signature registered with the Registrar & Share Transfer Agent (R&STA) / DP.

   v) Quote Folio No. / DP & Client Id. No. in all correspondences with R&STA / Company.

   vi) Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

4. The Register of Members and Transfer Books of the Company will remain closed from Tuesday, September 22, 2014 to Monday, September 28, 2015 (both days inclusive).

5. Nomination facility: the members holding the shares in physical form may obtain the Nomination Form from the Company's Registrar & Share Transfer Agent.

6. Members holding shares in physical form are requested to intimate the details to the Company's registered office or to the Registrar & Transfer Agents of the Company, Link Intime India Pvt.Ltd.,C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078.

   i) Any change in their address / E-mail / ECS Mandate

   ii) Bank Particulars in case same has not been sent earlier.

   Members having shares in dematerialized form are requested to notify all changes with respect to their change in email ID, ECS Mandate and bank details to the Depository Participant.

7. Members are requested to note that dividends not claimed or encashed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205 A of the Companies Act, 1956, be transferred to the investor Education and Protection Fund.

8. Members are requested to send their queries to the Company's registered office at least 10 days before the date of the Annual General Meeting.

9. Kindly email your grievances to investors@pateleng.com.

10. **E-voting**

    I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Equity Listing Agreement, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (the AGM) by electronic means and the business may be transacted through e-Voting services. The facility of casting votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting) will be provided by Central Depository Services (India) Limited (CDSL).

    II. The facility for casting vote through ballot / polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot / polling paper.

III. The members who had cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period shall commence September 25, 2015 (9.00 a.m.) and close on September 27, 2015 (5.00 p.m). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 21, 2015, may cast their vote by remote e-voting. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the members, the members shall not be allowed to change it subsequently or cast their vote again.

V. The process and manner for remote e-voting are as under:

In case of members receiving e-mail:

i) Log on to the e-voting website www.evotingindia.com during the voting period.

ii) Click on "Shareholders" tab.

iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company

iv) Next enter the Image Verification as displayed and Click on Login.

v) If you are holding shares in demat form and had logged on to www.evotingindia.com and casted your vote earlier voting of any company, then your existing password is to be used.

vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on attendence slip, indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

vii) After entering these details appropriately, click on "SUBMIT" tab.

viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix) For Members holding shares in physical form, the above details can be used only for e-voting on the resolutions contained in this Notice.

x) Click on the relevant EVSN along with the Company Name on which you choose to vote.

xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvi) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section. You may also email to Mr. Wenceslaus Futardo at helpdesk.evoting@cdslindia.com, the official responsible to address grievances connected with e-voting.

VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of AGM and holds shares as on the cut-off date i.e. September 21, 2015, are eligible for casting vote electronically.

VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut –off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper. A person who is not a member as on the cut off date should treat this notice for information purpose only.

VIII. Mr. Makarand Joshi of M/s Makarand M. Joshi & Co, Practicing Company Secretary, has been appointed as the scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

IX. The Chairman shall, at the AGM, allow voting with the assistance of Scrutinizer, by use of "Ballot/Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

X. The scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XI. The Results declared along with the Scrutinizer's report shall be placed on the Company's website www.pateleng.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.

Annexure to the Notice dated August 14, 2015

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013.

Item no. 4

Mr. K. Ramasubramanian was appointed as an Additional Director (independent) by the Board of Directors of the Company with effect from November 10, 2014. In accordance with the provisions of Section 161 of the Companies Act, 2013, Mr. K. Ramasubramanian holds office upto the date of the forthcoming Annual General Meeting.

Mr. K. Ramasubramanian retired as General Manager, Reserve Bank of India, in May 2002. He held from time to time various positions in Reserve Bank of India.

His field of specialization includes Exchange Business of Banks-Adviser on Foreign Exchange Business for Corporates-Banking Supervision, International Faculty of Training Colleges of Banks and Management Institutes in India and abroad. He was one of the faculty member of Reserve Bank Staff College in Chennai and was responsible for programme design, conducting programme sessions and interfacing with other educational institutions for the college. He was a Professor in S.P Jain Institute of Management, Mumbai for 8 years.

Mr. K. Ramasubramanian holds Masters of Science degree from University of Kerala. He also holds Post graduation diploma Business Administration (PGDBA) from Anna University and is also a Certified Associate of Indian Institute of Bankers (CAIIB).

Based upon his qualification, expertise, track record, integrity etc. the Board recommends the Ordinary Resolution at Item no. 4 of the Notice for approval by the members. In the opinion of the Board, the independent director proposed to be appointed fulfill the conditions specified in the Act and the rules made there under and that the proposed director is independent of management.

Except for Mr. K. Ramasubramanian, being appointee, none of the Directors/Key Managerial Personnel and their relatives of the Company, are concerned or interested in item no. 4 of the Notice.

Item no. 5

Ms. Geetha Sitaraman was appointed as an Additional Director (independent) by the Board of Directors of the Company with effect from March 26, 2015. In accordance with the provisions of Section 161 of the Companies Act, 2013, Ms. Geetha Sitaraman holds office upto the date of the forthcoming Annual General Meeting.

Ms. Geetha Sitaraman has a wide experience of over 40 years with 5 different banks at Senior Management level. Her field of specialization includes all areas of Banking. She worked in State Bank group for 5 years as staff officer grade 1 in various branches. For 27 years she worked for Vijaya Bank in senior management and executive positions both at branch & administrative level and regional head level. She also has experience of looking into audit,vigilance and risk management functions of branches in western and northern India branches of ING Vysya bank on short service contract basis.

Ms. Geetha Sitaraman holds Bachelors of Art (HONS) degree. She also holds Bachelors of Law degree (L.L.B) and is a Certified Associate of Indian Institute of Bankers (CAIIB).

Based upon her qualification, expertise, track record integrity etc. the Board recommends the Ordinary Resolution at Item no. 5 of the Notice for approval by the members. In the opinion of the Board, the independent director proposed to be appointed fulfill the conditions specified in the Act and the rules made there under and that the proposed director is independent of management.

Except for Ms. Geetha Sitaraman, being appointee, none of the Directors/Key Managerial Personnel and their relatives of the Company, are concerned or interested in item no. 5 of the Notice.

Item no. 6

Mr. Pravin Patel is presently the Executive Chairman of the Company. Mr. Pravin Patel in the past has successfully led the Company and under his leadership the Company has emerged as one of the leader in infrastructure sector. The members has passed special resolution at the 64th Annual General Meeting of the Company for appointment of Mr. Pravin Patel as whole time Director (Executive Chairman) for period of 3 years w.e.f. September 27, 2013 with a remuneration of ₹ 1 per annum.

Considering his age and the effort put in by Mr. Pravin Patel in managing the affairs of the Company on day to day basis, the Board decided to modify the terms of appointment of Mr. Pravin Patel to the extent of including specific perquisites as stated in the resolution in addition to his existing remuneration of ₹ 1 per annum, effective from April 1, 2015. Other terms of his appointment will remain unchanged.

The members are requested to note the following disclosure of Mr. Pravin Patel in terms of the Companies Act, 2013:

Age	78
Qualification	BA; graduated in Town Planning from USA; graduated in Financial Management from London School of Economics
Experience	50 years
Last remuneration (2014-15) drawn from the Company	₹ 1
First appointment on the Board of the Company	August 29, 1989
Shareholding in the Company	40,800 (0.05%)
Relationship with other directors/KMP	Relative to Mr. Rupen Patel, Managing Director.
Number of Board meeting attended during 2014-15	Mr. Pravin Patel attended all the 9 Board meetings held during 2014-15.

Other directorship/ membership/chairmanship of the Committees of other Boards	Directorship: ASI - RCC India Ltd, Patel Patron Pvt. Ltd, Michigan Engineers Pvt. Ltd, Phedra Projects Pvt. Ltd, Patel Realty (India) Ltd, Saskang Rong Energy Pvt. Ltd, Vismaya Constructions Pvt. Ltd, Pandora Infra Pvt. Ltd, Bhooma Realties Pvt. Ltd, PAN Realtors Pvt. Ltd.

Variation in terms of appointment of Mr. Pravin Patel is subject to approval of members in the ensuing Annual General Meeting of the Company, the Board recommends the Resolutions at Item no.6 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Pravin Patel and Mr. Rupen Patel are concerned and interested in item no. 6 of the Notice.

Item no. 7

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on February 13, 2015, the Board has, considered and approved the appointment of M/s. D. Radhakrishnan, Cost Accountants as the cost auditor for the financial year 2014-15 at a remuneration of ₹ 3.50 lacs per annum plus applicable service tax.

The Board recommends the Resolutions at Item no.7 of the Notice for approval by the Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested in item no. 7 of the Notice.

Item no. 8

The Company has been giving stock options and other benefits to its employees pursuant to its Employee Stock Option Plan, 2007 through the Patel Engineering Employees Welfare Trust which was approved by the members vide resolution dated September 28, 2007 and August 8, 2008. SEBI promulgated the SEBI (Share Based Employee Benefits) Regulations, 2014 ("Regulations") pursuant to which companies are not explicitly required to formulate separate scheme for stock options and general welfare of the employees. However, no scheme can be framed under these regulations except vide special resolution passed by the members of the Company.

The Company has an employee welfare policy in place under which the income made by the Trust is utilized for the welfare of the employees. Pursuant, to the new Regulations, the Company proposes to launch the Patel Engineering General Employee Benefits Scheme, 2015 ("Scheme") under Part D of the regulations to provide welfare benefits to the employees such as medical, housing and education related assistance to employee as may be detailed in the Scheme.

The objects of PATEL ENGINEERING GENERAL EMPLOYEE BENEFITS SCHEME, 2015 is to acquire, hold, use the Trust property for the welfare and benefit of the beneficiaries, to subscribe for or to purchase or to otherwise acquire, hold and if necessary, dispose of permitted investment and apply the returns and benefits thereof for the benefit of beneficiaries, to utilize the dividend and/or sale proceeds of the permitted investments made by the trust for the welfare and benefit of the employees and to repay loans obtained from the Settlor. The eligible employees (as defined hereunder) will be granted healthcare benefits, hospital care or benefits, benefits in the event of sickness, accident, disability, death or scholarship funds, or such other benefit as the Board of Directors or the Nomination and Remuneration Committee may determine from time to time.

A permanent employee of the Company working in India or out of India and such other employees as mentioned in the Scheme and who has completed at least one year of service in the Company and have an annual compensation of ₹ 6,00,000 or below per annum ('eligible employees'). The Nomination and Remuneration Committee shall, based on the various criteria for selection of the Eligible Employees, at their sole discretion determine the Employees eligibility for participation in the Scheme. The Board/ Nomination and Remuneration Committee shall after approval of the application received from eligible employees, grant benefit/s thereto within reasonable period. The maximum quantum of benefits to be provided per eligible employee will not exceed ₹ 10,00,000 in a financial year.

The Scheme will be administered through Patel Engineering Employees Welfare Trust ('Trust') as per the Trust Deed, Terms of Reference of Nomination and Remuneration Committee and the terms and conditions of the Scheme. The Trust can make secondary acquisition upto the maximum limits specified under the Employee Share Based Employee benefits Regulations 2015. The Scheme involves new issue of shares by the Company and secondary acquisition by the trust. The Company shall at all times confirm to the accounting policies specified Regulation 15 of the Employee Share Based Employee benefits Regulations, 2015.

The Nomination and Remuneration Committee, appointed under Section 178 of the Companies Act, 2013 has been designated to act as and discharge all functions of the Compensation Committee under the Regulations.

None of the directors or key managerial personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolutions except to the extent of any benefit which they may receive under the Scheme.

The Board recommends the resolution set out under item No. 8 for approval of the members as special resolutions.

Copy of the General Employees Benefits Scheme will be available for inspection on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. at the registered office of the Company.

Item no. 9

As the members are aware, a Special Resolution was passed by members vide its Postal Ballot Notice dated July 23, 2014 in terms of the provisions of Section 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, authorizing raising of funds in Indian Rupees or equivalent thereof in any Foreign Currency in one or more tranches to the tune of ₹ 1,000 Crore (Rupees One Thousand Crore only) through Qualified Institutions Placement (QIP)/Foreign Currency Convertible Bonds (FCCBs) /Optionally or Compulsorily Convertible Preference Shares (OCPS/CCPS)/American Depository Receipts (ADRs)/ Global Depository Receipts(GDRs)/ Follow-on Public Offer (FPO) for meeting the capital expenditure for the projects of the Company, its joint ventures and the projects being implemented through the Company's subsidiaries. The Company has so far not raised funds in terms of the said authorisation.

Keeping in view the requirement of funds, the Board decided to seek members' approval /renewal of members'approval by way of a Special Resolution. The Special Resolution contained in the Notice under Item No.9 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible Debentures and such other securities as stated in theresolution (the "Securities") at such price as may bedeemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall bemade considering the prevalent market conditions and otherrelevant factors and wherever necessary, in consultation with Merchant Bankers, Advisors, Underwriters, etc, inclusive of such premium, as may be determined by the Board in one or more tranche(s), subject to SEBI (ICDR) Regulations and other applicable laws, rules and regulations.

The resolution enables the Board to issue Securities for an aggregate amount not exceeding ₹ 2,000 crore or its equivalent in any foreign currency.

The Board shall issue Securities pursuant to this special resolution to meet long term working capital and capital expenditure requirements of the Company and its subsidiaries, joint ventures and associates, including investment in subsidiaries (including overseas subsidiaries),joint ventures and associated besides strengthening the Balance Sheet of the Company including repayment of debt,tap acquisition opportunities, usage for business ventures/projects and other general corporate purposes.

The special resolution also authorizes the Board of Directorsof the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended(the "SEBI Regulations") for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the said SEBl Regulations shall be freely determined subject to such price not being less than the price calculated inaccordance with the relevant provisions of the said SEBI Regulations.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue/ allotment/conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits/cap specified by Reserve Bank of India from time to time.

Pursuant to the provisions of Section 42, 62 and 71 ofthe Companies Act, 2013 including any rules made thereunder and any other provision of the said Act, as may be applicable and the relevant provisions of the listing agreement with the stock exchanges and any other applicable laws, the issue of securities comprising equity shares, foreign currency convertible bonds, ADR's, GDR's, non-convertible debentures and/or issue of debentures on private placement, convertible debentures, etc, will require the prior approval of the Members by way of a Special Resolution.

The Special Resolution as set out at Resolution No.9, if passed, will have the effect of permitting the Board to issue and allot Securities to Investors, who may or may not be existing members of the Company in the manner as set out in resolution No. 9.

The Board recommends the Resolution at Item No. 9 of the Notice for approval of the members by a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

Item no. 10

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed, inter alia, under Section 42 of the Act deals with private placement of securities by a Company. Sub-rule 20 of the said Rule 14 states that in case of an offer or invitation to subscribed for non-convertible debentures on private placement, the company shall obtain previous approval of its Members by means of a special resolution only once in a year for all the offers or invitations for such secured/ unsecured redeemable non- convertible debentures during the year.

The members has approved the issue of Debentures on a private placement basis, for an amount not exceeding ₹ 1,000 crores through a special resolution passed by the members of the Company at the Annual General Meeting held on September 26, 2014 and the same approval will remain in force for a period of 1 year.

The Company has so far not raised finance in terms of the said authorization but to meet the financial requirement, the Company may offer or invite subscription for secured/unsecured redeemable non-convertible debentures, in one or more series/tranches on private placement basis on terms and conditions as the Board of Directors may determine.

The Special Resolution set out in item no.10 of the Notice shall remain in force for a period of 1 year.

The Boardrecommends the Special Resolution at item no.10 for approval of members.

None of the Directors/Key Managerial Personnel/their relatives of the Company have any interest or concern in the resolution.

For and on behalf of the Board of Directors
Patel Engineering Limited

Shobha Shetty
Company Secretary
(Membership No. A17228)

August 14, 2015
Mumbai

Registered Office
Patel Estate Road
Jogeshwari-(West)
Mumbai-400102

Details of Directors seeking appointment/re-appointment at the Annual general Meeting (pursuant to clause 49 of the Listing Agreement)

Name of the Director	Mr. Pravin Patel	Mr. K. Ramasubramanian	Ms. Geetha Sitaraman
Date of Birth	03/01/1937	10/05/1942	14/09/1948
Date of Appointment	29/08/1989	10/11/2014	26/03/2015
Experience in functional area	Has more than 50 years of experience in infrastructural sector	Has specialized in Foreign Exchange Business of banks, adviser on Foreign Exchange Business for Corporates and International faculty of training colleges of banks and management Institutes in India and abroad.	Has wide experience of over 40 years with 5 different banks at Senior Management level
Qualification	B.A.,Graduate in Town Planning from USA, Graduate in Financial Management from London School of Economics.	M.Sc., PGDBA, CAIIB(I)	B.A.(HONS), LLB, CAIIB
Directorship in other Companies (Public Limited Companies)	1. ASI - RCC India Ltd. 2. Patel Patron Pvt. Ltd. 3. Michigan Engineers Pvt Ltd. 4. Phedra Projects Pvt. Ltd. 5. Patel Realty (India) Ltd. 6. Saskang Rong Energy Pvt. Ltd. 7. Vismaya Constructions Pvt Ltd 8. Pandora Infra Pvt. Ltd. 9. Bhooma Realties Pvt Ltd 10. PAN Realtors Pvt. Ltd.	1. Innovassynth Investments Ltd. 2. Innovassynth Technologies (India) Ltd.	Nil
Membership of Committees of other Public Companies **(Audit Committee / Nomination Remuneration Committee/Stakeholders Relationship Committee)**	Nil	1. Innovassynth Investments Ltd. 2. Innovassynth Technologies (India) Ltd.	Nil
No. of Shares held in the company	40,800 Equity Shares of ₹ 1 each	357 Equity Shares of ₹ 1 each.	Nil

PATEL ENGINEERING LTD.

Regd. office: Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai 400 102
Tel No: +91 22 2676 7500 Fax: +91 22 2678 2455
CIN:L99999MH1949PLC007039, Website: www.pateleng.com

66th Annual General Meeting

Admission Slip

Please fill and hand it over at the entrance of the Meeting Hall

I hereby record my presence at the 66th Annual General Meeting of the Companyon Monday, September 28, 2015 at 3.30 p.m., at Shree Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai - 400102

Registered Folio No. / DP ID/Client ID	
Name and address of the Member(s)	
Joint Holder 1	
Joint Holder 2	

Signature of Member or Proxy or Representative

*Applicable for investors holding shares in electronic form

EVSN (Electronic Voting Sequence Number)	**Sequence Number

** Only Members who have not updated their PAN with the Company / Depository Participant shall use the above Sequence Number in the PAN field.

Note: Please read the instructions printed under the Note No. 10 to the Notice of 66thAnnual General Meeting. The Voting period starts from 9.00 a.m. on Friday, September 25, 2015 and ends at 5.00 p.m. on Sunday, September 27, 2015. The voting module shall be disabled by CDSL for voting thereafter.

PATEL ENGINEERING LTD.

Regd. office: Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai 400 102
Tel No: +91 22 2676 7500 Fax: +91 22 2678 2455
CIN:L99999MH1949PLC007039, Website: www.pateleng.com

PROXY FORM

Folio No./ Client Id / DP Id :

I/We, being the member(s) of _____ Equity shares of Patel Engineering Limited hereby appoint:

1.Name	2. Name	3. Name
Address	Address	Address
e-mail id	e-mail id	e-mail id
Signature....., or failing him	Signature ....., or failing him	Signature ....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 66th Annual General Meeting of the Company to be held on September 28, 2015 at 3.30 p.m. at Shree Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West) Mumbai – 400102 and at any adjournment thereof in respect of such resolutions as are indicated below;

Sr. No.	Resolutions	For	Against
	Ordinary Business		
1	To consider and adopt a. the audited Financial Statement of the Company for the financial year ended on March 31, 2015 together with the reports of the Board and the Auditors thereon; and . b. the audited Consolidated Financial Statement of the Company for the financial year ended on March 31, 2015 together with the reports of the Auditors thereon.		
2.	To appoint a Director in place of Mr. Pravin Patel, who retires by rotation and, being eligible, offers himself for re-appointment		
3.	To appoint M/s Vatsaraj and Co. as Statutory Auditors of the Company.		
	Special Business		
4.	Appointment of Mr. K. Ramasubramanian as an Independent Director		
5.	Appointment of Ms. Geetha Sitaraman as an Independent Director		
6.	Variation in terms of appointment of Mr. Pravin Patel		
7.	Ratification of remuneration payable to M/s D. Radhakrishnan & Co. as Cost Auditors of the Company for FY 2014 -15		
8.	Adoption of Patel Engineering General Employee Benefits Scheme 2015.		
9.	Further issue of securities		
10.	Issue of Non –Convertible Debentures on Private Placement Basis.		

Signed this _____ day of _____ 2015.

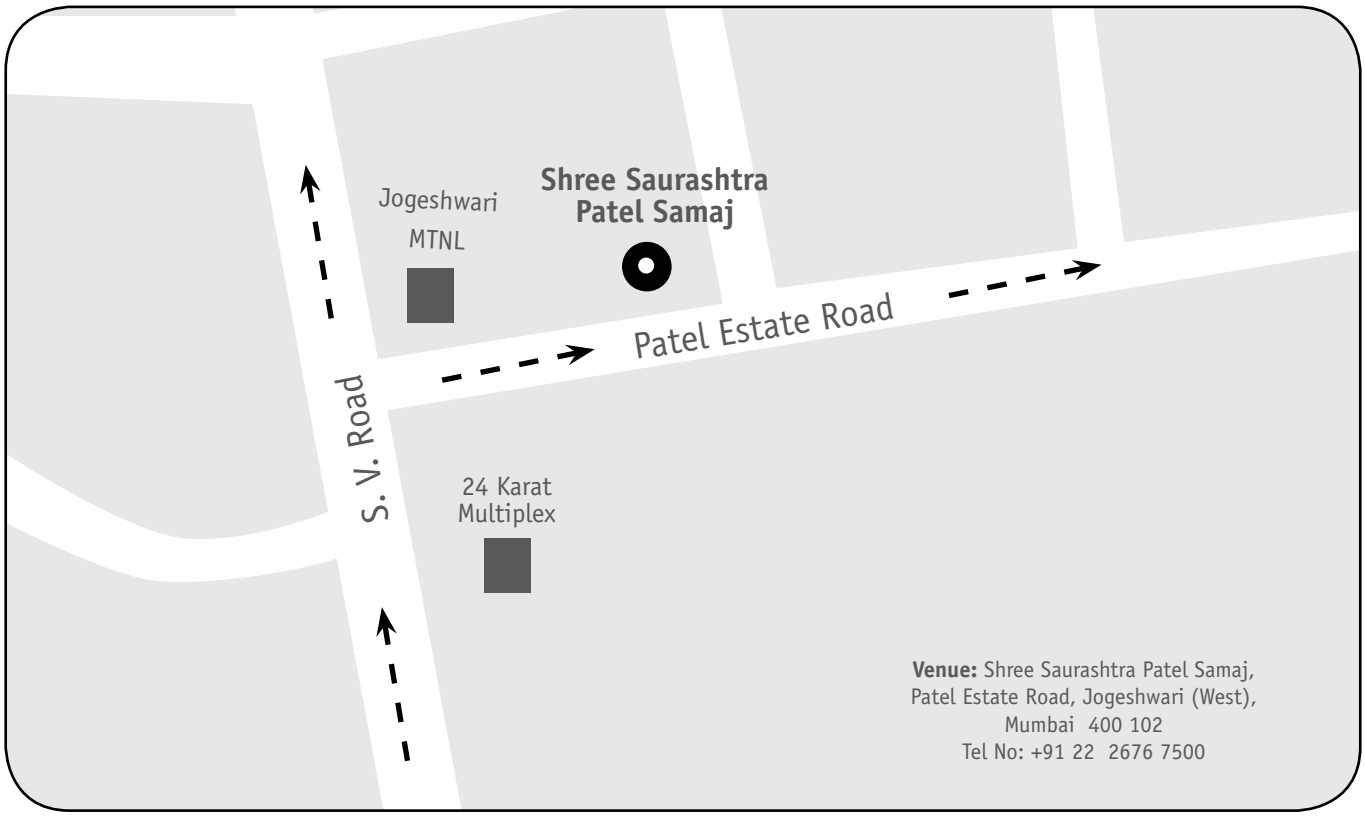
Signature of Shareholder _____

Signature of Proxy holder(s) _____

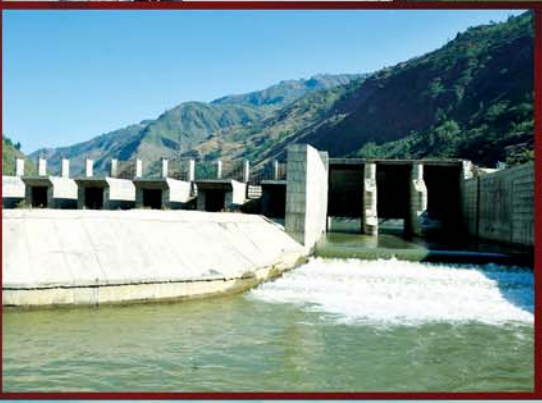
Please affix the Revenue Stamp of ₹ 1

Notes: This Form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP

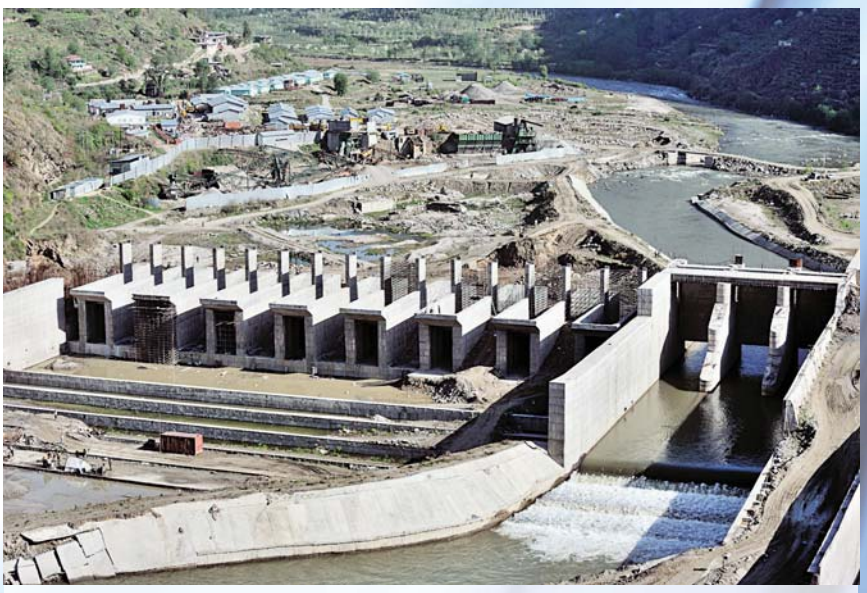

Jogeshwari
MTNL
Shree Saurashtra
Patel Samaj
Patel Estate Road
S. V. Road
24 Karat
Multiplex
Venue: Shree Saurashtra Patel Samaj,
Patel Estate Road, Jogeshwari (West),
Mumbai 400 102
Tel No: +91 22 2676 7500

Patel
Since 1949



PATEL ENGINEERING LTD.

ANNUAL REPORT 2014-15



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Corporate Information

BOARD OF DIRECTORS

Mr. Pravin Patel, Chairman
Mr. Rupen Patel, Managing Director
Mr. Khizer Ahmed, Independent Director
Mr. Srinivasa Jambunathan, Independent Director
Ms. Silloo Patel, Whole Time Director & CFO
Mr. Ashwin Parmar, Whole Time Director
Mr. Sharad Zalawadia, Independent Director
Mr. K. Ramasubramanian, Independent Director
Ms. Geetha Sitaraman, Independent Director

REGISTERED OFFICE

Patel Estate Road, Jogeshwari (West),
Mumbai - 400 102
Tel.: +91 22 2676 7500
Fax: +91 22 2678 2455
Email Id: investors@pateleng.com
Website: www.pateleng.com

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-13 Pannalal Silk Mills Compound,
LBS Road, Bhandup (West),
Mumbai - 400 078
Tel: +91 22 25946970
Fax: +91 22 85946969
Email Id: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.com

JOINT CFO

Ms. Kavita Shirvaikar

COMPANY SECRETARY

Ms. Shobha Shetty

AUDITORS

M/s. Vatsaraj & Co.
Chartered Accountants
First Floor, Fort Chambers,
"C"Block,65, Tamarind Lane,
Fort, Mumbai-400 023

CONSORTIUM LENDERS

ICICI Bank Ltd
Bank of India
Dena Bank
Canara Bank
Bank of Baroda
Industrial Development Bank of India Ltd
Union Bank of India
Corporation Bank
State Bank of Patiala
Axis Bank Ltd
Standard Chartered Bank
Bank of Maharashtra
DBS Bank Ltd
Societe Generale
The Ratnakar Bank Ltd
IndusInd Bank Ltd
SREI Equipment Finance Ltd

Rupen Patel
Managing Director

Message from the Managing Director

Dear Shareholders,

"The woods are lovely, dark and deep. But I have promises to keep, and miles to go before I sleep" from Robert Frost's poem are the best lines to describe our new Prime Minister Mr. Narendra Modi. The new government led by Prime Minister Mr. Narendra Modi is all set to create a second revolution to build a new India. The government has already initiated several new policies to revive the ailing economy with Indigenous programs like Make in India and Swacch Bharat Abhiyaan.

Moreover, several steps have been taken to simplify the processes and attract more investments from the Indian diaspora outside the country along with other global companies. During the past year, the government also focused on removing policy bottlenecks to simplify documentation and processes to initiate business activities.

The new government's first full Union Budget saw several measures being announced to boost infrastructure sector and prior to that the coal blocks allocation were completed successfully. Given the large consumer economy and favourable demographic indicators, the country is attractively poised to reignite its economic machinery.

Infrastructure is not a matter of choice, but of need. Good Infrastructure fuels economic growth of a country. Here, the Indian government has played an important role. The Finance Minister Mr. Arun Jaitley announced a big push for the infrastructure sector with a hefty increase in investments of ₹ 7,00,000 million in the Budget for the fiscal year 2015-16.

Our infrastructure does not match our growth ambitions. There is a pressing need to increase public investment. Listing infrastructure among the five major challenges, the Finance Minister has to reckon with private investment in infrastructure via the public private partnership (PPP) which model is still weak and public investment needs to step in to catalyse investment. He also stressed on the need to revitalise the PPP mode of infrastructure development.

The Construction Industry is highly dependent on government regulations and policies. The infrastructure sector has got a huge facelift in the Union Budget 2015. To augment the power generation capacity in the country, the Finance Minister has announced five new ultra mega power projects each of 4,000 MW in the plug-and-play mode. The Minister also stated that all clearances and linkages will be in place before each project is awarded through a transparent auction system.

This will unlock investments to the tune of rupees one lakh crore and the government would also consider this plug-and-play mode for other infrastructure projects as roads, ports, railway lines and airports.

The government has undertaken a lot of initiatives to bring a bright change in the country, however still a lot needs to be done for the grass to become greener on the ground. The GST and Land Bill are few initiatives taken by the government which once implemented with the required amendments, if any, may bring a new perspective to the regime. The delay of implementation of various measures due to the political scenario of our country has slowed down the expected push in the growth of our economy. The RBI Governor has done a great job in controlling the ever falling rupee. The falling prices of crude in international markets have helped the country to maintain its balance of accounts which was otherwise gloom and in a state of stagnation.

Although the repo rate has been reduced twice by 25 basis points (bps) each but still the same is standing high at 7.5%. Further, the rate cuts needs to be passed on further to the people and the commercial lending rates should taper down by at least 200 to 300 bps to ease out the currently high burden of interest costs and in process improving the profitability of highly capital intensive industries like ours.

The Industry scenario has seen negative or minimal growth and has been loaded with more financial burden in FY 2015. The performance of the Company also reflects the same whereby the consolidated revenue is ₹ 34,153.87 million which has decreased by 7.7% as compared to the previous year. The net profit stood at ₹ 84.69 million as against ₹ 163.69 million in the previous year, as a result the EPS has come down to ₹ 1.10 from ₹ 2.13 in the previous year. The main reasons being increase in working capital cycle and as a result increase in interest costs.

During the year, the Company undertook various initiatives to relook at the project costs and negotiate with the vendors and subcontractors to realign the payment structure. This helped reduce the dependence on working capital requirements from external sources to the maximum extent possible. Also improving business development by taking profitable projects which have slowly started coming in, being a positive fruit of standing tall and high in the toughest times that the industry has seen in the last few decades. This has eased the competition as a lot of smaller players and new entrants are on the verge of going out of business due to non-availability of the required funding or the instability in the industry.

The order backlog from the engineering and construction business as on March 31, 2015 is approx. ₹ 1,08,790 million and the Company has also been declared lowest bidders for contracts worth ₹ 83,000 million approx.

The Company successfully completed the consolidation process of refinancing its debt whereby the short term loans have been replaced by long term loans. The repayment of loans is now aligned more realistically to the expected collection of receivables which were getting elongated due to the delay in decision making by the government authorities and also to the monetization of non-core assets. This has given more clarity to the lenders in terms of the prospects of the Company and its subsidiaries. In the process this helped with financial liquidity in the interim period which allowed the existing projects to move towards becoming self-sufficient.

Although the growth curve has not been as steep as expected after the change in the government, the future does not look bleak. There is a lot to be done which the new government may not be able to do immediately and it may take another year for the new efforts to start reflecting the changes. Hence, the Company expects to remain cautious in FY 2016 with the focus on reduction of debt through monetization of non-core assets and steady growth through bidding for selective profitable projects.

Rupen

Our Global Presence

Comparative Consolidated Financials

(₹ in Million)

	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
A. FINANCIAL POSITION										
Share Capital	76.81	76.81	69.83	69.83	69.83	69.83	59.66	59.66	59.66	50.00
Reserves & Surplus	18,850.22	17,851.55	16,205.76	15,497.55	14,739.93	13,557.69	10,112.63	8,399.33	7,014.48	1,956.99
Shareholders Funds	**18,927.03**	**17,928.36**	**16,275.59**	**15,567.38**	**14,809.76**	**13,627.52**	**10,172.29**	**8,458.99**	**7,074.14**	**2,006.99**
Minority Interest	1,247.37	1,293.29	988.98	834.06	704.27	615.24	215.77	405.41	74.02	254.36
Deferred Tax Liability	139.76	171.54	113.32	216.03	131.95	114.88	148.36	150.94	118.40	167.53
Loan Funds	51,633.58	44,780.38	34,754.22	28,379.91	24,744.88	18,300.18	12,812.62	9,764.01	3,419.72	3,577.75
Total Funds Employed	**71,947.74**	**64,173.57**	**52,132.11**	**44,997.38**	**40,390.86**	**32,657.82**	**28,003.34**	**20,957.35**	**12,178.13**	**7,982.34**
Fixed Assets (Net)	16,402.35	14,606.70	12,509.61	10,532.09	8,530.20	7,591.16	5,700.97	6,702.43	2,535.80	2,430.10
Investments	1,817.81	1,338.98	1,131.07	985.88	780.35	698.17	504.65	360.81	1,714.02	283.64
Deferred Income Tax	-	-	-	-	-	-	-	-	-	14.32
Net Current Assets & Non Current Assets	53,727.58	48,227.89	38,491.43	33,679.41	30,997.87	24,301.52	21,738.32	13,871.26	7,901.26	5,222.04
Miscellaneous Expenditure (To the extent not written off or adjusted)	-	-	-	-	82.44	66.97	59.40	22.85	27.05	32.26
Total Application of Funds	71,947.74	64,173.57	52,132.11	44,997.38	40,390.86	32,657.82	28,003.34	20,957.35	12,178.13	7,982.36
B. OPERATING RESULTS										
Income from Operations	34,153.87	37,011.31	41,148.74	35,920.91	34,759.09	31,909.33	24,598.45	18,596.43	12,900.12	10,223.34
Other Income	1,159.22	1,067.37	817.47	910.92	229.75	630.12	144.59	36.87	97.51	59.68
Total Income	35,313.09	38,078.68	41,966.21	36,831.83	34,988.84	32,539.45	24,743.04	18,633.30	12,997.63	10,283.02
Total Expenditure	34,996.21	37,618.71	40,707.37	35,532.45	33,141.67	29,489.55	22,372.74	16,778.20	11,685.50	9,475.29
Profit before Tax	316.88	459.97	1,258.84	1,299.38	1,847.17	3,049.90	2,370.30	1,855.10	1,312.13	807.73
Profit after Tax	96.73	247.18	742.30	701.87	1,307.26	2,120.57	1,934.02	1,628.12	1,171.33	741.90
Minority Interest and other adjustments	12.04	83.49	92.27	35.99	81.21	138.96	129.24	109.07	26.62	8.80
Net Profit	**84.69**	**163.69**	**650.03**	**665.88**	**1,226.05**	**1,981.61**	**1,804.78**	**1,519.05**	**1,130.11**	**733.10**
C. EQUITY SHARE DATA										
Earning per share (₹)	1.10	2.13	9.31	9.54	17.56	30.96	30.25	24.74	18.90	14.80
Number of Shares	76,806,282	76,244,325	69,827,151.00	69,827,151	69,827,151	69,827,151	59,659,090	59,659,090	59,659,090	50,000,000
Dividend %	-	-	-	30%	100%	200%	175%	150%	130%	130%

Boards' Report

To the Members of Patel Engineering Ltd.,

The Directors have pleasure in presenting their 66th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

Standalone and Consolidated Financial Performance of Patel Engineering Ltd.

(₹ in Million)

	Consolidated		Standalone	
	2014-15	**2013-14**	**2014-15**	**2013-14**
Total Income	35,313.09	38,165.10	26,682.25	28,518.67
Profit before depreciation, prior period and exceptional items	961.15	1,357.41	737.86	904.73
Less: Depreciation	797.78	819.77	519.18	542.29
Less : Prior Period Item*	-	77.67	-	-
Add : Exceptional Item#	153.31	-	-	-
Profit before tax	316.88	459.97	218.68	362.44
Tax & Minority Interest	232.19	296.28	99.83	112.46
Net Profit	84.69	163.69	118.85	249.98
Add: Opening Balance in Profit & Loss A/c	5,770.36	4,759.61	5,219.52	4,096.98
Add: Reversal of Prudent Provision for Tax **	600.64	981.31	600.64	981.31
Amount available for appropriation	6,850.83	5,904.61	5,939.01	5,328.27
Appropriations:				
a. Proposed Dividend	-	-	-	-
b. Tax on Dividend	-	-	-	
c. General Reserve	-	25.50	-	-
d. Debenture Redemption Reserve	-	108.75	-	108.75
e. Depreciation impact as per schedule II	4.92	-	4.92	-
Surplus carried to the Balance sheet	6,845.91	5,770.36	5,934.09	5,219.52
Earnings per equity shares (face value ₹ 1)				
- Basic (₹)	1.10	2.15	1.55	3.28
- Diluted (₹)	1.10	2.13	1.55	3.25

** for Prior Period Item, refer to note no. 39 of Notes to Consolidated Financial Statement.*

 # for Exceptional Item, refer to note no. 50 of Notes to Consolidated Financial Statement.

*** for reversal of Prudent Provision for Tax refer to note no. 25(ii) of notes to Standalone Financial Statement.*

Consolidated

The Consolidated total income which stood at ₹ 35,313.09 million lower by 7.47 % as against ₹ 38,165.10 million for the previous year. The profit before depreciation was lower by 29.19% at ₹ 961.15 million as against ₹ 1,357.41 million for the previous year. The net profit was lower by 48.14% at ₹ 84.69 million as against ₹ 163.69 million for the previous year.

Standalone

On Standalone basis, the total income was lower at ₹ 26,682.25 million as against ₹ 28,518.67 million for the previous year. The profit before depreciation was lower by 18.44% at ₹ 737.86 million as against ₹ 904.73 million for the previous year. The net Profit was lower by 52.46% at ₹ 118.85 million as against ₹ 249.98 million for the previous year.

Dividend

To conserve funds, the Board of Directors has not recommended any dividend for the financial year 2014-15.

Information on state of affairs of the Company

Information on the operational and financial performance, among others, is given in the Management Discussion and Analysis Report which is forming part of the Annual Report and is in accordance with Clause 49 of the Listing Agreement.

Share Capital

During the year, 5,61,957 Optional Convertible Preference Shares (OCPS) aggregating to ₹ 5,61,957which were outstanding as on March 31, 2014 were converted on April 15, 2014 and the Company issued and allotted 5,61,957 equity shares to the promoter entities at a price of ₹ 57.50 per share (including premium of ₹ 56.50 per share).

Subsequent to the allotment, the Issued, Subscribed &Paid up Equity Share Capital of the Company increased from 6,98,27,151 Equity Shares of ₹ 1 each to 7,68,06,282 Equity Shares of ₹ 1 each.

Finance

Pursuant to Section 180(1)(c) of the Companies Act, 2013, members vide resolution dated September 9, 2014 passed by Postal Ballot, approved increase in the borrowing powers of the Board of Directors of the Company from ₹ 75,000 million to ₹ 90,000 million, to meet Company's growing business needs.

As on March 31, 2015, the Company on Standalone basis has ₹ 3,650 million outstanding NCDs repayable over period of 3 to 10 years. The NCDs are listed on National Stock Exchange of India Limited.

In addition, the Company from time to time has raised money through borrowings (long and short terms) and the total amount outstanding on standalone basis as on March 31, 2015 is ₹ 37,157.49 million.

Subsidiaries

The Company at present has 84 subsidiaries, 2 joint ventures and 6 associate companies.

During the year ended March 31, 2015, Patel Engineering Inc, the wholly owned subsidiary of the Company in USA acquired 100% stake in ASI Global LLC, USA. The Company also increased its holding in Shreeanant Construction Pvt. Ltd from 51% to 100%. The Company's holding in Pan Realtors Private Ltd. (PAN) got reduced from 51% to 36.43 % on account of non-subscription to the Rights Issue offered by PAN.

In terms of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules 2014, a separate statement containing the salient features of the financial statement of the subsidiaries, associates and joint ventures is enclosed as Annexure I of the Boards' Report.

Key Subsidiary / Associate updates

The Company is developing the real estate projects through a wholly owned subsidiary **Patel Realty (India) Ltd** (PRIL) and its subsidiaries which exclusively focus on the real estate business of the company. Some of the projects which have been launched by PRIL include:

- Development of integrated township named as Neotown on 103 acres in Bangalore. The subsidiary is currently developing residential project (over 24 acres of land consisting of over 2,300 apartments) and a Mall (over 12 acres of land comprising of 2 million sq feet of built up area). The subsidiary has successfully handed over 1,800 apartments of the aforesaid development. The subsidiary got further approval for three residential projects totalling to 2.5 million sq ft. to be monetized shortly in the current financial year. The mall structure is 80% completed.
- Development of Residential Project at Gachibowli, Hyderabad named as Smondo Gachibowli on 4 acres of land comprising of 2 residential tower and a service apartment being developed by **PBSR Developers Pvt. Ltd.** (100% subsidiary of PRIL). The project is meticulously crafted and offers a unique blend of smart design and superior quality. The Project has commenced construction activity.
- Company's Mauritius subsidiary **Les Salines Development Ltd.** has received termination notice from the government of Mauritius terminating the Land lease agreement for developing integrated waterfront project namely Neotown Port Louis. In terms of this agreement, the Company is eligible for compensation for all improvement made on the land. The lease of land was granted to the Mauritian subsidiary in the year 2009 and the Company has been carrying on the development of land as per the master plan approved by the Government. The details of compensation are being worked for submission.

ASI Constructors Inc, one of the key subsidiary based in USA has orders in hand of approx ₹ 10,743.90 million as on March 31, 2015. During FY 15, the revenues of this company has increased by 35% in USD terms and 48% in INR terms to ₹ 7,466.40 million as compared to ₹ 5,142 million in the previous year.

Michigan Engineers Pvt. Ltd. wherein the Company has 51% stake, having presence in urban infrastructure Projects, have during financial year 2014-15 been awarded Microtunnelling contract for total 6,165 meter by MCGM, Mumbai. Michigan has also bagged subcontract for Design, Planning & Construction including supply, delivery, Erection, Commissioning of Mechanical Instrumentation and Automation works of Storm Water Pumping station at Britannia outfall, Reti Bunder Bay, Reay Road, Mumbai from Unity-M&P-WPK Consortium and a subcontract from Pratibha Industries Ltd. for the work related to stabilization and dredging of required area near existing plug-in location at Modak Sagar Lake for increased hydraulic flow.

The Company through its wholly owned subsidiary **Patel Energy Resources Ltd.** (PERL) intended to build a thermal coastal power plant project of 1,050 MW at Nagapattinam,

Tamil Nadu. All the statutory clearances required are in place except Consent For Establishment (CFE) that is mandatory for taking up Project construction works is still pending with Government of Tamil Nadu. Pending this, the Company has kept the project currently on hold.

Company's Hydro power project is through the 100% subsidiary **Dirang Energy Pvt. Ltd.** The said subsidiary has achieved financial closure of this project. The debt for the project amounting to ₹ 9.00 billion has been tied up from consortium of banks led by IDBI Bank. The contract for execution of all the civil, HM, EM works has been awarded; contractor has mobilized man & machinery and execution of the project is in progress.

Company's wholly owned subsidiary **Patel Engineering Lanka Pvt. Ltd.** in Srilanka has in joint venture with Squanda Prefab World Pvt. Ltd has incorporated a Company in Colombo viz Patel Lanka Squanda Private Ltd. for executing the construction of 1500 dwelling Units at Colombo under the contract signed with Urban Development Authority, Govt. of Sri Lanka. The Client increased the Unit Size from 400 Sft to 500 Sft and the No. of Units from 1500 to 1672 with consequential increase in total contract price. The project work is in progress.

Company's joint venture (JV) with Simplex Infrastructures Ltd. and BS Ltd. **(Raichur-Sholapur Transmission Company Pvt. Ltd.)** for construction of 765kV S/C Quad Transmission Line from Raichur to Sholapur (approximate route Length is 208 km) on Build, Own, Operate and Maintain (BOOM) basis for a period of 35 years has been successfully commissioned in June 2014. Company's share in the JV is 33.34% with the other two JV partners share being 33.33% each.

The Company along with other JV partners had bagged a BOT project from Uttar Pradesh State Highways Authority (UPSHA)in the name of **ACP Tollways Pvt. Ltd.** for construction of four-lane highway project in Varanasi-Shaktinagar Road, an entire length of 117.65 km at a project cost of ₹ 17.50 billion. Financial closure for the project has been achieved in June 2012 and the construction work started in February 2013. The SPV has so far completed around 91% of work. The balance work expected to be completed and toll collection to start in December 2015.

Pan Oasis - Noida, residential project of approx 3 million sqft) is being developed by **PAN Realtors Pvt. Ltd.**, werein company holds 36.43%. The project is presently in a advanced stage of completion and expects handover of possession in a phased manner, PAN started the process of first phase of handover and expects completion by March 2016 and for Tower T, the completion by October 2017. Approx 87% of the area has been sold.

Terra Land Developers Ltd., an associate of the Company has sold the development rights of a plot in Bandra Kurla Complex for ₹ 2272.50 million to retire its Non Convertible Debentures.

In terms of Clause 49 V D of the Equity listing Agreement, the Company has formulated a policy for determining 'material' subsidiaries and the same has been disclosed on Company's website at the link: http://tinyurl.com/nqb2o56.

Related Party Transactions

All the transactions entered by the Company with Related Parties were in the ordinary course of Business and at arm's length basis. The Audit Committee granted omnibus approval for the transactions(which are repetitive in nature) and the same was reviewed by the Audit Committee and the Board of Directors.

There were no materially significant transactions with related parties during the financial year 2014-15 which were in conflict with the interest of the Company. All the Related Party Transactions as required under AS-18 are reported in the Notes to the financial statements.

In accordance with the provisions of Clause 49 of the Listing Agreement, the Company has formulated the Related Party Transactions policy and the same is uploaded on Company's website at the link:http://tinyurl.com/nrqnhhs

Particulars of Loans given, Investment made, Guarantees given and Securities provided

The members may note that the Company is engaged in providing infrastructural facilities and hence, as per Section 186(11) of Companies Act, 2013, nothing in Section 186 shall apply to the Company except sub-section (1) of Section 186. Accordingly, a separate disclosure has not been given in the financial statements as required under Section 186(4) with regard to particulars of loan given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security.

Internal Financial Controls

The Management continuously reviews the internal control systems and procedures for the efficient conduct of the Company's business. The Internal Auditor of the Company conducts the audit on regular basis and the Audit Committee reviews internal audit reports and effectiveness of internal control system.

Directors and Key Managerial Persons

i. Independent Director

Mr. Kannan, the independent Director of the Company passed away in December 2014. The Board placed on records its deep appreciation for the valuable contribution made by him during his tenure as a Director of the Company.

Mr. K. Ramasubramanian and Ms. Geetha Sitaraman were appointed as Additional Directors (independent) with effect from November 10, 2014 and March 26,

2015 respectively. We seek members confirmation for appointment of Mr. K. Ramasubramanian and Ms. Geetha Sitaraman as independent Directors for a term upto five consecutive years for a term up to the conclusion of the 71st Annual General Meeting of the Company in the calendar year 2020.

Further, the Company has received the declarations from all the Independent Directors confirming that they meet the criterial of independence as prescribed in terms of Section 149(6) of the Companies Act 2013 and that there is no change in the status of independence.

ii. Retirement by Rotation of the Directors

Mr. Pravin Patel retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. `

iii. Resignation of Director

Mr. Nimish Patel, Whole time Director of the Company has tendered his resignation w.e.f. July 16, 2015 and the Board has accepted it and placed on record its appreciation for the valuable contribution made by him during his tenure as Director of the Company.

iv. Key Managerial Personnel

The following persons are the Key Managerial Personnel (KMPs) of the Company as per the provisions of the Companies Act, 2013 (the Act) and were already in office before the commencement of the Act.

Mr. Pravin Patel Whole time Director & Chairman

Mr. Rupen Patel Managing Director

Ms. Silloo Patel Whole time Director & CFO

Ms. Shobha Shetty Company Secretary

Mr. Ashwin Parmar was appointed as Whole time Director w.e.f April 1, 2014 by the members at their Extra-ordinary General Meeting held on March 19, 2014.

Ms. Kavita Shirvaikar was appointed as Joint Chief Financial Officer of the Company by the Board of Directors at their meeting held on February 13, 2015.

(Mr. Nimish Patel, Whole time Director (KMP) has resigned w.e.f July 16, 2015.)

Number of Board Meetings held

During the year ended March 31, 2015, the Board met 9 times. The details of the Board meetings and the attendance of the Directors at the meeting are provided in the Corporate Governance Report, which forms part of this Annual Report.

Remuneration Policy

The Company has framed a Remuneration Policy pursuant to Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013. This Policy is enclosed as Annexure II to the Boards' Report.

Evaluation of Board

The Board has carried out an annual performance evaluation of its own performance, and of the directors individually, as well as the evaluation of all the committees i.e. Audit, Nomination and Remuneration, Stakeholders Relationship, Committee of Directors and CSR Committee.

The Board adopted a formal evaluation mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Board the exercise was carried out by feedback survey from each directors covering Board functioning such as composition of Board and its Committees, experience and competencies, governance issues etc. Separate Exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013, the Directors confirm that:

i. in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable Accounting standards had been followed along with proper explanation relating to material departures.

ii. for the financial year ended March 31, 2015, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended March 31, 2015.

iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. the annual financial statements have been prepared on a going concern basis.

v. that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.

vi. that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Audit Committee

The Audit Committee of the Board of Directors of the Company comprised of the following members:

Mr. Khizer Ahmed – Independent Director & Chairman

Mr. Pravin Patel – Executive Director

Mr. K. Ramasubramanian – Independent Director

Mr. S. Jambunathan – Independent Director

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 (the Act), the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee (CSR Committee) comprising of the following Directors as it members:

Mr. Pravin Patel - Executive Director

Mr. K. Ramasubramanian – Independent Director

Mr. Ashwin Parmar - Executive Director

The terms of reference of the CSR Committee include the matters specified in Section 135 of the Act.

The CSR Policy of the Company is uploaded on the Company's website at the link http://tinyurl.com/o6yczkx

The average net profit of the company for last three financial years is ₹ 446.57 million and the prescribed CSR expenditure required to be spend is ₹ 8.93 million. During the year ended March 31, 2015, the Company has not initiated any CSR activities on account of financial constraints. However, the Company has initiated the CSR activities in the current financial year 15-16.

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Auditors

M/s. Vatsaraj & Co. Chartered Accountants, Mumbai bearing ICAI Registration No. 111327W who retires at the ensuing Annual General Meeting of the Company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company.

As required under Section 139 of the Companies Act, 2013, the Company has obtained written consent from M/s. Vatsaraj & Co. to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the Rules made there under, as may be applicable.

Secretarial Audit Report

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company engaged the services of Dr. K. R. Chandratre, Practising Company Secretary to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2015.

The Secretarial Audit Report (in Form MR-3) is enclosed as Annexure III to the Boards' Report. This report contain observation on not filing the Consolidated Financial Statement for the Year ending March 31, 2014 within 60 days from the end of the financial year to BSE/ NSE and delay in filing Annual Performance Report (APR) of few subsidiaries. The above delays were on account of delay in receipt of audited/unaudited financials of foreign subsidiaries.

Cost Auditor

In terms of the provision of 148 of the Companies Act, 2013, read with the Companies (cost records and audit) Rules, 2014, M/s. D. Radhakrishnan & Co, a firm of Cost Accountants in practice (FRN: 000018) having their office at 11 A, Doverlane flat B1/34 Calcutta 700029 was appointed as Cost Auditor of the Company for the financial year 2014-15 by the Board of Directors of the Company at a remuneration of ₹ 3,50,000(excluding service tax) as recommended by the Audit Committee and approved by the Board subject to ratification by the shareholders at the ensuing Annual General Meeting of the Company.

Sexual harassment of Women at workplace

The Company has framed a Policy on Prevention of Sexual harassment at workplace. There were no cases reported during the year ended March 31, 2015 under this policy.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings/ Outgo is enclosed as Annexure IV to the Boards' Report.

Extract of the Annual Return

In accordance with the provisions of Section 92 of the Companies Act, 2013 and the Rules framed thereunder, the extract of Annual Return in the prescribed Form MGT -9 is enclosed as Annexure V to the Boards' Report.

Risk Management

The Risk Management Committee of the Board of Directors of the Company has framed and implemented a Risk Management Policy.

Whistle Blower Policy / Vigil Mechanism

The Company has a Vigil Mechanism Policy for the employee to report genuine concerns/grievances. The Policy is uploaded on the Company's website at the link

http://tinyurl.com/pvenjtk. The policy provides for adequate safeguards against the victimization of the employees who use the vigil mechanism. The vigil mechanism is overseen by the Audit Committee. There are no complaints / grievances received from any Directors or employees of the Company under this policy.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure VI to the Boards' Report

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement, the report on Corporate Governance together with the certificate issued by M/s Vatsaraj and Co, the Auditors of the Company, on compliance in this regard forms part of the Annual Report.

Employee Stock Option Scheme (ESOP)

During the year ended March 31, 2015, the Company had granted 22,400 options on May 23, 2014 to eligible employees of the Company in terms of ESOP Plan 2007 out of the outstanding Stock options of 60,45,000 options with Patel Engineering Employee Welfare Trust. The vesting of the Stock Options was on May 24, 2015 ie one year period from the date of grant. The said Options was to be exercised within 2 months from the date of vesting which was further extended by the Board of Directors for another 4 months ie options to be exercised on or before November 24, 2015. No options have been exercised during the year ended March 31, 2015.

The disclosure in compliance with Regulation 14 of SEBI (Share Based Employees Benefits) Regulation, 2014 is available on company's website at the link: http://tinyurl.com/nkarjsm.

The Patel Engineering Employee welfare Trust, ("the Trust") has provided loans and grants to eligible employees for healthcare, education and other benefits. The total amount spent during the year for the welfare of the employee in form of loan is ₹ 0.55 million and grant is ₹ 0.15 million . The said benefits given to the employees are now required to be covered in the form of a scheme as required by SEBI (Share Based Employees Benefits) Regulation, 2014. As such Company proposes to introduce Patel Engineering General Employee Benefits Scheme, 2015 in terms of the SEBI's new regulation to provide welfare benefits to the employees such as medical, education related assistance and other benefits out of the income derived by the Trust. The said scheme is subject to approval of members and therefore the Board propose to place the Scheme for approval of members at the forthcoming Annual General Meeting.

General

i) There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the Boards' report.

ii) No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

iii) The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the said Act or the details of deposits which are not in compliance with the Chapter V of the said Act is not applicable

Acknowledgements

The Board of Directors wish to place on record their appreciation for their continued support and co-operation by Shareholders, Financial Institutions, Banks, Government Authorities and other Stakeholders.

The Board of Directors also acknowledges and appreciates the support extended by all the employees of the Company and for their dedicated service.

On behalf of the Board of Directors,

Pravin Patel
Executive Chairman
(DIN:00029453)

Registered Office:
Patel Estate Road,
Jogeshwari (W),
Mumbai 400 102

August 14, 2015
Mumbai

Statement containing the salient features of the financial statements of subsidiaries/associates companies/joint ventures

(pursuant to first provision of sub section (3) of Section 129 of the Companies Act, 2013, read with rule 5 of the Company (Accounts) Rules, 2014 - AOC -1)

Part - "A" Subsidiaries

Sr. No.	Name of the Subsidiary Company	Exchange rate	Issued and subscribed share capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Country	Invest-ments by PEL	% of Share-holding
	DIRECT SUBSIDIARIES													
1	Zeus Minerals Trading Pvt. Ltd.	INR	0.60	(0.21)	85.50	85.50	-	-	(0.03)	-	(0.03)	India	0.60	100
2	Patel Concrete & Quarries Pvt. Ltd.	INR	1.00	(0.18)	86.63	86.63	-	-	(0.03)	-	(0.03)	India	1.00	100
3	Friends Nirman Pvt. Ltd.	INR	0.33	1.10	1.44	1.44	-	-	(0.05)	(0.01)	(0.03)	India	0.33	100
4	Energy Design Pvt. Ltd.	INR	0.50	(31.02)	37.89	37.89	-	-	(8.98)	-	(8.98)	India	0.50	100
5	Shreeanant Constructions Private Limited*	INR	0.10	16.00	103.04	103.04	-	961.44	19.41	4.19	15.22	India	0.10	100
6	Patel Lands Ltd.	INR	0.50	(0.09)	28.62	28.62	-	-	(0.03)	-	(0.03)	India	0.50	100
7	Michigan Engineers Pvt. Ltd.	INR	17.36	881.49	2,373.81	2,373.81	0.05	1,511.15	37.49	16.44	21.05	India	111.86	100
8	Patel Engineering Infrastructure Ltd.	INR	100.00	8.69	514.20	514.20	100.06	-	-	-	-	India	100.00	100
9	Patel Realty (India) Ltd.	INR	1,300.00	566.00	6,928.29	6,928.29	282.20	1,019.55	103.80	35.05	68.75	India	1,000.00	100
10	Patel Energy Resources Ltd.	INR	2,090.00	(176.73)	10,895.46	10,895.46	-	-	(6.20)	-	(6.20)	India	2,090.00	100
11	Pandora Infra Pvt. Ltd.	INR	70.00	(0.92)	352.19	352.19	-	-	(0.09)	-	(0.09)	India	70.00	100
12	Patel Engineers Pvt. Ltd.	INR	91.00	3.67	103.81	103.81	-	-	(0.35)	0.37	(0.72)	India	91.00	100
13	Patel Patron Pvt. Ltd.	INR	140.70	1.46	178.57	178.57	-	-	(0.09)	-	(0.09)	India	140.70	100
14	Vismaya Constructions Pvt. Ltd.	INR	55.10	(0.89)	102.70	102.70	-	-	(0.09)	-	(0.09)	India	55.10	100
15	Bhooma Realties Pvt. Ltd.	INR	72.10	(1.01)	392.65	392.65	-	-	(0.09)	-	(0.09)	India	72.10	100
16	Shashvat Land Projects Pvt. Ltd.	INR	78.80	(1.02)	274.81	274.81	-	-	(0.09)	-	(0.09)	India	78.80	100
17	Patel Engineering (Singapore) Pte Ltd.*	1 USD= 62.53 INR	147.88	460.33	1,390.00	1,390.00	76.16	16.34	(13.52)	-	(13.52)	Singapore	94.46	100
18	Patel Engineering (Mauritius) Ltd.*	1 USD= 62.53 INR	31.27	0.01	47.83	47.83	29.08	-	-	-	-	Mauritius	25.76	100
19	Patel Engineering Inc.*	1 USD= 62.53 INR	520.98	8.28	579.67	579.67	381.98	-	(68.45)	-	(68.45)	USA	391.53	100
20	ASI Constructors Inc.	1 USD= 62.53 INR	577.46	1,161.28	4,160.91	4,160.91	(9.12)	6,585.94	192.91	69.38	123.53	USA	396.52	65.20

Sr. No.	Name of the Subsidiary Company	Exchange rate	Issued and subscribed share capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Country	Invest-ments by PEL	% of Share-holding
21	Patel Engineering Lanka (Pvt.) Ltd.	1 LKR = 0.4592 INR	37.85	(1.43)	53.70	53.70	14.77	-	(1.34)	-	(1.34)	Sri Lanka	26.19	100
	SUBSIDIARY OF PATEL ENGINEERS PVT. LTD.													
22	Phedra Projects Pvt. Ltd.	INR	27.71	1.21	43.79	43.79	-	-	(0.06)	-	(0.06)	India	-	100
	SUBSIDIARY OF PATEL REALTY (INDIA) LTD.													
23	Apollo Buildwell Pvt. Ltd.	INR	0.50	(50.21)	160.34	160.34	0.05	0.09	(26.65)	-	(26.65)	India	-	100
24	Arsen Infra Pvt. Ltd.	INR	0.50	6.94	81.56	81.56	-	78.47	4.83	1.49	3.35	India	-	100
25	Bellona Estate Developers Ltd.	INR	2.50	(3.11)	4,288.10	4,288.10	-	-	(0.59)	0.29	(0.88)	India	-	100
26	Praval Developers Pvt. Ltd.	INR	0.50	(0.20)	0.35	0.35	-	-	(0.04)		(0.04)	India	-	100
27	Hebe Infracon Pvt. Ltd.	INR	0.50	(0.58)	0.38	0.38	-	-	(0.09)		(0.09)	India	-	100
28	Hera Realcon Pvt. Ltd.	INR	0.50	(0.84)	0.39	0.39	-	-	(0.12)		(0.12)	India	-	97.13
29	Lucina Realtors Pvt. Ltd.	INR	0.50	0.25	0.77	0.77	-	-	(0.06)		(0.06)	India	-	100
30	Nirman Constructions Pvt. Ltd.	INR	172.00	(2.42)	177.78	177.78	23.12	-	(0.33)		(0.33)	India	-	100
31	Azra Land Projects Pvt. Ltd.	INR	23.12	(0.41)	25.86	25.86	-	2.20	0.21	0.05	0.17	India	-	100
32	PBSR Developers Pvt. Ltd.	INR	0.10	(9.33)	1,426.06	1,426.06	-	-	(5.14)		(5.14)	India	-	100
33	Waterfront Developers Ltd.	1 MUR = 1.65 INR	0.16	(67.44)	628.21	628.21	0.17	-	(12.87)		(12.87)	Mauritius	-	100
34	Les Salines Development Ltd.	1 MUR = 1.65 INR	0.20	(20.48)	688.05	688.05	0.00	-	(17.78)		(17.78)	Mauritius	-	100
35	La Bourgade Development Ltd.	1 MUR = 1.65 INR	0.00	(0.78)	0.05	0.05	-	-	(0.21)		(0.21)	Mauritius	-	100
36	Ville Magnifique Development Ltd.	1 MUR = 1.65 INR	0.00	(0.71)	0.05	0.05	-	-	(0.24)		(0.24)	Mauritius	-	100
37	Sur La Plage Development Ltd.	1 MUR = 1.65 INR	0.00	(0.86)	0.05	0.05	-	-	(0.19)		(0.19)	Mauritius	-	100
	SUBSIDIARY OF PATEL ENERGY RESOURCES LTD.													
38	Patel Hydro Power Pvt. Ltd.	INR	362.88	(132.17)	1,424.16	1,424.16	939.49	9.90	(69.75)	-	(69.75)	India	-	100
39	Patel Thermal Energy Pvt. Ltd.	INR	0.50	-	29.02	29.02	-	-	-	-	-	India	-	100
40	Dirang Energy Pvt. Ltd.	INR	710.00	-	4,887.09	4,887.09	-	-	-	-	-	India	-	100
41	West Kameng Energy Pvt. Ltd.	INR	0.10	-	99.50	99.50	-	-	-	-	-	India	-	100
42	Patel Energy Assignment Pvt. Ltd.	INR	0.10	-	30.41	30.41	-	-	-	-	-	India	-	100
43	Patel Enery Projects Pvt. Ltd.	INR	0.10	-	40.23	40.23	-	-	-	-	-	India	-	100
44	Patel Energy Operations Pvt. Ltd.	INR	0.73	-	46.20	46.20	-	-	-	-	-	India	-	100
45	Meyong Hydro Power Pvt. Ltd.	INR	0.73	-	98.86	98.86	-	-	-	-	-	India	-	100
46	Digin Hydro Power Pvt. Ltd.	INR	0.10	-	108.68	108.68	-	-	-	-	-	India	-	100
47	Naulo Nepal Hydro Electric Pvt. Ltd.	1 NPR = 0.625 INR	49.13	-	111.69	111.69	-	-	-	-	-	Nepal	-	90

Sr. No.	Name of the Subsidiary Company	Exchange rate	Issued and subscribed share capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Country	Invest-ments by PEL	% of Share-holding
48	PEL Power Ltd.	INR	1,380.81	-	3,726.73	3,726.73	-	-	-	-	-	India	-	100
49	PEL Port Pvt. Ltd.	INR	89.46	-	91.08	91.08	-	-	-	-	-	India	-	100
50	Patel Energy Ltd.	INR	186.45	(20.96)	697.45	697.45	-	-	-	-	-	India	-	100
51	Laksha Infra Projects Pvt. Ltd.	INR	0.10	-	0.73	0.73	-	-	-	-	-	India	-	100
52	Jayshe Gas Power Pvt. Ltd.	INR	0.10	-	28.87	28.87	-	-	-	-	-	India	-	100
53	Saskang Rong Energy Pvt. Ltd.	INR	4.78	-	90.85	90.85	-	-	-	-	-	India	-	100
54	Patel Urjaa Vyapaar Pvt. Ltd.	INR	0.10	-	0.20	0.20	-	-	-	-	-	India	-	100
	SUBSIDIARY OF PATEL ENGINEERING (SINGAPORE) PTE LTD.													
55	Patel Surya (Singapore) Pte Ltd.*	1 USD= 62.53 INR	62.53	(110.10)	204.33	204.33	-	-	(18.64)	-	(18.64)	Singapore	-	60
56	PT Surya Geo Minerals *	1 IDR = 0.00476 INR	26.26	(113.57)	203.36	203.36	-	-	(9.90)	-	(9.90)	Indonesia	-	60
57	PT PEL Minerals Resources *	1 IDR = 0.00476 INR	13.13	(25.96)	23.59	23.59	-	-	(9.51)	-	(9.51)	Indonesia	-	100
58	PT Patel Engineering Indonesia *	1 IDR = 0.00476 INR	26.26	(7.07)	40.40	40.40	-	-	(2.53)	-	(2.53)	Indonesia	-	100
59	Patel Param Minerals Pte Ltd.*	1 USD= 62.53 INR	0.63	(93.44)	227.02	227.02	-	-	(20.97)	-	(20.97)	Singapore	-	60
60	PT Patel Surya Minerals *	1 IDR = 0.00476 INR	13.04	(98.80)	225.44	225.44	-	-	(26.96)	(6.74)	(20.22)	Indonesia	-	60
61	Patel Param Energy Pte Ltd.*	1 USD= 62.53 INR	31.89	(90.91)	740.35	740.35	-	-	(57.84)	-	(57.84)	Singapore	-	60
62	PT Patel Surya Jaya *	1 IDR = 0.00476 INR	13.06	(134.22)	72.00	72.00	-	-	(57.30)	-	(57.30)	Indonesia	-	60
63	Patel Param Natural Resources Pte Ltd.*	1 USD= 62.53 INR	0.63	(2.61)	0.44	0.44	-	-	(0.41)	-	(0.41)	Singapore	-	60
64	PT Surpat Geo Minerals *	1 IDR = 0.00476 INR	26.26	(0.42)	26.26	26.26	-	-	(0.06)	-	(0.06)	Indonesia	-	60
	SUBSIDIARY OF PATEL ENGINEERING (MAURITIUS) LTD													
65	Patel Mining (Mauritius) Ltd.*	1 USD= 62.53 INR	29.08	0.00	193.46	193.46	148.99	-	-	-	-	Mauritius	-	100
66	Enrich Mining Vision Lda	1 MZN = 1.7369 INR	0.04	-	22.35	22.35	-	-	-	-	-	Mozambique	-	100
67	Patel Infrastructure, Lda	1 MZN = 1.7369 INR	0.04	-	26.40	26.40	-	-	-	-	-	Mozambique	-	100
68	Trend Mining Projects Lda	1 MZN = 1.7369 INR	0.04	-	16.81	16.81	-	-	-	-	-	Mozambique	-	100
69	Accord Mines Venture Lda	1 MZN = 1.7369 INR	0.04	-	14.72	14.72	-	-	-	-	-	Mozambique	-	100
70	Netcore Mining Operations Lda	1 MZN = 1.7369 INR	0.04	-	1.72	1.72	-	-	-	-	-	Mozambique	-	100
71	Metalline mine works Lda	1 MZN = 1.7369 INR	0.04	-	13.54	13.54	-	-	-	-	-	Mozambique	-	100
72	Patel Mining Assignments Lda	1 MZN = 1.7369 INR	0.04	-	13.94	13.94	-	-	-	-	-	Mozambique	-	100
73	Chivarro Mines Mozambique Lda	1 MZN = 1.7369 INR	0.04	-	4.28	4.28	-	-	-	-	-	Mozambique	-	100
74	Fortune Mines Concession Lda	1 MZN = 1.7369 INR	0.04	-	43.41	43.41	-	-	-	-	-	Mozambique	-	100

Sr. No.	Name of the Subsidiary Company	Exchange rate	Issued and subscribed share capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Country	Invest-ments by PEL	% of Share-holding
75	Omini Mines Enterprises Lda	1 MZN = 1.7369 INR	0.04	-	2.05	2.05	-	-	-	-	-	Mozambique	-	100
76	Quest Mining Activities, Lda	1 MZN = 1.7369 INR	0.04	-	2.05	2.05	-	-	-	-	-	Mozambique	-	100
77	Patel Mining Priviledge, Lda	1 MZN = 1.7369 INR	0.04	-	154.96	154.96	-	-	-	-	-	Mozambique	-	100
	SUBSIDIARY OF PATEL ENGINEERING INC.													
78	ASI Global LLC*	1 USD= 62.53 INR	2.06	-	6.33	6.33	0.50	-	(0.46)	0.10	(0.56)	USA	-	100
79	ASI RCC Inc.*	1 USD= 62.53 INR	168.75	51.99	327.31	327.31	0.36	-	(50.12)	1.73	(51.86)	USA	-	100
80	ASI RCC India Ltd.	INR	0.56	(0.20)	0.37	0.37	-	-	(0.03)	-	(0.03)	India	-	100
81	Westcon Microtuneling Inc.*	1 USD= 62.53 INR	142.66	0.91	143.57	143.57	-	-	(2.82)	1.48	(4.30)	USA	-	100
	SUBSIDIARY OF ASI CONSTRUCTORS INC.													
82	ASI Constructors Australia Pty Ltd.	1 USD= 62.53 INR	-	0.24	0.91	0.91	-	-	(0.41)	-	(0.41)	Australia	-	65.20
83	HCP Constructors Inc.	1 USD= 62.53 INR	158.83	(227.46)	57.44	57.44	-	(11.95)	(24.93)	-	(24.93)	USA	-	65.20
84	Engineering & Construction Innovations Inc.	1 USD= 62.53 INR	12.51	31.71	396.45	396.45	-	904.35	4.26	1.45	2.81	USA	-	65.20

* Financial information is based on unaudited results.

Note: proposed dividend from any of the subsidiaries is nil.

Part "B" Associates and Joint Ventures

Sr. No.	Name of the Joint Ventures	Latest Audited Balance Sheet Date	Shares of Joint Venture held by the Company on the year end			Description of how there is a significant influence	Reason why JV is not consolidated	Networth attributable to shareholding as per latest audited balance sheet	Profit / Loss for the year	
			No. of Shares	Amount of investment in Capital (₹ Million)	Extend of holding %				Considered in consolidation	Not considered in consolidation
	ASSOCIATES									
1	Patel KNR Infrastructure Ltd	31.03.2015	15,540,000	155.40	42%	since Shareholding is more than 20%		356.35	5.40	-
2	Patel KNR Heavy Infrastructure Ltd	31.03.2015	10,006,000	100.06	42%	since Shareholding is more than 20%		229.68	(55.74)	-
3	Raichur Sholapur Transmission Company Ltd	31.03.2015	26,672,000	266.72	33.34%	since Shareholding is more than 20%		785.09	(7.53)	-
4	Terra Land Developers Pvt Ltd.	31.08.2014	24,662	0.25	49.32%	since Shareholding is more than 20%		(412.74)	(412.77)	-
5	Pan Realtors Pvt. Ltd. (since Jan 11, 2015)	31.03.2014	51,000	0.51	36.43%	since Shareholding is more than 20%		337.86	6.30	-
6	ACP Tollways Pvt. Ltd.	31.03.2015	8,495,040	849.50	32%	since Shareholding is more than 20%		3581.27	(4.55)	-
	Joint Venture / Consortium									
1	PATEL – KNR J.V.	31.03.2014	-	-	50%		No economic activity during the year.	26.82	-	(9.94)
2	KNR – PATEL J.V.	31.03.2014	-	-	49%		No economic activity during the year.	32.78	-	(0.04)
3	PATEL – SOMA J.V.	31.03.2014	-	-	50%		No separate economic activity during the year.	115.90	-	2.77
4	PATEL – MICHIGAN JV	31.03.2015	-	-	10%	Joint Control		137.92	1.93	-
5	PATEL – SA JV	31.03.2014	-	-			No separate economic activity during the year.	0.53		0.53
6	Patel Sew JV	31.03.2015	-	-	60%		No separate economic activity during the year.	280.31	-	0.47
7	Era Patel Advance JV	31.03.2014	-	-	30%		No separate economic activity during the year.	0.60	-	0.04
8	Era Patel Advance Kiran JV	31.03.2014	-	-	47.04%		No separate economic activity during the year.	2.10	-	0.34
9	Patel – Siddhivinayak JV	31.03.2015	-	-	51%		No separate economic activity during the year.	0.77	-	0.00
10	Patel – V Arks JV	31.03.2015	-	-	65%		No separate economic activity during the year.	1.57	-	0.52
11	Navyuga – Patel – BHEL	31.03.2015	-	-	42.23%		No separate economic activity during the year.	497.26	-	2.05
12	Patel – Avantika – Deepika – BHEL	31.03.2015	-	-	52.83%		No separate economic activity during the year.	4.37	-	0.33
13	Patel – V Arks - Precision	31.03.2015	-	-	60%		No separate economic activity during the year.	3.74	-	0.82
14	CICO-Patel JV	31.03.2015	-	-	49%	Joint Control		50.55	6.19	-
15	Patel APCO JV	31.03.2015	-	-	50%		No separate economic activity during the year.	3.63		0.08

Annexure II – Nomination and Remuneration policy

Introduction

Patel Engineering Ltd. ('the Company') has adopted this Policy drafted by the Nomination and Remuneration Committee, upon the recommendation of the Board and the said Policy is in compliance with the requirements of Section 178 of the Companies Act, 2013 and rules thereunder('the Act') and Clause 49 of the Listing Agreement (as amended).

Objective

The key objective of the policy would be:

a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;

b) To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees;

c) Formulation of criteria for evaluation of Independent Director and the Board;

d) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;

e) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;

f) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations;

g) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;

h) To devise a policy on Board diversity;

i) To develop a succession plan for the Board and to regularly review the plan.

Scope and Applicability

The policy shall apply to

a) Directors (Executive, Non Executive and Independent);

b) Key Managerial personnel;

c) Senior management personnel.

Definitions

The following words shall have the meanings as provided in the policy, unless otherwise mentioned in the Act or the Listing **Agreement:**

Board	"Board" means the Board of Directors of the Company as defined under the Act.
Directors	Directors mean Directors of the company.
Policy	"Policy or this Policy" means Policy on Nomination and Remuneration of this company.
Senior Management	As per explanation to Section 178, Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors comprising all members of management one level below the executive directors, including functional Heads.
Key managerial personnel (KMP)	Key managerial personnel means whole-time key managerial personnel of the Company appointed under section 203 of the Act, which include: (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time director;

	(ii) Company Secretary; (iii) Chief Financial Officer; and (iv) Such other officer as may be prescribed.
Remuneration	Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
Independent Director	means an independent director referred to in sub-section (5) of section 149
Employees' stock option	means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price

Words and expressions used and not defined in the Policy shall have the same meanings as assigned to them in the Act and/or the Listing Agreement.

Interpretation

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

Guiding Principles

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director(s), provided that chairperson of the Company may be appointed as a member of this Committee but shall not chair such Committee. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman. Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Frequency of Meetings

The meeting of the committee shall be held at such intervals as may be required.

Minutes of Committee Meeting

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

Committee Members' Interests

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Voting

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

Duties of the Committee

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation;
- Determining the appropriate size, diversity and composition of the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

The duties of the Committee in relation to remuneration matters include:

- Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate;
- Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Considering any other matters as may be requested by the Board.

Policy for Appointment/Resignation/Retirement/Succession of Director/KMP/Senior Management personnel

Appointment

a) The committee shall define the qualification/experience and expertise of the person for appointment as Director/KMP/Senior management personnel;

b) The committee shall also take into consideration the provisions of Section 164 of the Companies Act 2013 relating to disqualifications for the appointment of directors;

c) Appointment of Independent Directors is subject compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules thereunder;

d) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment;

e) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position;

f) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term/Tenure

a) Term for Managing Director/Whole time Director

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Term for Independent Director

i) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

ii) No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

iii) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

The Committee shall evaluate the performance of Directors taking into account the various parameters such as:

- Attendance at Board Meeting
- Participation in discussion
- Contribution in decision making,

While evaluation is been done, the Director who is been evaluated shall not participate in the discussion. The recommendations of the Committee will be sent to the Board for its review.

Retirement

The Director / KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Removal

The Committee may recommend, to the Board with reasons recorded in writing, removal of Director, KMP or Senior Management Personnel subject to the provisions of the Act and the rules made thereunder and all other applicable Acts, Rules and Regulations, if any.

Policy on Executive Succession Plan

1. A change in executive leadership is inevitable for all organizations and can be a very challenging time. Therefore, it is the policy of Patel Engineering Limited (hereinafter to be referred to as "the Company") to be prepared for an eventual / permanent change in leadership, either planned or unplanned, to insure the stability and accountability of the organization until such time as new permanent leadership is identified.

2. This policy covers the guideline for identification and development of future leaders from the pool of internal talents working within the Company or Group.

3. The Board of Directors shall be responsible for implementing this policy and its related procedures. It is also the policy of the Board to assess the permanent leadership needs of the organization and to ensure the selection of a qualified and capable leader who is representative of the community; a good fit for the organization's mission, vision, values, goals, and objectives; and who has the necessary skills for the organization.

4. To ensure that the organization's operations are not interrupted while the Board of Directors assesses the leadership needs and recruit a permanent executive officer, the Board will appoint interim executive leadership, in accordance with the policy described below.

5. The Interim Chief Executive Officer ('CEO') director shall ensure that the organization continues to operate without disruption and that all organizational commitments previously made are adequately executed, including but not limited to, loans approved, reports due, contracts, licenses, certifications, memberships, obligations to lenders or investors of the Company, and others.

6. It is also the policy of the Company, to develop a diverse pool of candidates and consider at least such number of finalist candidates for its permanent CEO position as may be determined by the Nomination and Remuneration Committee of the Company.

7. The Company shall implement an external recruitment and selection process, while at the same time encouraging the professional development and advancement of current employees. The interim CEO and any other interested internal candidates are encouraged to submit their qualifications for review and consideration by the Nomination and Remuneration Committee according to the guidelines established for the search and recruitment process.

Procedures for succession:

1. For a temporary change in executive leadership (i.e., illness or leave of absence) the immediate junior officer, reporting to such executive, shall take charge of his senior till he joins the office or if he is not competent then such other person who is competent to take the charge as may be decided by the Managing Director.

2. In the event the Managing Director of the Company is no longer able to serve in this position (i.e., leaves the position permanently), the Nomination and Remuneration Committee of the Board of Directors shall fill the vacancy for the time being, in the following manner:

   a. Within 30 business days (if appointed from within the Organisation) or 120 business days (if appointed from outside the organisation), appoint an interim CEO according to the following line of succession:

      - Senior Executive Director / Executive Director of the Company;
      - President / Vice president of the Company.

      (Note:- In case there is more than one candidate eligible for the interim CEO, then Nomination and Remuneration Committee shall select one candidate based on his experience and expertise after consulting the Chairman of the Board and Audit Committee.)

   b. Within 30 business days, the Nomination and Remuneration Committee shall take the responsibility and implement the following preliminary transition plan:

      - Communicate with key stakeholders regarding appointment of interim CEO;
      - Establish a time frame and plan for the recruitment and selection process in consultation with the recruitment agency from among the existing pool of talent or from outside, depending upon the requirement of the Company.

   c. The Board may authorize the Managing Director for framing an internal policy for identifying and developing internal pool of talent for future leadership role in different department(s) / division in accordance with the requirement of such department(s) / division.

   d. The Board shall review the succession policy periodically and if required, will make suitable changes in the policy keeping in view to the regulatory changes or changes due to business environment.

Policy for Remuneration of Director/KMP/Senior Management personnel

Remuneration for Executive and Whole time Directors

The remuneration payable to the whole time directors shall be determined by the company as per the Articles of the company and the provisions of the Act and the rules made thereunder. The remuneration so determined shall be proposed to the board for approval and shall be subject to the approval of the shareholders/central government as applicable, wherever required.

Increments to the remuneration shall be recommended by the committee to the board which shall be well within the slabs as approved by the shareholders for the whole time director.

Remuneration for Non-Executive and Independent Directors

The remuneration to Non-Executive independent directors shall be as per the provisions of the Companies Act 2013. The amount of sitting fees shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

Criteria for making payments to Non-Executive Directors:

Criteria of making payments to Non-Executive Directors will be decided by the Board, it can be on the basis of:

- Contribution during the Meeting.
- Active Participation in strategic decision making.

Heads under which payments can be made

Any fee/remuneration payable to the Non- Executive Directors of the Company shall be in following manner:

Sitting Fee

Non- Executive Director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, Equity Listing Agreement or other applicable law or for any other purpose whatsoever as may be decided by the Board.

Remuneration and Commission

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its Non- Executive Director(s) either by way of a monthly payment or at a specified percentage of the net profits of the company.

The Company is however not obligated to remunerate its Non- Executive Director(s).

Further, the section 197 of the Act provides that the remuneration payable to directors who are neither managing directors nor whole time directors, shall not exceed-

(i) one percent of the net profits of the Company, if there is a managing or whole time director or manager,

(ii) three percent of the net profits in any other case.

Additional commission, apart from remuneration referred above, may be paid to Non-Executive Directors as may be decided by the Board of Directors of the company from time to time, depending on the extra time and effort as may be devoted and contribution as may be made by the Non-Executive Directors.

Refund of excess remuneration paid

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction of the Central Government, where it is required, he shall refund such sum to the company and until such sum is refunded, hold it in trust for the company. The company shall not waive the recovery of any sum refundable to it unless permitted by the Central Government.

Reimbursement of actual expenses incurred

Non- Executive Director(s) may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such Directors for attending Board/Committee Meetings.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of Non- Executive Director(s).

Payment to Non- Executive Directors and Independent Directors

The Company has no stock options plans and no payment by way of bonus, pension, incentives etc to its Non- Executives.

The Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof.

Remuneration to Key management personnel and Senior Management personnel

The remuneration of the Key management personnel and senior management personnel shall be drafted by the Human resource team of the company and shall be presented to the committee for its perusal and approval.

Disclosures

Significant disclosures are required in the Directors report relating to the Remuneration of the Directors/Independent Directors/Key management personnel and the senior management personnel.

Conclusion

The committee shall have authority to modify or waive any procedural requirements of this policy.

In the event of any conflict between the provisions of this Policy and provisions of the Listing Agreement or the Act and Rules framed thereunder or any other applicable laws for the time being in force, the later shall prevail over the Policy.

This Policy or the relevant provisions of this policy shall be disseminated to all concerned employees of the Company and shall also be uploaded on the intra-net and website of the Company.

The policy shall be amended as required from time to time in case of any changes in the Revised Listing agreement or/and the Act and the rules made thereunder.

Annexure III – Secretarial audit report for the financial year ended March 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Patel Engineering Ltd.

Patel Estate, Jogeshwari West,

Mumbai- 400102.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Patel Engineering Ltd. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not Notified during the Audit Period and hence not applicable).**

(ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has not filled the Consolidated Financial Statement for the Year ending 31 March 2014 within 60 Days from the end of the Financial Year with Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).
2. Form APR were filed with delay except for one subsidiary i.e. Patel Engineering (Singapore) Pte Ltd. for which APR was filed within due date.

Place : Pune

Date : July 20,2015

Dr. K R Chandratre

FCS No. 1370, C P No: 5144

Annexure IV - Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/ Outgo

Need for Conservation of Energy:

The increasing demand for power has led to considerable fossil fuels burning which has in turn had an adverse impact on environment. In this context, efficient use of energy and its conservation is of paramount importance. It has been estimated that nearly 25,000 MW can be saved by implementing end-use energy efficiency and demand side management measures throughout India. Efficient use of energy and its conservation assumes even greater importance in view of the fact that one unit of energy saved at the consumption level reduces the need for fresh capacity creation by 2.5 times to 3 times. Further, such saving through efficient use of energy can be achieved at less than one-fifth the cost of fresh capacity creation. Energy efficiency would, therefore, significantly supplement our efforts to meet power requirement, apart from reducing fossil fuel consumption.

Energy conservation avoids wasteful use of energy without much investment. It can be termed as a new source of energy, which when available, can be readily used without any further loss or gestation period. It is the cheapest source of energy. In fact, it is the easiest solution to bridge the gap between demand and supply. Some other reasons are:

- Increasing energy demand in India is a drain of the national economy. Besides, it is a major factor hindering the competitiveness of basic Indian industries in the global market. Thus, energy conservation is equally important for the nation and industrial firms.
- Electrical power is one of the scarce resources in our country. Generation of electricity is very capital intensive. 1 MW of power generation costs approximately ₹ 100 to ₹ 120 million because of the low plant load factor and high transmission losses prevalent in the country.

Energy saving achieved through energy efficiency and conservation also avoids capital investment in fuel, mining, transport, water and land required for power plant, thereby mitigating environmental pollution.

Planning and management of energy are thus very important parts of energy conservation. It saves energy resources for future, avoids wasteful utilization of energy, provides solution to energy crisis and ensures higher per capita availability / consumption and controls environmental degradation and pollution. Recognizing the need for energy conservation, the company had adopted various measures in pursuit of reducing the energy consumption across its projects and other establishments including the head office. Some of the measures are outlined below:

Steps taken on Conservation of Energy:

Construction work constitutes the primary activity of the company. Equipments and plants used in such activities consume most part of the total energy utilized by the company. As such, besides cost, the company takes into consideration important factors like energy efficiency and work output in the selection process prior to purchase of new machineries as well as while deploying machineries from the existing fleet.

Company gives priority to grid power over that of DG power. This helps in reduction of CO_2 emission.

Preventive maintenance of machineries is closely monitored through ERP which has helped in reducing fuel consumption.

Integration of the schedule of construction activities vis-à-vis machinery deployment at micro level has reduced the idle hours of the machineries thus conserving energy.

The company has undertaken various other measures like up-gradation of machineries, modernization and introduction of sophisticated control system for conservation of energy.

In underground works, many of our sites have encountered ground water which has been utilized in works / equipments using low powered pumps thus reducing the use of long distance pumping with powerful pumps resulting to less consumption of power.

Since last few years, instead of conventional method of fixing the ventilation duct at the roof, by fixing the same at the side of the tunnel wherever the size of the underground opening permits, the ground clearance of the road inside the tunnel has increased. Audit has revealed that this methodology has helped in better maintenance of the road thereby improving the fuel efficiency of the dumpers.

On average, lighting represents about 20% of annual energy use. Lighting upgrades offer substantial energy savings and can be bundled with other measures to help reduce the total payback period for a project. Understanding the fact that in most cases lighting improvements should be the first energy conservation upgrade, Installation of energy meters in all staff quarters at site for monitoring the consumption has been done. Float switch has been installed in pumps thereby saving energy consumption. By far the most commonly recommended energy conservation measures were fluorescent lighting retrofits. Implementation of energy saving lighting system has been undertaken at the Head Office, Workshops and Sites which shows reduction in the consumption of energy. Time based operations in Head Office & Regional offices have also resulted into reduction in unwanted energy usage.

Transparent sheets have been placed at roof of Workshops / Stores to enable use of natural sunlight instead of electric light. Use of solar water heaters instead of electric geysers is encouraged. Used batteries that can be charged with sunlight have been used for lighting purpose thus conserving energy.

Energy efficient appliances are used with rating labels ranging above 3 stars which consume 2 to 10 times less energy for the same functionality and are mostly higher quality products that last longer. Using laptops instead of desktop which consumes five times less electricity.

Enabling the power management function on computer, using more advanced speed step power management. Switching off a computer extends its lifetime, contrary to some misconceptions.

The company encouraged the employees to communicate through e-mails and to store the required information/data in soft form which has considerably reduced the use of papers and minimized printing. Instructions given to print on both sides of the paper has also contributed in reducing the quantum of paper used during the period.

Increasing the efficiency of water use has reduced your water bill and electricity bill. In line with recommended audits, installing low volume flush toilets and low-flow shower heads and faucets has helped in cutting down energy bills. Drought-resistant grasses that only need a weekly watering are being planted at colony areas. Regular maintenance has been resorted to as water systems are operated under pressure and a leaking hot water faucet or pipe can increase annual energy bills.

Periodic training is being imparted to employees by our in-house team as well as industry experts from outside the company to create awareness about the energy conservation needs and methods to be adopted for the same, which has proved to be of immense value.

Steps taken on Conservation of Energy in Operation & Maintenance cycle:

Large investments in equipment will not produce the projected benefits if the operation and maintenance schedule is inadequate. As such equal importance has been attached by the company for operation and maintenance of the plant & equipment. Operation and maintenance is in fact the area in which the greatest energy and economic savings are likely to be gained at little cost. Some common procedures offering immediate savings at little or no cost that have been implemented across all work sites and head office include:

- Turn off lights, computer monitors, and other items when they are not in use. Most modern equipment is engineered to withstand frequent on-off cycles. The economic benefits of turning equipment off are greater than the benefits of extending the machinery's life by leaving it on.
- Keep everything clean. Lighting and heating systems lose significant amounts of their output when they are covered with dust, dirt, or scale.
- Inspect and repair your weather stripping at least once a year.
- Make sure your thermostats are correctly calibrated. older types often "float."

- Stagger start-up times for equipment with large starting currents to minimize load peaking.
- Disconnect primary power to transformers that do not serve any active loads
- Graphing your utility costs is a great way to monitor energy use. Unexplained cost spikes should be probed.

Research and Development:

Research and Development is a continuous process and the company has benefited immensely though it is difficult to assess the benefits in direct monetary terms. Various measures on Research and Development were undertaken during the period are related to

- Developing blasting pattern which requires less explosives,
- Designing efficient pumping systems, use of piping networks which requires low maintenance and low frictional losses so as to have more energy efficient system.
- The construction methods have been continuously revised keeping abreast with state of art technology so that the work can be executed in a more energy friendly manner.

Foreign exchange earnings and outgo

Foreign exchange earnings and outgo during the year under review were ₹ 137.93 million (previous year ₹ 93.62 million) and ₹ 37.74 million (previous year ₹ 121.16 million) respectively.

Annexure V - Extracts of Annual Return

Form No. MGT – 9

As on financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (management and Administration) Rules 2014]

I. Registration and Other Details :

i)	CIN	L99999MH1949PLC007039
ii)	Registration Date:	April 2, 1949
iii)	Name of the Company	Patel Engineering Limited
iv)	Category :	Public Company limited by shares
	Sub-Category of the Company:	India Non-Government Company
v)	Address of the Registered office and contact details	Patel Estate Road, Jogehwari (west), Mumbai - 400102 Tel No. +91 22 2676 7500, Fax No. +91 22 2678 2455
vi)	Whether listed Company	Yes, Listed on BSE Limited National Stock Exchange of India Ltd.
vii)	Details of Registrar and Transfer Agent:	
	Name	Link Intime India Pvt. Ltd.
	Address	C- 13 Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai – 4000 78
	Phone No.	+91 22 2596 3838
	Fax No.	+91 22 8594 6969
	Email	rnt.helpdesk@linkintime.co.in
	Website	www.linkintime.com

II. Principal Business Activities of the Company :

All the business activities contributing 10% or more of the total turnover of the company

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% Total Turnover of the Company
1	Construction	452	96.57%

III. Particulars of Holding, Subsidiary and Associate Companies:

Sr No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Zeus Minerals Trading Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U51909MH2007PTC167522	Subsidiary	100	2(87)(ii)
2	Patel Concrete & Quarries Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U14200MH2008PTC178210	Subsidiary	100	2(87)(ii)
3	Friends Nirman Pvt. Ltd. S P Mukherjee road, Khalpara, Siliguri, West Bengal - 734405.	U70101WB2004PTC099918	Subsidiary	100	2(87)(ii)

Sr No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
4	Energy Design Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U72900MH2009PTC193475	Subsidiary	100	2(87)(ii)
5	Patel Lands Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U70100MH2010PLC207028	Subsidiary	100	2(87)(ii)
6	Patel Engineering Infrastructure Ltd. Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45201MH2006PLC162858	Subsidiary	100	2(87)(ii)
7	Patel Realty (India) Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U70200MH2007PLC167118	Subsidiary	100	2(87)(ii)
8	Patel Engineers Pvt. Ltd. Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U70100MH2005PTC157559	Subsidiary	100	2(87)(ii)
9	Patel Patron Pvt. Ltd. Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45200MH2005PTC158493	Subsidiary	100	2(87)(ii)
10	Pandora Infra Pvt. Ltd. Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45201MH2006PTC164318	Subsidiary	100	2(87)(ii)
11	Vismaya Constructions Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45400MH2007PTC171048	Subsidiary	100	2(87)(ii)
12	Bhooma Realties Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45400MH2007PTC171064	Subsidiary	100	2(87)(ii)
13	Shashvat land Projects Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U70102MH2007PTC171886	Subsidiary	100	2(87)(ii)
14	Patel Energy Resources Ltd. Door No.8-2-93/82/A/76, Third Floor, Road No.9A, Jubilee Hills, Hyderabad – 500 033, Andhra Pradesh.	U40102TG2008PLC073509	Subsidiary	100	2(87)(ii)
15	Shree-anant Construction Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45200MH2005PTC158079	Subsidiary	100	2(87)(ii)
16	Michigan Engineers Pvt. Ltd. D-7 Commerce centre, 78, Javji Dadaji Road, Tardeo, Mumbai - 400 034	U45300MH1973PTC016515	Subsidiary	51	2(87)(ii)
17	ASI Constructors Inc., USA 1850 E. Platteville Blvd., Pueblo West, CO 81007	N.A.	Subsidiary	65.20	2(87)(ii)
18	Patel Engineering Lanka (Pvt.) Ltd. No. 30/3, Albee Crescent, Colombo 7 PV83714	N.A.	Subsidiary	100	2(87)(ii)
19	Patel Engineering (Mauritius) Ltd. St. James Court – Suit 308, St. Denis Street, port Louis	N.A.	Subsidiary	100	2(87)(ii)
20	Patel Engineering Inc. 12 Buell Mansion Pwky, Englewood, CO 80113, U.S.A	N.A.	Subsidiary	100	2(87)(ii)
21	Patel Engineering (Singapore) Pte. Ltd. 79 Robinson Road, #16-01 CPF Building, Singapore 068897	N.A	Subsidiary	100	2(87)(ii)

Sr No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
22	Hebe Infracon Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U51109MH2007PTC166783	Subsidiary	100	2(87)(ii)
23	Hera Realcon Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U70109MH2007PTC166825	Subsidiary	97.13	2(87)(ii)
24	Apollo Buildwell Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45200MH2007PTC167521	Subsidiary	100	2(87)(ii)
25	Arsen Infra Pvt. Ltd. Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45201MH2006PTC164319	Subsidiary	100	2(87)(ii)
26	Lucina Realtors Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U70109MH2007PTC166898	Subsidiary	100	2(87)(ii)
27	Bellona Estate Developers Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U70200MH2007PLC166899	Subsidiary	100	2(87)(ii)
28	Praval Developers Pvt. Ltd. Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45201MH2006PTC164314	Subsidiary	100	2(87)(ii)
29	Nirman Constructions Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45400MH2007PTC171050	Subsidiary	100	2(87)(ii)
30	Azra Land Projects Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U70102MH2008PTC180422	Subsidiary	100	2(87)(ii)
31	PBSR Developers Pvt. Ltd. No.8-2-293/82/A/76, First Floor, Road No.9A, Jubilee Hills, Hyderabad – 500 033.	U45209TG2012PTC078886	Subsidiary	100	2(87)(ii)
32	Waterfront Developers Ltd. Suite 308, St James Court, St Denis Street, Port-Louis, Mauritius	N.A.	Subsidiary	100	2(87)(ii)
33	Les Salines Development Ltd. Suite 308, St James Court, St Denis Street, Port-Louis, Mauritius	N.A.	Subsidiary	100	2(87)(ii)
34	La Bourgade Development Ltd. Suite 308, St James Court, St Denis Street, Port-Louis, Mauritius	N.A.	Subsidiary	100	2(87)(ii)
35	Ville Magnifique Development Ltd. Suite 308, St James Court, St Denis Street, Port-Louis, Mauritius	N.A.	Subsidiary	100	2(87)(ii)
36	Sur La Plage Development Ltd. Suite 308, St James Court, St Denis Street, Port-Louis, Mauritius	N.A.	Subsidiary	100	2(87)(ii)
37	Phedra Projects Pvt. Ltd. Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45201MH2006PTC164317	Subsidiary	100	2(87)(ii)
38	Patel Hydro Power Pvt. Ltd. Ground floor, F-14, Sector 8, Noida - 201301.	U40108UP2010PTC042685	Subsidiary	100	2(87)(ii)
39	Dirang Energy Pvt. Ltd. Ground floor, F-14, Sector 8, Noida - 201301.	U40101UP2008PTC049630	Subsidiary	100	2(87)(ii)

Sr No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
40	West Kameng Energy Pvt. Ltd. Ground floor, F-14, Sector 8, Noida - 201301.	U40101UP2008PTC048287	Subsidiary	100	2(87)(ii)
41	Digin Hydro Power Pvt. Ltd. Ground floor, F-14, Sector 8, Noida - 201301.	U40102UP2008PTC048202	Subsidiary	100	2(87)(ii)
42	Meyong Hydro Power Pvt. Ltd. Ground floor, F-14, Sector 8, Noida - 201301.	U40104UP2008PTC048337	Subsidiary	100	2(87)(ii)
43	Saskang Rong Energy Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U40108MH2008PTC185929	Subsidiary	100	2(87)(ii)
44	Patel Thermal Energy Pvt. Ltd. Door No.8-2- 3/82/A/76, Ground Floor, Road No.9A, Jubilee Hills, Hyderabad – 500 033.	U40102TG2011PTC072720	Subsidiary	100	2(87)(ii)
45	PEL Power Ltd. Door No.8-2- 3/82/A/76, Ground Floor, Road No.9A, Jubilee Hills, Hyderabad – 500 033.	U40108TG2006PLC067638	Subsidiary	100	2(87)(ii)
46	PEL Port Pvt. Ltd. Door No.8-2- 3/82/A/76, Ground Floor, Road No.9A, Jubilee Hills, Hyderabad – 500 033.	U74999TG2008PTC066862	Subsidiary	100	2(87)(ii)
47	Laksha Infra Projects Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45202MH2008PTC180305	Subsidiary	100	2(87)(ii)
48	Jayshe Gas Power Pvt. Ltd. Door No.8-2-93/82/A/76, Road No.9A, Jubilee Hills, Hyderabad – 500 033	U40300TG2010PTC071867	Subsidiary	100	2(87)(ii)
49	Patel Energy Ltd. Patel Estate Road, S V Road, Jogeshwari (west), Mumbai - 400102	U70100MH1996PLC102612	Subsidiary	99.99	2(87)(ii)
50	Patel Energy Projects Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U40102MH2008PTC184031	Subsidiary	100	2(87)(ii)
51	Patel Energy Assignment Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U40101MH2008PTC184030	Subsidiary	100	2(87)(ii)
52	Patel Energy Operations Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U40102MH2008PTC184032	Subsidiary	100	2(87)(ii)
53	Patel Urjaa Vyapaar Pvt. Ltd. Ground floor, F-14, Sector 8, Noida - 201301.	U40300UP2012PTC051203	Subsidiary	100	2(87)(ii)
54	Naulo Nepal Hydro Electric Pvt. Ltd. Lalitpur District, Lalitpur Sub-Metropolitan City, Ward No. 12, Prayag Pokhari, Lagankhel. Nepal	N.A.	Subsidiary	90	2(87)(ii)
55	ASI Constructors Australia Pty Ltd. Office L-111 Eagle Street, Brisbane - Queensland 4000, Australia	N.A.	Subsidiary	65.20	2(87)(ii)
56	HCP Constructors Inc., USA Office L-111 Eagle Street, Brisbane - Queensland 4000, Australia	N.A.	Subsidiary	65.20	2(87)(ii)
57	Engineering & Construction Innovations Inc., USA 7012, 6th Street North, St. Paul, MN 55128 U.S.A	N.A.	Subsidiary	65.20	2(87)(ii)
58	Patel Surya (Singapore) Pte Ltd. 79 Robinson Road, #16-01 CPF Building, Singapore 068897	N.A.	Subsidiary	60	2(87)(ii)

Sr No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
59	PT Surya Geo Minerals Gedung Citylofts Sudirman Lantai 15 unit 1519, JL KH Mas Mansyur No.121, Karet Tengsin, Tanah Abang, Jakarta Pusat, DKI Jakarta Raya 10220	N.A.	Subsidiary	60	2(87)(ii)
60	Patel Param Minerals Pte Ltd. 79 Robinson Road, #16-01 CPF Building, Singapore 068897	N.A.	Subsidiary	60	2(87)(ii)
61	PT Patel Surya Minerals Gedung Citylofts Sudirman Lantai 15 unit 1519, JL KH Mas Mansyur No.121, Karet Tengsin, Tanah Abang, Jakarta Pusat, DKI Jakarta Raya 10220	N.A.	Subsidiary	60	2(87)(ii)
62	Patel Param Energy Pte Ltd. 79 Robinson Road, #16-01 CPF Building, Singapore 068897	N.A.	Subsidiary	60	2(87)(ii)
63	PT Patel Surya Jaya City lofts, Lantia 10, Unit 1011, Jl. KH. Mas Masyur No. 121, Jakarta Pusat	N.A.	Subsidiary	60	2(87)(ii)
64	Patel Param Natural Resources Pte Ltd. 79 Robinson Road, #16-01 CPF Building, Singapore 068897	N.A.	Subsidiary	60	2(87)(ii)
65	PT Surpat Geo Minerals Gedung Citylofts Sudirman Lantai 15 unit 1519, JL KH Mas Mansyur No.121, Karet Tengsin, Tanah Abang, Jakarta Pusat, DKI Jakarta Raya 10220	N.A.	Subsidiary	60	2(87)(ii)
66	PT PEL Mineral Resources Gedung Citylofts Sudirman Lantai 15 unit 1519, JL KH Mas Mansyur No.121, Karet Tengsin, Tanah Abang, Jakarta Pusat, DKI Jakarta Raya 10220	N.A.	Subsidiary	100	2(87)(ii)
67	Patel Engineering Indonesia Gedung Citylofts Sudirman Lantai 15 unit 1519, JL KH Mas Mansyur No.121, Karet Tengsin, Tanah Abang, Jakarta Pusat, DKI Jakarta Raya 10220	N.A.	Subsidiary	100	2(87)(ii)
68	Patel Mining (Mauritius) Ltd. Suite 308, St James Court, St Denis Street, Port-Louis, Mauritius	N.A.	Subsidiary	100	2(87)(ii)
69	Enrich Mining Vision Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
70	Patel Mining Privilege Lda. Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
71	Patel Infrastructure, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
72	Trend Mining Projects, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
73	Accord Mines Venture, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
74	Netcore Mining Operations, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
75	Metalline Mine Works, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
76	Patel Mining Assignments, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)

Sr No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
77	Chivarro Mines Mozambique, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
78	Fortune Mines Concession, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
79	Omini Mines Enterprises, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
80	Quest Mining Activities, Lda Av. Guerra popular, 1028 Maputo. Mozambique.	N.A.	Subsidiary	100	2(87)(ii)
81	ASI Rcc Inc Buena Vista, Colarado, USA	N.A.	Subsidiary	100	2(87)(ii)
82	ASI RCC India Ltd. Readymoney Mansion 3rd Floor, Veer Nariman Road, Mumbai - 400001	U45203MH1999PLC120403	Subsidiary	100	2(87)(ii)
83	Westcon Microtuneling Inc 280 E 20th Ave, Denver CO, 80205 U.S.A	N.A.	Subsidiary	100	2(87)(ii)
84	ASI Global LLC. 280 E 20th Ave, Denver CO, 80205, U.S.A	N.A.	Subsidiary	100	2(87)(ii)
85	Patel KNR Infrastructures Ltd. Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U45201MH2006PLC162856	Associates	42	2(6)
86	Patel KNR Heavy Infrastructure Ltd. "KNR House", 4th Floor, Plot No.114, Phase I, Kavuri Hills, Jubilee Hills, Hyderabad - 500 033.	U70102TG2006PLC049949	Associates	42	2(6)
87	Raichur Sholapur Transmission Co. Pvt. Ltd. Patel Engineering Compound, Patel Estate Road, Jogeswari (W), Mumbai - 400 102.	U40108MH2009GOI220024	Associates	33.34	2(6)
88	ACP Tollways Pvt. Ltd. B-9 Vibhuti Khand,Gomti Nagar, Lucknow, U.P-226010.	U45400UP2011PTC047755	Associates	32	2(6)
89	Terra Land Developers Ltd. 19B, Anand Vihar CHS Ltd., Danda Pada, 19th Road, Khar (West), Mumbai 400 052	U45400MH2007PLC175486	Associates	49.33	2(6)
90	PAN Realtors Private Limited S-406 (LG), Greater Kailash-II New Delhi - 110048	U70101DL2009PTC193609	Associates	36.43	2(6)

IV. Share holding Pattern

i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A.	**Promoters**									
(1)	**Indian**									
a)	Individual/HUF	34,73,750	-	34,73,750	4.56	34,73,750	-	34,73,750	4.52	-
b)	Central Govt.	-	-	-	-	-	-	-	-	-
c)	State Govt.	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	3,48,47,724	-	3,48,47,724	45.71	3,54,09,681	-	3,54,09,681	46.10	1.61
e)	Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-		**3,83,21,474**	**-**	**3,88,83,431**	**50.26**	**3,88,83,431**	**-**	**3,88,83,431**	**50.63**	**1.47**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**3,83,21,474**	**-**	**3,83,21,474**	**50.26**	**3,88,83,431**	**-**	**3,88,83,431**	**50.63**	**1.47**
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	**3,83,21,474**	**-**	**3,83,21,474**	**50.26**	**3,88,83,431**	**-**	**3,88,83,431**	**50.63**	**1.47**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	12,221	Nil	12,221	0.02	482	-	482	0.00	96.06
b) Banks/ Financial Institutions	13,40,016	Nil	13,40,016	1.76	13,42,486	-	13,42,486	1.75	0.18
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	22,66,764	-	22,66,764	2.97	22,66,764	-	22,66,764	2.95	-
g) Foreign Institutional Investors	8,75,935	-	8,75,935	1.15	6,46,167	-	6,46,167	0.84	26.23
h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	36,94,385	3,900	36,98,285	4.85	43,03,559	3,900	43,07,459	5.61	16.47
ii) Overseas	-	-	-	-	3,72,719	-	3,72,719	0.49	100.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,49,81,502	7,42,490	1,57,23,992	20.62	1,54,89,937	8,02,890	1,62,92,827	21.21	3.62
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	42,53,303	3,01,800	45,55,103	5.97	41,42,134	1,20,000	42,62,134	5.55	-6.43

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
c) Others (specify)									
i) Clearing Member	8,00,634	-	8,00,634	1.05	6,23,277	-	6,23,277	0.81	22.15
ii) Directors and relatives	16,72,158	-	16,72,158	2.19	9,94,263	-	9,94,263	1.29	40.54
iii) Trusts	60,46,707	-	60,46,707	7.93	60,47,107	-	60,47,107	7.87	0.01
Sub-Total (B) (2):-	**3,23,57,525**	**10,70,390**	**3,34,27,915**	**43.84**	**3,27,17,962**	**9,48,990**	**3,36,66,952**	**43.83**	**0.72**
Total Public Shareholding (B) = (B)(1) + B(2)	**3,68,52,461**	**10,70,390**	**3,79,22,851**	**49.74**	**3,69,73,861**	**9,48,990**	**3,79,22,851**	**49.37**	-
Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	**7,51,73,935**	**10,70,390**	**7,62,44,325**	**100.00**	**7,58,57,292**	**9,48,990**	**7,68,06,282**	**100.00**	**0.74**

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Patel Corporation LLP	1,81,03,300	23.74	-	1,86,65,257	24.30	15.81	0.73
2	Praham India LLP	1,67,44,424	21.80	-	1,67,44,424	21.80	-	-
3	Rupen Patel	13,52,600	1.77	-	13,52,600	1.76	-	-
4	Pravin Patel	40,800	0.05	-	40,800	0.05	-	-
5	Sonal Patel	3,50,500	0.46	-	3,50,500	0.46	-	-
6	Riana Batra	1,99,950	0.26	-	1,99,950	0.26	-	-
7	Chandrika Pravin Patel	1,49,900	0.20	-	1,49,900	0.20	-	-
8	Alina Rupen Patel	12,90,000	1.69	-	12,90,000	1.68	-	-
9	Ryan Rupen Patel	90,000	0.12	-	90,000	0.12	-	-

iii) Change in Promoters' Shareholding

Sr No.	Name of the Promoter Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	No. of shares	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Patel Corporation LLP	1,81,03,300	23.74	April 15, 2015	6,51,957	Conversion of optionally Convertible Preference shares into Equity Shares	1,86,65,257	24.30

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs):

Sr No.	Name of the Promoter Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	No. of shares	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Patel Engineering Employees Welfare Trust	60,45,000	7.87	-	-	-	60,45,000	7.87
2	Life Insurance Corporation of India	23,94,881	3.11	-	-	-	23,94,881	3.11
3	Patel Dinesh G	13,63,815	1.76	05.09.2014	19,10,915	Market purchase	32,74,730	4.26
				12.09.2014	(19,10,915)	Market Sell	13,63,815	1.76
4	Sanjiv K Chainani	4,45,000	0.58	18.04.2014	4,45,000	Market purchase	8,90,000	1.16
				25.04.2014	(4,45,000)	Market Sell	4,45,000	0.58
				09.05.2014	4,35,000	Market purchase	8,80,000	1.15
				16.05.2014	35,934	Market purchase	9,15,934	1.19
				30.06.2014	34,066	Market purchase	950000	1.24
				25.07.2014	9,50,000	Market purchase	19,00,000	2.47
				08.08.2014	(9,50,000)	Market Sell	9,50,000	1.24
				05.09.2014	19,00,000	Market purchase	28,50,000	3.71
				12.09.2014	(19,00,000)	Market Sell	9,50,000	1.24
5	India Max Investment Fund Limited	1,34,463	0.18	04.04.2014	1,36,124	Market purchase	2,70,587	0.35
				23.05.2014	(1,78,430)	Market Sell	92,157	0.12
				11.07.2014	71,543	Market purchase	1,63,700	0.21
				18.07.2014	59,900	Market purchase	2,23,600	0.29
				08.08.2014	(100,000)	Market Sell	1,23,600	0.16
				22.08.2014	(98,000)	Market Sell	25,600	0.03
				05.09.2014	40,277	Market purchase	65,877	0.09
				19.09.2014	(14,000)	Market Sell	51,877	0.07
				30.09.2014	72,438	Market purchase	1,24,315	0.16
				10.10.2014	25,000	Market purchase	1,49,315	0.19
				24.10.2014	15,000	Market purchase	1,64,315	0.21
				31.10.2014	16,000	Market purchase	1,80,315	0.23
				07.11.2014	(44,937)	Market Sell	1,35,378	0.18
				14.11.2014	7,281	Market purchase	1,42,659	0.19
				21.11.2014	(9,500)	Market Sell	1,33,159	0.17
				28.11.2014	1,83,632	Market purchase	3,16,791	0.41
				05.12.2014	(83,000)	Market Sell	2,33,791	0.30

Sr No.	Name of the Promoter Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	No. of shares	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
				12.12.2014	75,000	Market purchase	3,08,791	0.40
				19.12.2014	15,000	Market purchase	3,23,791	0.42
				29.01.2015	1,00,000	Market purchase	4,23,791	0.55
				23.01.2015	25,000	Market purchase	4,48,791	0.58
				06.02.2015	1,00,000	Market purchase	5,48,791	0.71
				13.03.2015	5,000	Market purchase	5,53,791	0.72
6	Patel Nirmala Govind	5,12,591	0.67	05.09.2014	5,12,591	Market purchase	10,25,182	1.33
				12.09.2014	(5,12,591)	Market Sell	5,12,591	0.67
7	Realty Check Properties Pvt. Ltd.	4,97,600	0.65	-	-	-	4,97,600	0.65
8	IDBI Bank Ltd.	4,61,612	0.60	-	-	-	4,61,612	0.60
9	Grovsnor Investment Fund Ltd.	50,000	0.07	05.12.2014	(37,281)	Market Sell	12,719	0.02
				12.12.2014	15,000	Market purchase	27,719	0.04
				31.12.2014	1,50,000	Market purchase	1,77,719	0.23
				13.03.2015	1,95,000	Market purchase	3,72,719	0.49
10	Shanti H Patel	7,09,000	0.92	05.09.2014	14,18,000	Market purchase	21,27,000	2.77
				12.09.2014	(14,18,000)	Market Sell	7,09,000	0.92
				21.11.2014	(9,000)	Market Sell	7,00,000	0.91
				09.01.2015	(10,000)	Market Sell	6,90,000	0.90
				16.01.2015	(20,000)	Market Sell	6,70,000	0.87
				23.01.2015	(13,151)	Market Sell	6,56,849	0.86
				30.01.2015	(83,440)	Market Sell	5,73,409	0.75
				06.02.2015	(65,000)	Market Sell	5,08,409	0.66
				20.02.2015	(20,000)	Market Sell	4,88,409	0.63
				27.02.2015	(1,75,762)	Market Sell	3,12,647	0.40
				06.03.2015	(70,000)	Market Sell	2,42,647	0.32
11	Krisma Investments Pvt. Ltd.	11,58,804	1.51	04.04.2014	(5,43,804)	Market Sell	6,15,000	0.80
				18.04.2014	(1,45,407)	Market Sell	4,69,593	0.61
				15.08.2014	(4,54,593)	Market Sell	15,000	0.02
				19.09.2014	14,000	Market purchase	29,000	0.04
				30.09.2014	25,000	Market purchase	54,000	0.07
				10.10.2014	18,500	Market purchase	72,500	0.09
				17.10.2014	1,000	Market purchase	73,500	0.10
				14.11.2014	11,500	Market purchase	85,000	0.11
				28.11.2014	99,000	Market purchase	1,84,000	0.24
				05.12.2014	55,000	Market purchase	2,39,000	0.31
				20.02.2015	(50,000)	Market Sell	1,89,000	0.25
				27.03.2015	(9,069)	Market Sell	1,79,931	0.23

v) Shareholding of Directors and Key Managerial Personnel:

Sr No.	Name of the Promoter Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	No. of shares	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Mr. Pravin Patel	40,800	0.05	-	-	-	40,800	0.05
2.	Mr. Rupen Patel	13,52,600	1.76	-	-	-	13,52,600	1.76
3.	Mr. Ashwin Parmar	6,997	0.00	-	-	-	6,997	0.00
4.	Mr. Khizer Ahmed	26,500	0.03	-	-	-	26,500	0.03
5.	Mr. K. Kannan*	25,000	0.03	-	-	-	25,000	0.03
6.	Mr. S. Jambunathan	50	0.00	-	-	-	50	0.00
7.	Ms. Silloo Patel	3,21,379	0.42	09.10.2014	3,000	Market Sell	3,18,379	0.41
				29.10.2014	2,000	Market Sell	3,16,379	0.41
				31.10.2014	3,000	Market Sell	3,13,379	0.41
				03.11.2014	2,000	Market Sell	3,11,379	0.41
				24.11.2014	2,000	Market Sell	3,09,379	0.40
				27.11.2014	1,617	Market Sell	3,07,762	0.40
				01.12.2014	383	Market Sell	3,07,379	0.40
				03.12.2014	4,000	Market Sell	3,03,379	0.39
				12.01.2015	30,000	Shares gifted	3,33,379	0.43
				03.03.2015	57,100	Shares received as gift	3,90,479	0.51
8.	Mr. Nimish Patel	2,42,500	0.32	07.04.2014	30,000	Received from relative	2,72,500	0.35
				10.04.2014	3,622	Market Sell	2,68,878	0.35
				11.04.2014	1,000	Market Sell	2,67,878	0.35
				22.04.2014	878	Market Sell	2,67,000	0.35
				23.04.2014	1,500	Market Sell	2,65,500	0.35
				13.05.2014	400	Market Sell	2,65,100	0.34
				14.05.2014	2,000	Market Sell	2,63,100	0.33
				16.05.2014	9,000	Market Sell	2,54,100	0.33
				19.05.2014	3,300	Market Sell	2,50,800	0.33
				20.05.2014	500	Market Sell	2,50,300	0.33
				04.06.2014	400	Market Sell	2,49,900	0.32
				05.06.2014	800	Market Sell	2,49,100	0.32
				10.07.2014	400	Market Sell	2,48,700	0.32
				31.07.2014	100	Market Sell	2,48,600	0.32
				18.08.2014	800	Market Sell	2,47,800	0.32
				19.08.2014	200	Market Sell	2,47,600	0.32
				25.08.2014	305	Market Sell	2,47,295	0.32
				01.09.2014	500	Market Sell	2,46,795	0.32
				02.09.2014	800	Market Sell	2,45,995	0.32
				05.09.2014	500	Market Sell	2,45,495	0.32
				08.09.2014	500	Market Sell	2,44,995	0.32
				09.09.2014	1,000	Market Sell	2,43,995	0.32

Sr No.	Name of the Promoter Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	No. of shares	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
				15.09.2014	1,495	Market Sell	2,42,500	0.31
				19.09.2014	1,000	Market Sell	2,41,500	0.31
				07.10.2014	6,000	Market Sell	2,35,500	0.30
				09.10.2014	2,000	Market Sell	2,33,500	0.30
				10.10.2014	3,000	Market Sell	2,30,500	0.30
				14.10.2014	2,000	Market Sell	2,28,500	0.29
				22.10.2014	2,000	Market Sell	2,26,500	0.29
				28.10.2014	4,000	Market Sell	2,22,500	0.29
				29.10.2014	2,000	Market Sell	2,20,500	0.28
				30.10.2014	3,000	Market Sell	2,17,500	0.27
				03.11.2014	8,000	Market Sell	2,09,500	0.27
				24.11.2014	1,000	Market Sell	2,08,500	0.27
				25.11.2014	4,000	Market Sell	2,04,500	0.25
				28.11.2014	10,000	Market Sell	1,94,500	0.24
				01.12.2014	10,000	Market Sell	1,84,500	0.23
				02.12.2014	5,000	Market Sell	1,79,500	0.20
				03.12.2014	25,000	Market Sell	1,54,500	0.19
				04.12.2014	10,000	Market Sell	1,44,500	0.18
				05.12.2014	5,000	Market Sell	1,39,500	0.18
				08.12.2014	5,000	Market Sell	1,34,500	0.17
				11.12.2014	2,000	Market Sell	1,32,500	0.17
				12.12.2014	500	Market Sell	1,32,000	0.17
				16.12.2014	3,896	Market Sell	1,28,104	0.16
				17.12.2014	2,800	Market Sell	1,25,304	0.15
				18.12.2014	6,400	Market Sell	1,18,904	0.15
				19.12.2014	5,000	Market Sell	1,13,904	0.14
				22.12.2014	7,000	Market Sell	1,06,904	0.14
				23.12.2014	200	Market Sell	1,06,704	0.13
				26.12.2014	3,704	Market Sell	1,03,000	0.13
				29.12.2014	6,376	Market Sell	96,624	0.12
				30.12.2014	4,000	Market Sell	92,624	0.12
				02.01.2015	4,000	Market Sell	88,624	0.11
				05.01.2015	14,000	Market Sell	74,624	0.10
				15.01.2015	12,000	Market Sell	62,624	0.08

A. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of financial year				
(i) Principal Amount	3,348.79	143.81		3,492.60
(ii) Interest due but not paid	-	-		-
(iii) Interest accrued but not due	14.47			14.47
Total (i+ii+iii)	**3,363.26**	**143.81**	**-**	**3,507.07**
Change in Indebtedness during the financial year				
▪ Addition	754.43	(128.72)		
▪ Reduction				625.71
Net Change	**754.43**	**(128.72)**	**-**	**625.71**
Indebtedness at the end of the financial year				
(i) Principal Amount	4,103.22	15.09	-	4,118.31
(ii) Interest due but not paid	35.83	-	-	-
(iii) Interest accrued but not due	14	-	-	-
Total (i+ii+iii)	**4,153.06**	**15.09**	**-**	**4,118.31**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager

(₹ in Million)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
		Mr. Rupen Patel	Ms. Silloo Patel	Mr. Nimish Patel	Mr. Ashwin Parmar	Mr. Pravin Patel	
1.	Gross Salary						
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	13.73	8.25	11.53	5.29	0.00	38.80
b)	Value of perquisites u/s 17(2) Income-Tax Act, 1961	0.04	0.03	0.03	0.03	-	0.13
c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit						
	- others, specify..						
5	Others, please specify	-	-	-	-	-	-
	Total (A)	**13.77**	**8.28**	**11.56**	**5.32**	**0.00**	**38.93**
	Ceiling as per the Act						Refer Note

Note: In terms of the provisions of the Companies Act, 2013 and the Rules framed thereunder and the Circulars issued thereunder, the remuneration paid to the Managing Directors and Executive Directors is within the ceiling prescribed.

B. Remuneration to other directors:

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. K. Kannan	Mr. Khizer Ahmed	Mr. S. Jambunathan	Mr. K. Ramasubramanian	
1.	**Independent Directors**					
▪	Fee for attending board/ committee meetings	0.61	0.69	0.57	0.33	2.22
▪	Commission	-	-	-	-	-
▪	Others, please specify	-	-	-	-	-
	Total (1)	**0.61**	**0.69**	**0.57**	**0.33**	**2.22**
2.	**Other Non-Executive Directors**	-	-	-	-	-
▪	Fees for attending board / committee meetings	-	-	-	-	-
▪	Commission	-	-	-	-	-
▪	Others, please specify	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**
	Total Managerial Remuneration	**0.61**	**0.69**	**0.57**	**0.33**	**2.22**
	Overall Ceiling as per the Act*	-	-	-	-	-

**Sitting fees paid to the Directors are exempted from the purview of Section 197 read with schedule V of the Companies Act, 2013*

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		
		CFO	Company Secretary	Total
1.	Gross Salary			
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	4.33	2.11	6.44
b)	Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	0.03	0.03
c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	
2.	Stock Option	-	200	200
3.	Sweat Equity	-	-	-
4.	Commission			
	- as a % of profit		-	
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	**4.33**	**2.14**	**6.47**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made if any (give details)
A. COMPANY					
Penalty			**NONE**		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			**NONE**		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			**NONE**		
Punishment					
Compounding					

For and on behalf of the Board of Directors,

Pravin Patel
Executive Chairman
(DIN:00029453)

August 14, 2015
Mumbai

Annexure VI - Particulars of Employees

a) Information as per Rule 5(1) of Chapter XIII, Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Sub-section 12 of Section 197 of The Companies ACT, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

Sr. No.	Disclosure Requirement	Disclosure details		
1	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.	Directors	Title	Ratio
		Mr. Rupen Patel	Managing Director	24.55X
		Ms. Silloo Patel	CFO, Executive Director	14.76X
		Mr. Nimish Patel	Executive Director	20.55X
		Mr. Ashwin Parmar	Executive Director	9.48X
2	Percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager if any, in the financial year.	Directors/KMP's	Title	% increase in remuneration
		Mr. Rupen Patel	Managing Director	12.74
		Ms. Silloo Patel	CFO, Executive Director	13.45
		Mr. Nimish Patel	Executive Director	24.04
		Mr. Ashwin Parmar	Executive Director	19.05
		Ms. Kavita Shirvaikar*	Joint – CFO	0.00
		Ms. Shobha Shetty	Company Secretary	8.00
3	Percentage increase in the median remuneration of employees in the financial year.	10.84%.		
4	Number of permanent employees on the rolls of the Company at the end of the year.	1,340 permanent employees were on the rolls of the Company as on March 31, 2015		
5	Explanation on the relationship between average increase in remuneration and Company's performance.	The Profit Before Tax for the financial year ended March 31, 2015, decreased by 39.65% and median increase in the remuneration was 10.84% which is not in line with the performance of the Company due to slow down in the market trend of the Construction Industry.		
6.	Comparison of the remuneration of the key managerial personnel against the performance of the Company.	The total remuneration of the Key Managerial Personnel during the Financial year 2014-15, increased by 16.36% from ₹ 35.42 million to ₹ 40.02 million.		
7	Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the Company came out with the last public offer.	The market capitalization of the Company as on March 31, 2015 was ₹ 5,414.84 million compared to ₹ 7,388.08 million as on March 31, 2014. The price earnings ratio of the Company as on March 31, 2015 was 50.00 compared to 29.72 as on March 31, 2014 based on diluted EPS. The market quotation of the shares as on March 31, 2015 was ₹ 77.50 per share compared to ₹ 96.90 per share as on March 31, 2014 (face value Re.1 per share) on BSE. The market quotation of the Company as on March 31, 2015 was ₹ 82.39 lower (77.98% as on March 31, 2014) than the rate at which the Company came out with the further public offer in 2006 which was at ₹ 440 Per share.		

Sr. No.	Disclosure Requirement	Disclosure details
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average increase for employees other than the managerial personnel who were in the employment during the financial year 2013-14 and 2014-15 the average increase is 10.84% The average increase for managerial personnel is 16.36%
9	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company.	(₹ in Million)

	Mr. Rupen Patel	Ms. Silloo Patel	Mr. Nimish Patel	Mr. Ashwin Parmar	Ms. Kavita Shirvaikar*	Ms. Shobha Shetty
Remuneration in the financial year 2014-15	13.77	8.28	11.56	5.32	4.50	2.13
Revenue	24,728.08					
Remuneration as % of revenue	0.06	0.03	0.05	0.02	0.02	0.01
Profit before tax (PBT)	218.68					
Remuneration as % of PBT	6.30	3.79	5.29	2.43	2.06	1.00

10	Key parameters for any variable component of remuneration availed by the Directors.	Variable component of remuneration availed by the Directors is as per the terms of contract with the Company.
11	Ratio of the remuneration of the highest paid directors to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	As on March 31, 2015, there was no employee who received remuneration in excess of the highest paid Director during the year.
12	Affirmations that the remuneration is as per the Remuneration Policy of the Company.	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

*appointed as joint CFO w.e.f. February 13, 2015

b) Information as per Rule 5(2) of Chapter XIII, Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name	Designation	Remuneration (₹ in miilion)	Nature of Employment	Qualification	Exp In Years	Date of Commencement	Date of Birth	Age (yrs)	Last Employment	% of equity share held	Whether such employee is relative of Director	Name of the such Director
Employed throughout the financial year and in receipt of remuneration aggregating not less than ₹ 60,00,000 for the year													
	Directors												
1	Mr. Rupen Patel	Managing Director	13.77	Contractual	B,Com, M.B.A (Fin, USA)	22	26-10-1995	24-08-1966	49	-	1.76	Yes	Mr. Pravin Patel
2	Mr. Nimish Patel*	Whole Time Director	11.56	Contractual	B.S.(USA)	15	01-02-1999	28-02-1970	45	M/s Kewit Construction Co.USA	0.06	No	-
3	Ms. Silloo Patel	Whole Time Director & CFO	8.28	Contractual	B.A.	42	19-10-1992	14-05-1947	68		0.39	No	-
	Employees												
5	Mr. C. K. Singh	Sr.Vice President	7.73	Contractual	PGDPM & IRL.L.B.	34	1/15/2008	05-11-1955	60	Botliboi Ltd.	nil	No	-
6	Mr. Vanam Prabhakar Rao	Sr.Vice President	6.85	Contractual	B.Tech	34	09-01-2011	09/29/1958	57	IL&FS Water Ltd.	nil	No	-
Employed for the part of the year and in receipt of remuneration aggregating not less than ₹ 5,00,000 per month													
1	Kavita Shirvaikar	Joint CFO	4.56	Contractual	B.Com,ICWA,C.A.	16	07-09-2014	04-08-1973	42	Suzlon Energy Ltd.	nil	No	-

* resigned as Director w.e.f. July 16, 2015.

Management Discussion and Analysis

Macro Economy

The year 2014-15 can be termed as a euphoric year of contrasts. The national elections of 2014 set the tone in terms of uprising of a single largest party in years. The mandate along with the bleak economic situation led people to believe that growth will be brisk and therefore various business indices reflected the optimism. However, the road to recovery is always steeper. The new government initiated several new policy initiatives to revive the ailing economy.

The government is now focused on simplifying processes and attracting more investments from the Indian diaspora outside the country along with global companies.
The government has also focused on removing policy bottlenecks to simplify documentation and processes to initiate business activities. The Union Budget announced measures to boost the infrastructure sector and prior to that the coal blocks allocations were completed successfully. Given the large consumer economy and favourable demographic indicators, the country is attractively poised to reignite its economic machinery.

India is the second most economically confident nation due to the improved performance by the industry and service sectors, according to a recent report by global research company, Ipsos Economic Pulse of the World (Ipsos). India needs to revitalize the investment cycle and fast-track structural reforms to speed up growth, the report says.

The International Monetary Fund (IMF) in its annual assessment of the Indian economy, raised the growth estimate to 7.2% for 2015-16 based on firm policy action and lower global oil prices. However, reforms in agriculture, land acquisition, mining, power sectors and labour markets would be crucial to enhance growth.

A World Bank report recently said the Indian economy appeared to be better than it was in 2012 and 2013. The report also said

- India's growth would catch up with that of China's in 2016-17, buoyed by economic reform measures taken by the Indian government led by the Prime Minister Mr. Narendra Modi.
- Progress on the reform agenda—particularly implementation of the Goods and Services Tax (GST), and easing the process of doing business could transform India into a common market and dramatically boost competitiveness.
- Externally, the scenario is predicated on exports boost from improving growth and job prospects in the US and largely stable or declining crude prices.

The Government of India estimates economic growth in FY16 of 7.4%, against 6.9% in 2013-14, as India changed its definition of gross domestic product (GDP) and the base year for calculating it. The new GDP data takes into account gross value addition in goods and services and indirect taxes. The base year has been shifted to 2011-12 from 2004-05.

This reading of Indian GDP data, is however seen as being at odds with other indicators such as industrial production and trade data, which suggest the economy is still suffering from slack. Focus will be on revitalizing the PPP model to revive investment with strong emphasis on the manufacturing and services sectors.

Recently, rating agency Moody's observed that, the US and India "are among the main beneficiaries" (among G20 nations) of cheaper oil as consumers and companies spend part of the gains in real income, while it expects India's economy to grow by nearly 7.0% in 2016.

Sustained structural reforms can help India to become the second biggest economy in the world by 2050, according to a report by global audit firm PwC.

In 2050, the Indian economy can grow to USD 42,205 billion, only behind China's at USD 61,079 billion, says the report. The US could fall to third place at USD 41,384 billion.

All this has cheered global investors, marking a sharp turnaround in India's image as an investment destination among analysts who had been unsparing in their criticism of the previous government's management of the economy, hit by a policy standstill, corruption scandals and tax disputes.

Infrastructure Industry - Opportunities

The Finance Minister Mr. Arun Jaitley announced a big push for the infrastructure sector with a hefty increase in investments of ₹ 7,00,000 million in the Budget for the fiscal year 2015-16.

He also said the government has increased outlays on both the roads and the gross budgetary support to the Railways by ₹ 1,40,310 million and ₹ 1,00,500 million respectively. The capital expenditure of the public sector units is expected to be ₹ 31,78,890 million an increase of approximately ₹ 8,08,440 million.

The government also plans to establish a National Investment and Infrastructure Fund (NIIF), and find money to ensure an annual flow of 2,00,000 million to it. This, he said, will enable the trust to raise debt and invest in equity of infrastructure finance companies such as the IRFC and NHB and the companies in turn can then leverage this extra equity manifold.

To augment the power generation capacity in the country, the Finance Minister has announced five new ultra mega power projects each of 4,000 MW in the plug-and-play mode. The minister stated that all clearances and linkages will be in place before each project is awarded through a transparent auction system.

This will unlock investments to the tune of ₹ 10,00,000 million and the government would also consider this plug-and-play mode for other infrastructure projects as roads, ports, railway lines and airports. To augment power sector, he said, India will set up 5 more ultra-mega power projects, entailing investments of around ₹ 10,00,000 million. Pitching for corporatisation of state-run ports in the country, Mr. Jaitley disclosed that the government will encourage them to become companies.

For the roads sector, the Finance Minister announced connecting each of the 1,78,000 km unconnected habitations by all-weather roads.This will require completing 1,00,000 km of roads currently under construction plus sanctioning and building another 1,00,000 km of roads. Also, the government is considering a proposal for conversion of existing excise duty on petrol and diesel to the extent of 4 per litre into road cess to fund investment in roads and railways.An additional ₹ 4,00,000 million will be made available through this measure for these sectors.

Impact of Industry and Future Outlook

The economic downturn in recent years especially in the infrastructure sector has severely affected the performance of almost all the companies in this sector including our Company, which sparing last few years was growing at a steady pace in terms of revenues and profits. During the phase of growth, like others in the sector, our Company also undertook debt financing to expand and grow in all fields – construction, roads, power and real estate. The sudden slump in the industry, affected the operations of the company and the revenues declined; the profits were further impacted due to increased interest costs. The Company undertook steps to undertake selective bidding to remain cautious and avoided taking projects which it considered may be risky and less profitable during the last year. In respect of the existing projects, the company realigned its strategy and worked with plans to make most projects become self-sustaining in respect of short term liquidity requirements, as a result ensuring that the company is able to generate enough cash flow to sustain its overheads and ensure non stoppage of work.

The company is undertaking efforts to generate cashflows by monetising non-core assets, realize amounts of arbitration awards and under various stages of claims, cost control measures across sites and lastly through influx of fresh orders.

Performance overview

During these difficult times, the financial results reflect a depiction where the operations have been optimised with various cost control measures and focus on working with the funds available at the site such that additional burden for funding is minimized. As a result, the revenues and profits have reduced from the previous year.

On consolidated basis:

- Revenue from Operations decreased by 7.7% to ₹ 34,153.87 million.
- Profit before tax stood at ₹ 316.88 million.
- Net Profit is at ₹ 84.69 million.
- The EPS (fully diluted) stood at ₹ 1.10 per share.

The order backlog from the engineering and construction business as on March 31, 2015 is approximate ₹ 1,08,790 million. The share in the order book stood at –the power sector at 51%, irrigation and water 34% and transportation, urban infrastructure and others at 15%. Apart from the same we are also lowest bidders for ₹ 83,000 million worth of orders, out of which ₹ 72,900 million is for a project in J&K for which there has been an unexpected delay in getting the award letter even after being declared as the lowest bidder. The Company is confident that in the long term,

there are vast opportunities in the industry and there will be growth with new projects but some of the issues discussed earlier need to be resolved at an industry level to regain the growth momentum.

Engineering and Construction - Update:

Power– Due to various issues either at local or macro level, including political and environmental concerns, there were fewer orders in the power sector. Still during the year, the Company received a work order for Koteshwar H E Project in Uttarakhand. It is a 400 MW Project with contract value of ₹ 1,490 Million.

The progress in respect of existing projects is on track. Following are some key projects under execution by the Company –

- 600 MW Kameng H.E. Project (Package I, II & III), Arunachal Pradesh
- 450 MW Shongtong HE Project, Himachal Pradesh
- 37.50 MW Parnai HE Project, Jammu and Kashmir
- 60 MW Turial HE Project, Mizoram
- 144 MW Gongri HE Project, Arunachal Pradesh

Irrigation – Change in the political environment in states like Andhra Pradesh, Telangana and diversion of views surrounding such projects in other states including Maharashtra has adversely affected irrigation projects and therefore in this year the Company has taken up only one project in this sector, Restoration of Saran Main Canal in Bihar which is 200 km long for a contract value of ₹ 2,460 million.

Following are some key projects under execution by the Company –

Pranahita Chevalla Lift Irrigation Project – Package 6 & 23, Telangana

Sleemanabad Carrier Canal, Madhya Pradesh

Urban Infrastructure & Roads – The Company has successfully completed over 33 micro tunneling projects in India and the United States. Further, the Company controls more than 90% of market share for micro tunneling in India. The Company is currently working on various new urban infrastructure projects in Mumbai and Pune. During the current year the Company has received the following major orders –

- 4 Laning of Sangrur-Punjab / Haryana Border, Punjab for a length of 30 km valued at ₹ 2,700 million.
- Shimoga – Shikaripura – Anandpuram Road Project, Karnataka for a length of 82 km valued at ₹ 2,740 million.

Asset Ownership

Hydro Power Projects – The Company has started construction of one of the hydro power projects i.e. Gongri H.E. Project. Rest of the projects is currently at preliminary stage.

Thermal Power Projects – The thermal power projects have been kept on hold as the company currently does not want to leverage further.

Accordingly, the acquisition of coal mines which were to be utilized for captive consumption for the thermal projects have also been kept on hold.

Road BOT – The two annuity road BOT projects, i.e. KNT – 1 & AP – 7 are in operation and maintenance stage. The construction of the toll BOT Project i.e.construction of four-lane highway project in Varanasi-Shaktinagar Road is in progress.

Real Estate

The Company had started developing its historical land bank through its realty arm. Further, the Company is also looking to get into joint development/sale of certain parcel of lands to generate cashflows on an accelerated basis, in order to reduce the debt burden. The existing projects of the Company which were launched in Bangalore and Hyderabad are running in full swing. Due to the change in business environment and a lull in demands for commercial projects in Mumbai, the Company had decided to shelve the commercial project located in Jogeshwari and has received permits for conversion of the project into a residential project. One of the aspect which differentiate the Company with many other EPC companies is that we are an EPC Company with assets & land bank, which will sooner or later give it abundant returns.

Risk Management

Funding risk: The company is into a highly capital intensive industry segment. Non-availability of funds, increased borrowings or increased cost of funding will result in pressurised margins.

Mitigation factors: Undertake more work on projects where the working capital requirements is minimum and/or the lead time of the funds required is the least and the jobs can be performed with internal accruals.

Contract risk: Selection of favourable and profitable contractsby reviewing conditions especially relating to escalations, extra items, land acquisitions and rehabilitations, other clearances, retentions etc.
Mitigation factors: The contracts are reviewed at tendering stage to churn out unfavourable or less profitable contracts. Further, the same are continuously reviewed and corrective actions are taken at each stage of planning, project management, contract management and execution.

Regulatory risk: The Company's business is highly dependent on government regulations and policies. Any adverse change or regulation can adversely impact the company's plans.
Mitigation factors: While this risk applies to all the industry players, the mitigation lies in the economic progress of India. Infrastructure development is the only catalyst that would drive the Indian growth story in the coming years. During the year 2015-16, the Government plans to spend ₹ 700,000 million into the various verticals of infrastructure sector. The ongoing investments in infrastructure would attract greater confidence from global players and as a result, the regulations are bound to be more liberal and in the interest of the Indian economy.

Competition risk: The Company operates in various industry segments having substantial competition, both from the organised and the unorganised players.
Mitigation factors: The Company has demonstrated track record of not only developing large projects but also operating them. The competition from unorganized players or smaller players is mitigated by the company by superior services, project quality and strong client relationships, among others.

Human resource risk: Quality of manpower decides the quality of the services. Higher attrition would affect the company's prospects.
Mitigation factors: The Company's HR department ensures identification, development and retention of talented professionals in the company. The Company's presence across various businesses enables it to ensure holistic development of its employees by adding new skill sets. The Company also has ESOP scheme for the employees.

Internal Control System

The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets. All transactions are properly authorized, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has appointed external Internal Auditors to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board periodically. The Company has ERP systems functioning across all sites and has well documented guidelines, procedures and policies.

Information Technology

As a global infrastructure company, Company is experienced in managing large scale implementations. Because each project is unique, off the shelf tools are often not flexible enough to manage the complexities. With our information technology services, our in house process and technology, experts come together to create appropriate management tools specific to each multifaceted program to streamline each project processes. Company is passionate about uncovering information; with the right blend of tools, and methodology and therefore delivers meaningful change and lasting results. Our unique offerings of "real-time data collection to analysis" have emphasized the value of appropriate technology to help bring transparency and meaning to our data supported by personalized service—empowering management to have the information necessary to make strategic decisions with current, accurate, and complete information so that they can make appropriate timely decisions. Knowledge about work processes, connecting what people do to where they do it, and anticipating future needs is the best way to increase productivity now, while identifying what you'll need for optimal performance in the future. This multi-dimensional approach has built lasting, trusted relationships with our clients.

Human resources

The Company presently employs more than 1,340 persons at various locations. The growth and sustained leadership of the Company is largely a function of the competence and quality of its human resource. The Company has always aimed to create a workplace where every person can achieve their optimum potential and have a very low attrition especially amongst the senior employees.

In the current year, the organisation structure remained

same except some additional employments in finance as majority of the current focus is to manage this function well, apart from others. Also realignment of functional areas amongst executives was a key move to increase the productivity and keep the motivation factor running amongst the personnel. Business Development team was also another area which was strengthened and new recruits of engineers for new projects undertaken during the year was also a feature.

Periodic reviews and visits were undertaken to ensure the costs are kept under control. Such reviews and with constant interaction with external agencies, majorly appointed by lenders brought in the required co-ordination and joint team efforts amongst the employees across the organisation.

Various training programmes and welfare activities were undertaken in respect of the employees including issue of stock options to the employees at large to bring the management team and the employees work closely and jointly in such difficult times with the common objective of coming out shining and tall from the current downturn.

Cautionary Statement

In this Annual Report, the management has disclosed forward-looking information like objectives, estimates and expectations to enable investors to comprehend our prospects and take investment decisions, which may be 'forward looking statements' within the meaning of applicable laws and regulations. This report and other statements - written and oral that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. The management has tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. The management cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The operations of the company may be affected due to various reasons like changes in political and economic front of the country; fluctuations in exchange rate, tax laws, litigations, labour relations, interest costs and overall scenario of the infrastructure sector. Hence, the achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise."

Reference Notes

(Endnotes)

1 http://timesofindia.indiatimes.com/business/india-business/India-will-catch-up-with-Chinas-growth-rate-in-2016-17-World-Bank/articleshow/45881480.cms

2 http://www.business-standard.com/article/economy-policy/india-s-fy15-gdp-estimated-to-soar-7-4-under-new-methodology-115020900697_1.html

3 http://economictimes.indiatimes.com/news/economy/indicators/indias-economy-to-grow-by-nearly-7-per-cent-in-2016-moodys/articleshow/46206423.cms

4 http://www.pwc.com/gx/en/issues/the-economy/assets/world-in-2050-february-2015.pdf

Report on Corporate Governance

Company's philosophy on Code of Governance

Corporate Governance in the Company assigns responsibility and authority to the Board of Directors, its Committees, Senior Management, and Employees etc. Good governance provides appropriate frame work for the Board, its Committee and Management to carry out its objectives that are in the interest of the Company and its stakeholders.

The Company is in compliance with the requirement of Corporate Governance as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges.

Board of Directors

The Board comprises of 10 Directors as on March 31, 2015. Out of the 10 Directors, 5 are Non – Executive Independent Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement entered with the Stock Exchanges.

The names and categories of the Directors on the Board, their attendance at Board meetings held during the year 2014-15 and at the last Annual General Meeting (AGM), as also the number of directorships and committee positions held by them in other public limited companies as on March 31, 2015 are as under:

Name and DIN of the Directors	Category	No. of Board Meetings		Attendance at the last AGM held on September 26, 2014	No. of directorships in other Public Limited Companies $	Committee Position*	
		Held	attended			Chairman	Member
Mr. Pravin Patel (DIN 00029453)	Chairman Promoter, Executive Director	9	9	Yes	8	-	-
Mr. Rupen Patel (DIN 00029583)	Promoter, Managing Director	9	8	Yes	7	-	-
Mr. K. Kannan^ (DIN 02610880)	Independent Non-Executive Director	8	6	No	6	3	5
Mr. Khizer Ahmed (DIN 00032567)	Independent Non-Executive Director	9	7	Yes	3	3	-
Mr. S. Jambunathan (DIN 00063729)	Independent Non-Executive Director	9	6	Yes	Nil	-	-
Ms. Silloo Patel (DIN 00029656)	Executive Director	9	8	Yes	4	-	-
Mr. Nimish Patel# (DIN 00029353)	Executive Director	9	7	Yes	10	-	-
Mr. Ashwin Parmar (DIN 00055591)	Executive Director	9	7	Yes	8	-	-
Mr. Sharad Zalawadia (DIN 06670506)	Independent Non-Executive Director	9	1	Yes	Nil	-	-
Mr. K. Ramasubramanian** (DIN01623890)	Independent Non-Executive Director	2	2	-	2	1	2
Ms. Geetha Sitaraman*** (DIN 07138206)	Independent Non-Executive Director	-	-	-	Nil	-	-

$ Only Directorship of public limited companies incorporated in India have been considered.

*only Audit Committee and Stakeholders' Relationship Committee, in other public limited companies, have been considered for the Committee positions.

^ceased to be director on account of death on December 18, 2014.

** appointed as an Additional Director (Independent Director) w.e.f November 10, 2014.

*** appointed as an Additional Director (Independent Director) w.e.f. March 26, 2015.

resigned w.e.f. July 16, 2015.

No Independent Directors of the Company have any material pecuniary relationship or transactions with the Company.

Mr. Pravin Patel and Mr. Rupen Patel are related to each other. None of the other Directors is related to each other.

The Board of Directors met nine times on the following dates during the financial year 2014-15:

May 23, 2014; May 30, 2014; June 12, 2014 (adjourned and held on June 18, 2014); July 23, 2014; August 13, 2014; September 9, 2014; September 26, 2014; November 14, 2014 (adjourned and held on November 21, 2014) and February 13, 2015 . The necessary quorum was present for all the meetings.

Meeting of Independent Directors

During the year, meeting of Independent Directors was held to review the performance of the Board and to assess the quality and timeliness of flow of information between the management and the Board.

Committees of the Board:

A) Audit Committee

The Board of Directors at their meeting held on May 30, 2014 has changed the terms of reference of the Audit Committee to align the same in terms with Clause 49(II)(A) of the Listing Agreement and Section 177 of the Companies Act, 2013.

Terms of reference:

i. To recommend the appointment, remuneration and terms of appointment of Statutory auditors of the Company;

ii. To approve the payment to statutory auditors for any other services rendered by the statutory auditors;

iii. To review and monitor the auditor's independence, performance and effectiveness of audit process;

iv. To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

v. To review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Qualifications in the draft audit report;

vi. To review with the management, the quarterly financial statements before submission to the Board for approval;

vii. To review the Management letters / letters of internal control weaknesses issued by the statutory auditors;

viii. To approve the related party transactions or any subsequent modification of such transactions;

ix. To scrutinize the inter-corporate loans and investments;

x. To valuation of undertakings or assets of the Company, wherever it is necessary;

xi. To evaluate internal financial controls and risk management systems;

xii. To monitor the end use of funds raised through public offers and related matters, if any;

xiii. To investigate into any of the matters specified above or any matters referred by the Board;

xiv. To oversee the Vigil mechanism and provide direct access to Audit Committee chairperson under vigil mechanism;

xv. To discuss issues with internal and statutory auditors;

xvi. To seek information from any employee and to obtain legal and professional advice as and when necessary;

xvii. To discuss the scope of internal audit with internal auditors;

xviii. To provide any clarification on matters relating to audit in the Annual General Meeting;

xix. To formulate the scope, functioning, periodicity and methodology for conducting internal audit in consultation with the internal auditor;

xx. To call for comments from the internal auditors about internal control systems, scope of audit including the observations of the auditors;

xxi. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xxii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xxiii. To approve the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xxiv. To review the appointment, removal and terms of remuneration of the Internal Auditor.

Composition and the details of meeting attended:

Name	Category	Number of meetings during the year 2014-15	
		Held	Attended
Mr. Khizer Ahmed, Chairman	Independent, Non-Executive Director	7	5
Mr. K. Kannan*	Independent, Non-Executive Director	7	5
Mr. S. Jambunathan **	Independent, Non-Executive Director	6	3
Mr. K. Ramasubramanian ***	Independent, Non-Executive Director	2	2
Mr. Pravin Patel	Promoter, Executive Director	7	7

*ceased as member on account of death on December 18, 2014.

** inducted as a member of the Audit Committee by the Board of Directors at their meeting on May 30, 2014.

*** appointed w.e.f. November 10, 2014.

(iii) The Audit Committee met 7 times during the financial year 2014-15 i.e. on May 14, 2014; May 30, 2014; June 12, 2014; June 18, 2014; August 13, 2014; November 14, 2014 and February 13, 2014. The necessary quorum was present for all the meetings of the Committee.

B) Nomination and Remuneration Committee:

Pursuant to the provision of Section 178 (1) of the Companies Act, 2013, the Board of Director at their meeting held on May 30, 2014 renamed the Remuneration Committee as "Nomination and Remuneration Committee" and redefined the terms of reference.

Terms of reference:

i. To identify individuals who are qualified to become Directors and in senior management in accordance with the criteria as per the policy approved by the Board and recommend to the Board about their appointment and removal.

ii. To carry out the evaluation of the performance of Directors;

iii. To formulate the policy to determine the qualifications, positive attributes and independence for appointment/ reappointment as Directors in the Company;

iv. To formulate the remuneration policy of Directors, key managerial personnel and other employees and recommend the same to the Board;

v. To formulate the assessment/evaluation criteria for performance evaluation of the Directors of the Company;

vi. To devise the policy on the Board diversity;

vii. To administer Share Based Employee Benefit Schemes implemented by the company including but not restricted to identify eligible employees, issue & allot options, determine exercise price, grant share based employee benefits, recover loans thereto, approve/reject applications for benefits and such other powers as may be required for the functioning & implementation of the Scheme.

Composition and the details of the meeting attended:

Name	Category	Number of meetings during the year 2014-15	
		Held	Attended
Mr. Khizer Ahmed, Chairman	Independent, Non-Executive Director	1	1
Mr. K. Kannan*	Independent, Non-Executive Director	1	1
Mr. Pravin Patel	Promoter, Executive Director	1	1
Mr. S. Jambunathan	Independent, Non-Executive Director	1	1
Mr. K. Ramasubramanian**	Independent, Non-Executive Director	-	-

*ceased as member on account of death on December 18, 2014.

**appointed w.e.f. November 10, 2014

The Nomination and Remuneration Committee met on May 30, 2014. The necessary quorum was present for the meeting.

The Company has framed a Remuneration Policy pursuant to Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, which is annexed to the Board's Report.

Remuneration to Directors

a. Non-Executive Directors:

The Company pays sitting fees of ₹ 50,000 per meeting to Non Executive Directors for attending meeting of the Board and Audit Committee and fees of ₹ 25, 000 for attending meeting of other Committees.

The details of sitting fees paid to the directors during the year ended March 31, 2015 are as under:

(₹ in Million)

Name	Sitting fees
Mr. K. Kannan	0.61
Mr. Khizer Ahmed	0.69
Mr. S. Jambunathan	0.57
Mr. K. Ramasubramanian	0.33

b. Executive Directors

The details of the remuneration paid to the Managing Director and the Executive Directors during the financial year ended March 31, 2015 are as under:

(₹ in Million)

	Mr. Pravin Patel, Chairman	Mr. Rupen Patel, Managing Director	Ms. Silloo Patel	Mr. Nimish Patel*	Mr. Ashwin Parmar
Salary	0	5.90	4.39	4.39	2.46
Perquisites / others	0	7.87	3.89	7.14	2.86
Total	**0**	**13.77**	**8.28**	**11.56**	**5.32**
Service Contract	September 27, 2013 to September 26, 2016	April 1, 2014 to March 31, 2019	September 1,2014 to August 31, 2017	April 1, 2014 to March 31, 2017	April 1, 2014 to March 31, 2017

*resigned as director w.e.f July 16, 2015.

The shareholding of the Directors in the Company as on March 31, 2015 is as under:

Name	Number of equity shares	% of the paid up capital
Mr. Pravin Patel, Chairman	40,800	0.05
Mr. Rupen Patel, Managing Director	13,52,600	1.76
Mr. Khizer Ahmed	26,500	0.03
Mr. S. Jambunathan	50	0.00
Ms. Silloo Patel	2,98,479	0.39
Mr. Nimish Patel	43,634	0.06
Mr. Ashwin Parmar	6,997	0.01
Mr. K. Ramasubramanian	357	0.00

C) Stakeholders' Relationship Committee:

The Company has renamed the Shareholders & Investors Grievance Committee as 'Stakeholders Relationship Committee' in compliance with section 178(5) of the Companies Act, 2013 and in terms of clause 49 (VIII) (E) of the listing agreement with Stock Exchanges.

Terms of reference:

The Stakeholders Relationship Committee looks into matters of shareholders/investors viz. transfer/credit of shares to their demat account, non-receipt of dividend/ notices/ annual Reports etc.

The two member sub-committee comprising of Ms. Silloo Patel, Whole time Director and Ms. Shobha Shetty, Company Secretary was formed to expedite the processing system in respect of matters relating to shares/share transfer etc. The sub-committee places a quarterly report before the Stakeholders Relationship Committee for their approval / noting.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI (SCORES), Stock Exchanges, MCA. The Minutes of the Shareholder and Investor Grievance Committee meetings are circulated to the Board and noted by the Directors at the Board meeting.

Composition and the details of meeting attended:

Name	Category	Number of meetings during the year 2014-15	
		Held	Attended
Mr. Khizer Ahmed, Chairman	Independent, Non-Executive Director	4	4
Mr. K. Kannan*	Independent, Non-Executive Director	4	2
Mr. Jambunathan	Independent, Non-Executive Director	4	3
Mr. K. Ramasubramanian**	Independent, Non-Executive Director	2	2

*ceased to be Director on account of death on December 18, 2014.

**appointed w.e.f. November 10, 2014.

Stakeholders Relationship Committee met 4 times on May 30, 2014; August 13, 2014; November 14, 2014 and February 13, 2015.The necessary quorum was present for all the meetings of the Committee.

Ms. Shobha Shetty is the Company Secretary & Compliance Officer of the Company.

Based on the report received from Link Intime (India) Private Limited, the Registrar & Share Transfer Agent, the Company has received 25 complaints during the year ended March 31, 2015 which were satisfactorily resolved /replied to. As on March 31, 2015 there were no pending requests/complaints.

Risk Management

The Risk Management Committee of the Board of Directors has designed Risk Management Policy to lay down a framework for risk assessment and risk minimization procedures. The composition of the Committee is in compliance with Clause 49 of the Listing Agreement.

Board Evaluation

The Board has carried out an annual performance evaluation of its own performance, and of the directors individually, as well as the evaluation of all the committees i.e. Audit, Nomination and Remuneration, Stakeholders Relationship, Committee of Directors and CSR Committee.

The Board adopted a formal evaluation mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Board. The exercise was carried out by feedback survey from each directors covering Board functioning such as composition of Board and its Committees, experience and competencies, governance issues etc. Separate Exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc.

General Body Meetings

The date, time and venue of the last three Annual General Meetings are given below:

	Details	Date	Time	Venue
1	63rd Annual General Meeting 2011-12	October 12,2012	3.30 pm	Shree Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (W), Mumbai-400102
2	64th Annual General Meeting 2012-13	September 27, 2013	3.30 pm	
3	65th Annual general Meeting 2013-14	September 26, 2014	3.30 pm	

Postal Ballot

During the year, pursuant to the provision of Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, the Company has passed Special resolutions through Postal Ballot conducted twice during the year 2014-15.

Mr. Pramod Mehendale of M/s Pramod H. Mehendale & Co, Practicing Company Secretary was appointed by the Board of Directors of the Company to conduct both the postal ballot process in fair and transparent manner.

a. The Company as per the postal ballot notice dated July 23, 2014, passed four special resolutions. The results of the Postal Ballot were announced on September 9, 2014. The details of the results of Postal Ballot are as under:

Sr No.	Business	Postal Ballot forms received (physical + electronic)		Valid Votes casted (physical +electronic)		
		Total	Valid	Total	In favour	Against
1	Special Resolution under Section 186 of the Companies Act, 2013 for making investments / giving loans / providing guarantees / securities on behalf of any person(s) or body corporate (Including subsidiary(ies) and overseas subsidiary(ies) Company (ies)) upto an amount not exceeding ₹ 3,500 crore.	516	493	4,91,34,864	4,90,70,001	64,863
2	Special Resolution under Section 180 (1) (c) of the Companies Act, 2013 for increase in borrowing power of the Board of Directors up to ₹ 9,000 crores.	516	488	4,91,31,959	4,91,21,655	10,304
3	Special Resolution under Section 180 (1) (a) of the Companies Act, 2013 for creation of charge / mortgage over the movable and immovable properties of the Company, both present and future, in respect of borrowings.	516	487	4,91,31,759	4,90,89,245	42,514
4	Special Resolution for further issuance of Securities for an amount not exceeding ₹ 1,000 crores	516	474	4,91,29,708	4,90,66,851	62,857

b. The Company as per the postal ballot notice dated September 26, 2014, passed two Special Resolutions. The results of the Postal Ballot were announced on November 12, 2014. The details of the results of Postal Ballot are as under:

Sr No.	Business	Postal Ballot forms received (physical + electronic)		Valid Votes casted (physical +electronic)		
		Total	Valid	Total	In favour	Against
1	Special Resolution to be passed under Section 180 (1)(a) of the Companies Act, 2013 to lease sell, transfer, convey, assign or otherwise dispose of the Company's immovable property/ies at Patel Estate Road, Jogeshwari, Mumbai.	507	493	5,01,43,641	5,01,41,409	2,232
2	Special Resolution to be passed under Section 180 (1) (a) of the Companies Act, 2013 to sell /transfer/disinvest the Thermal Project at Nagapattinam, Tamil Nadu.	521	500	5,01,43,265	5,01,41,209	2,056

Resolution, if any, to be passed through Postal Ballot during the current financial year will be taken up as and when necessary.

The procedure for Postal Ballot:

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engages the services of CDSL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting.

The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members / list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) / the Company's registrar and share transfer agents (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting. The scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman / authorized officer. The results are also displayed on the website of the Company, www.pateleng.com, besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The date of declaration of the results by the Company is deemed to be the date of passing of the resolutions.

Disclosures:

i. The Company has not entered into any materially significant related party transaction that may have potential conflict with the interest of Company at large but the Company has taken approval of its Audit Committee in terms of Section 177 and rules made thereunder of the Companies Act, 2013 and Clause 49 of the Listing agreement for its related party transaction with its wholly owned subsidiaries during the Financial year 14-15.

ii. The financial statements have been prepared in accordance with the accounting standards and policies generally accepted in India.

iii. The Company has paid fine of ₹ 25,000 each to BSE and NSE for delay in filing of its Financial Statements for the quarter ended September 30, 2014.

iv. The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Agreement.

v. The Company has a Whistle Blower Policy for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of our code of conduct or ethics policy and confirms that no personnel have been denied access to Audit Committee.

vi. The CEO and the CFO have certified to the Board, the requirements of Clause 49(IX) of the Listing Agreement.

vii. Pursuant to Clause 49 of the Listing Agreement, a certificate from M/s Vatsaraj & Co, Chartered Accountant,certifying the compliance by the Company with the provisions of the Corporate Governance of the Listing Agreement forms part of this Report.

Means of Communication

i. The quarterly/annual financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and published in an English daily and a Marathi daily newspapers. The quarter/annual results, press releases and the presentation made to the Institutional Investors or to the Analysts, if any, are uploaded on the website of the Company www.pateleng.com.

ii. The Management Discussion and Analysis Report, in compliance with the requirements of Clause 49 of the Listing Agreement forms part of this Annual Report.

iii. The Company has designated email id investors@pateleng.com exclusively for Investors servicing.

iv. General Shareholder information

i) Annual General Meeting:

Date :	September 28, 2015
Time	3.30 pm
Venue	Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102.

ii) Financial Calendar year ending — March 31, 2015

iii) Date of Book Closure — September 22, 2015 to September 28, 2015 (both days inclusive)

iv) Listing on Stock Exchanges

The Equity Shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the listing fees, to these Stock Exchanges for the financial year 2015-16.

v) Stock codes (Equity Share)

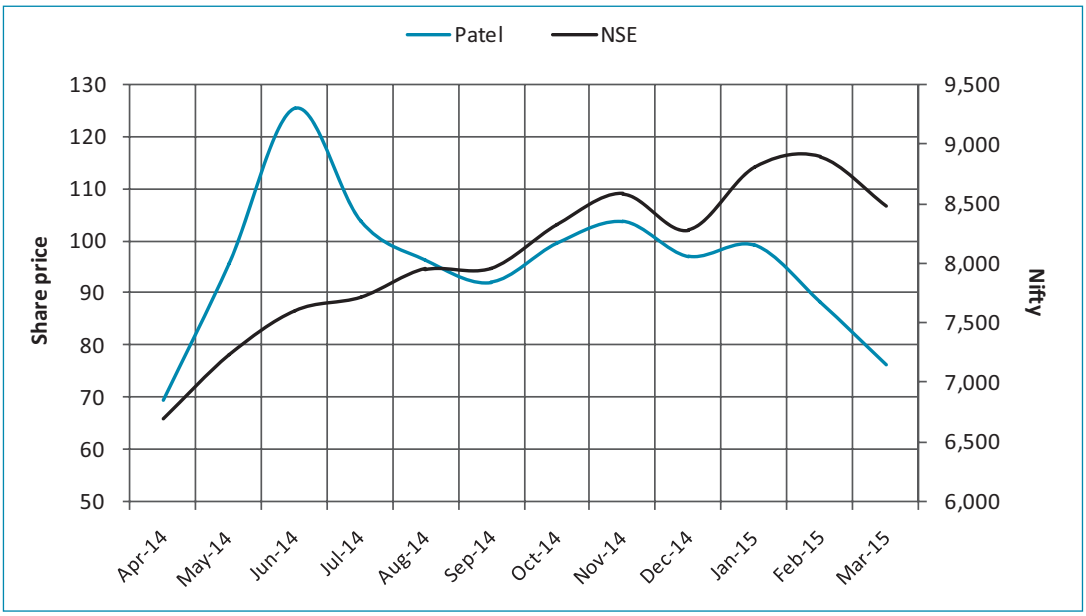
BSE Limited	531120
National Stock Exchange Limited	PATELENG

vi) Market Price Data

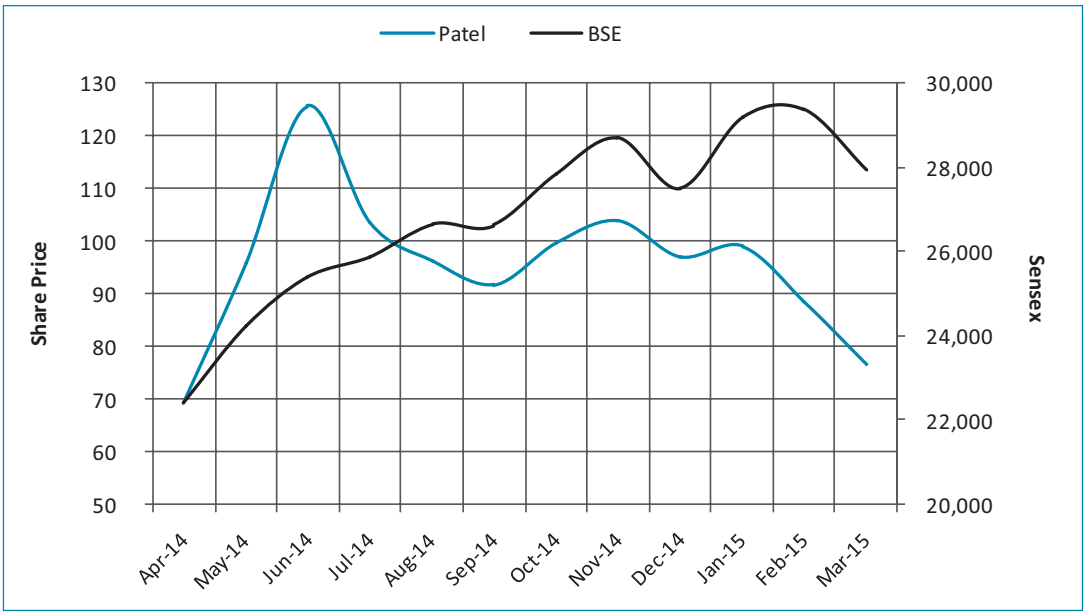
High, Low (based on the closing Prices) and number of Company's shares traded during each month in the financial year 2014-2015 on BSE and NSE are under :

Month	BSE			NSE		
	High (₹)	Low (₹)	Total No. of Shares Traded	High (₹)	Low (₹)	Total No. of Shares Traded
Apr – 2014	79.00	59.10	50,44,439	79.25	58.75	1,65,88,157
May – 2014	107.00	65.70	45,90,983	106.80	65.65	1,41,26,973
Jun – 2014	152.50	95.00	74,67,725	152.95	89.90	2,14,05,963
Jul – 2014	128.05	98.10	6,34,493	129.00	98.20	18,70,796
Aug – 2014	115.50	95.35	14,47,815	115.30	96.05	32,01,973
Sep – 2014	111.85	91.00	23,70,178	112.00	90.80	65,00,692
Oct – 2014	102.75	86.15	20,09,481	102.90	86.15	45,52,151
Nov – 2014	119.20	99.60	37,57,012	119.25	99.30	1,11,89,301
Dec – 2014	122.45	85.70	50,94,684	122.50	85.80	1,45,98,748
Jan - 2015	102.00	91.10	19,88,841	101.90	91.10	51,65,875
Feb - 2015	101.50	83.50	27,51,032	101.80	83.70	79,55,234
Mar -2015	94.70	80.50	17,06,313	94.80	70.20	54,81,389

vii) a) Performance of the share price of the Company in comparison to the BSE Limited Sensex:



b) Performance of the share price of the Company in comparison to the NSE Nifty:



viii) Registrar and Transfer Agents: Link Intime India Private Limited is the Registrar and Share Transfer Agent of the Company. The Registrar and Share Transfer Agent acknowledges and executes the transfer of shares and also understands the dematerialisation/ rematerialisation of Equity Shares. The Registrar and Share Transfer Agent also accepts, deals with and resolve complaints of the shareholders.

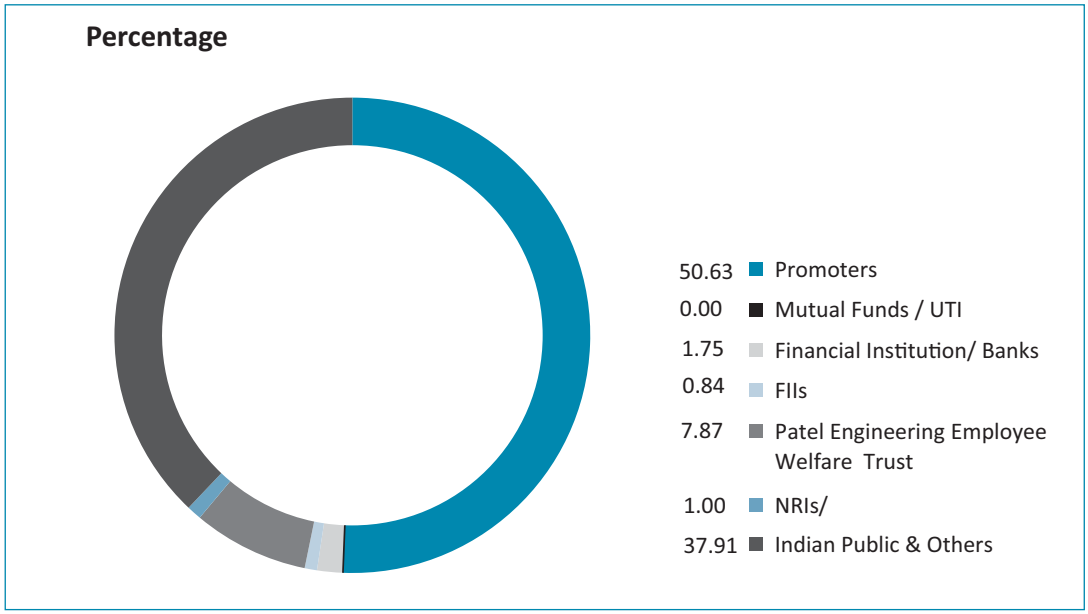
ix) Share Transfer System: 98.77 % of the shares of the company are in the electronic form. Transfer of these shares is done through the depositories with no involvement of the company. As regards transfer of shares in physical form, the same is normally processed within 15 days by the Registrar from the date of receipt if the documents are complete in all respects. The two member sub-committee constituted by the Board approves the transfers and report to the Stakeholders' Relationship Committee of the Board each quarter.

x) Distribution of shareholding as on March 31, 2015:

No. of shares	Holdings	% to Capital	No. of Shareholders	% to Total
1-500	51,68,388	6.73	55,606	90.89
501-1000	21,70,397	2.83	2,706	4.42
1001-2000	21,54,040	2.80	1,403	2.29
2001-3000	14,08,445	1.83	535	0.87
3001-4000	7,26,565	0.95	203	0.33
4001-5000	8,38,477	1.09	178	0.29
5001-10000	19,99,266	2.60	278	0.45
Above 10000	6,23,40,704	81.17	269	0.44
Grand Total	**7,68,06,282**	**100.00**	**61,178**	**100.00**

Shareholding Pattern as on March 31, 2015

Category	No. of Shares	%
Promoters	3,88,83,431	50.63
Mutual Funds / UTI	482	0.00
Financial Institution/ Banks	13,42,486	1.75
FIIs	6,46,167	0.84
Patel Engineering Employee Welfare Trust	60,45,000	7.87
NRIs	7,67,166	1.00
Indian Public & others	2,91,21,550	37.91
Grand Total	**7,68,06,282**	**100.00**



xi) Dematerialisation of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the company representing 98.77 % of the Company's share capital are dematerialized as on March 31, 2015.

The Company's shares are regularly traded on the National Stock Exchange of India Limited and BSE Limited, in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to Company's securities.

Particulars of Security	ISIN
Equity Shares	INE244B01030
9.8% Non-Convertible Debentures of ₹ 95 crores	INE244B07045
10.75% Non-Convertible Debentures of ₹ 50 crores	INE244B07102
11.30% Non-Convertible Debentures of ₹ 150 crores	INE244B07144
11.40% Non-Convertible Debentures of ₹ 150 crores	INE244B07128
	INE244B07136

xii) The Company has not issued GDRs/ADRs/Warrants or any other instrument convertible into equity.

xiii) Details of shares lying in the suspense account (pursuant to Clause 5A of the Listing Agreement)

	Particulars	
1	Aggregate number of shareholders at the beginning of the year	57
2	Outstanding shares in the suspense account lying at the beginning of the year	1,085
3	No of shareholders who approached the company for transfer of shares from suspense account during the year	0
4	Number of shareholders to whom shares were transferred from the suspense account during the year	0
5	Aggregate number of shareholders at the end of the year	57
6	Outstanding shares in the suspense account at the end of the year	1,085

The voting rights on the outstanding shares shall remain frozen till the rightful owner of such shares claims the shares.

xiv) Plant locations- Not Applicable

xv) Address for correspondence :For any assistance, request or instruction regarding transfer or transmission of shares and debentures, dematerialization of shares, change of address, non- receipt of annual report, dividend warrant and any other query relating to the shares and debentures of the Company, the investors may please write to the following address:

Link Intime India Private Limited
Unit: Patel Engineering Limited
C- 13 Pannalal Silk Mills Compound,
LBS Road, Bhandup (West) Mumbai – 4000 78.
Tel: +91 22 2594 6970
Fax no. +91 22 25946969
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

The Company Secretary
Patel Engineering Limited
Patel Estate Road, Jogeshwari (West),
Mumbai – 400 102.
Tel: +91 22 26767500 / 501
Fax: +91 22 26782455/ 26781505
E-mail: investors@pateleng.com

Declaration by the CEO under Clause 49 of the Listing Agreement regarding adherence to the Patel Engineering Code of Conduct.

In accordance with Clause 49 (II) (E) (2) of the Listing Agreement, I hereby declare that for the financial year ended March 31, 2015 the Directors and Senior Management Personnel of the Company have affirmed compliance with the Patel Engineering Code of Conduct applicable to all the Directors and Senior Management.

For **Patel Engineering Limited**

Rupen Patel
Managing Director

August 14, 2015

Certificate of Compliance of Conditions of Corporate Governance

To the Board of Directors of Patel Engineering Ltd.

We have examined the compliance of conditions of Corporate Governance by Patel Engineering Limited ('the Company'), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement executed by the Company with BSE Limited ('BSE') and the National Stock Exchange Limited ('NSE') [together referred to as the "Stock Exchanges'].The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has compiled with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

For **Vatsaraj & Co.**
Chartered Accountants
FRN: 111327W

(CA Mayur Kisnadwala)
Partner
M. No.: 33994

Mumbai
August 14, 2015

Chief Executive Officer (CEO) and Chief Financial Officer (CEO) Certificate

To the Board of Directors of Patel Engineering Ltd.

Dear Sirs,

Sub: CEO/CFO Certificate (Issued in accordance with provisions of Clause 49 (IX) of the Listing Agreement)

We have reviewed the financial statements, read with the cash flow statement of Patel Engineering Limited for the year ended March 31, 2015 and that to the best of our knowledge and belief, we state that:

a. i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.

ii. These statements present a true and fair view of the Company's affairs and are in Compliance with current accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for the financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and the steps taken for rectifying these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:

i. Significant changes in the internal control over financial reporting during the year.

ii. Significant changes in accounting policies made during the year and the same have been disclosed suitably in the notes to the financial statements; and

iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee, having a significant role in the company's internal control system over financial reporting.

Mumbai,
July 20, 2015

Kavita Shirvaikar
Joint CFO

Rupen Patel
Managing Director

Independent Auditors' Report

To The Members of PATEL ENGINEERING LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements ('CFS') of **Patel Engineering Limited** ("the Holding Company"), its subsidiaries, its joint ventures and associates companies; hereinafter referred to as "the Patel Group", which comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ('hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Patel Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Patel Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective entities and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Director, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph titled as 'Other Matters' below, is sufficient and appropriate to provide basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs as at March 31, 2015, consolidated profit and consolidated cash flows of the Patel Group for the year ended on that date.

Emphasis of Matter

a. Note no. 36 of the consolidated financial statements of the company for the year ended March 31,2015, regarding the subsidiary Patel Energy Resources Ltd (PERL), wherein their auditors without qualifying their opinion have drawn attention with respect to;

   i. Investments made and loans and advances extended to subsidiaries/wholly owned subsidiaries of the PERL. The management is of the view that no provision is considered necessary at this stage in respect of these Investments/loans, considering the long term nature of these investments/loans.

ii. adoption of "Going concern" basis of accounting despite continuous/significant losses, based on future and long term potential of the projects in which the Investments have been made.

iii. legal opinion obtained by the PERL, based on which management is of the view that the Company is not a Non-Banking Financial Company (NBFC) in terms of the directions of Reserve Bank of India (RBI). They have relied on such legal opinion.

b. Note no. 37 and 38 of the consolidated financial statements of the company for the year ended March 31,2015, regarding the subsidiary Patel Realty India Ltd (PRIL), wherein their auditors without qualifying their opinion have drawn attention with respect to;

i. The attention drawn by the auditor of Mauritius Based Subsidiary Waterfront Developers Ltd and its Subsidiaries, thereof (Waterfront), a Subsidiary of Patel Realty (India) Ltd thereof (PRIL), in respect of the receipt of Notice dated June 4, 2015 from Government of Mauritius for termination of Lease Agreement for Land entered on December 11, 2009 with Les Salines Development Ltd (a step down subsidiaries of Waterfront). In this case, Waterfront is confident of resolving the issue with the Government of Mauritius in due course.

ii. PRIL is in process of compliance with the provision of Section 203 of the Act (pertaining to appointment of Key Managerial Personnel i.e. Managing Director and Chief Financial Officer).

Our Opinion is not Modified in respect of above matters.

Other Matters

We did not audit the financial statements of 16 subsidiaries and 2 Joint Ventures whose consolidated financial statements reflect net total assets of ₹691.03 Crores as at 31st march 2015, total revenues of ₹ 1015.62 Crores, Group's share of net profit of ₹ 22.55 crores and net cash flows amounting to ₹ (0.19) Crores and 4 Associates companies whose Share of net loss is ₹2.01 Crores for the year ended 31st March 2015, as considered in the consolidated financial statement. These financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in term of sub-section (3) and 11 of section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on the reports of the other auditors.

We did not audit of the financial statements of 5 subsidiaries company, whose financial statements reflect net total assets of ₹100.17 Crores as at 31st March 2015, total revenues of ₹ 96.14 Crores, Group's share of net loss of ₹ 6.94 crores and net cash flows amounting to ₹ (4.38) Crores for the year ended on that date, as considered in the consolidated financial statements, in respect of 2 associates whose Share of Profit is ₹ 0.23 Crores have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management which are subject to consequential adjustments if any, arise out of their audit and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in term of sub-section (3) and 11 of section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, associates and joint ventures is based solely on such unaudited financial statements as certified the management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding Company, subsidiary companies and associate companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c) The consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors of the Holding Company as on 31 March, 2015, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies incorporated in India, none of the directors of the Holding Company, its subsidiary company and associate companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:

   i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Patel Group. Refer Note No. 44 to the consolidated financial statements.

   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Holding Company and its subsidiary company and associate companies incorporated in India.

For **Vatsaraj & Co.**
Chartered Accountants
FRN: 111327W

CA. Nitesh K Dedhia
Partner
M. No.: 114893

Place : Mumbai
Date : July 23, 2015

Annexure to Independent Auditors Report

on the consolidated financial statements of Patel Engineering Limited (the Holding Company) for the year ended March 31, 2015 (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes 15 subsidiary companies and 4 associate companies incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

In respect of one subsidiary company and two associate companies incorporated in India which have been included in the consolidated financial statements based on unaudited financial statements of such companies provided to us by the Management, whilst in our opinion, and according to the information and explanations given to us, reporting under the Order is applicable in respect of these companies, since these companies are unaudited, the possible effects of the same on our reporting under the Order in the case of the consolidated financial statements has not been considered.

1 In respect of the fixed assets of the Holding Company, subsidiary companies and associate companies incorporated in India:

a) The respective companies have maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

b) We have been informed that, the fixed assets of the Holding Company including the assets purchased in the name of Directors and their relatives and employees, have been physically verified at reasonable intervals by the management and no material discrepancies were noticed on such verification.

As explained by other auditors, fixed assets have been physically verified by the management of the respective companies at reasonable intervals and no material discrepancies were noticed on such verification.

2 In respect of the inventories of the Holding Company, subsidiary companies and associate companies incorporated in India:

a) As explained to us and the other auditors, the inventories were physically verified during the year by the management of the respective companies at reasonable intervals.

b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the management of the respective companies were reasonable and adequate in relation to the size of the respective companies and the nature of their business.

c) In our opinion and the opinion of the other auditor and according to the information and explanations given to us and the other auditors, the respective companies have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.

3 The Holding Company has granted unsecured loans to 33 companies and 2 firms which are covered in the register maintained under section 189 of the Companies Act, of which the net balance of ₹ 419.2 million of a company has been written off during the year.

a) As per information and explanation given to us, the above loans are repayable on demand. There is no time stipulation for repayment of the principal and interest. We are also informed that the company has not demanded repayment of either principal or interest during the year.

b) As informed to us there is no overdue amount in excess of ₹ 1 lacs on loans granted remaining outstanding as at the year end, as they are repayable on demand.

In respect of Patel Realty (India) Limited, a subsidiary has given loans to its 10 subsidiaries and to Patel Engineering Limited (the Parent Company) which are covered in the register maintained under section 189 of the Act. The sums involved were ₹ 2913.20 million and the balances of such loans as at year end were ₹ 2660.15 million.

The Patel Engineering Infrastructure Limited, a subsidiary, have granted interest free, at call, unsecured loan to a company covered in the register maintained under section 189 of the Act, the receipt of principal is at call as mutually agreed between the parties of the contract, and there is no overdue amount in respect of the above loans in the opinion of the other auditor.

In respect of Patel Energy Resource Limited, a subsidiary has granted unsecured loans to 15 companies covered in the register maintained under section 189 of the Act. Since there is no stipulated repayment of principal and interest, *we are unable to express our opinion on regular receipt of Principal, Interest and overdue amount as contained in Paragraph (III) (a) & (b) of the Order.*

With respect to the other subsidiary and associate companies which have not granted any loans to the parties covered under section 189 of the Act, hence the paragraphs (iii) (a) and (b) of this Order is not applicable.

4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Holding Company and the nature of the business for purchase of fixed assets and for sale of goods and services. *However the internal controls over purchases of inventory continues to be strengthened further.*

In respect of the other subsidiary and associate companies incorporated in India and in the opinion of the other

auditors, there is an adequate internal control system commensurate with the size of the respective companies and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of audit no continuing failure to correct major weaknesses in such internal control system has been observed.

5 According to the information and explanations given to us, the Holding Company, subsidiary companies and associate companies incorporated in India have not accepted any deposits during the year. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable.

6 According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company, subsidiary companies and associate companies incorporated in India have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, wherever applicable. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete

7 According to the information & explanations given to us and the other auditors, in respect of statutory dues of the Holding Company, subsidiary companies and associate companies incorporated in India;

a) The respective companies, have been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues as applicable to the respective companies with appropriate authorities except a subsidiary company is not generally regular in depositing the dues with appropriate authorities.

b) Dues of Sales Tax, Entry Tax, Service Tax, Municipality Tax, Professional Tax and Income Tax amounting to ₹188.97 million and Labour welfare cess of ₹ 22.45 million was accrued but not due as on 31st March, 2015 of Holding,subsidiary and associate companies incorporated in India for a period of more than six months from the date they became due, there were no other undisputed amount payable by the respective companies in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable. .

c) According to the records of the respective companies the dues of Income Tax, Sales Tax, Service Tax, Custom Duty and Entry Tax which have not been deposited as on 31st March 2015 on account of dispute, are as under;

Particulars	Financial Year to which amount relates	Amounts in Million (₹)	Forum where dispute is pending
Sales Tax	2001-2002 to 2003-2004, 2005-2006, 2006-07 and 2009-2010	49.86	Appellate Tribunal
	2007-2008	11.63	Dy Commissioner Appellate –III, Mumbai
	2007-2008, 2008-2009 and 2010-2011	9.61	Senior Joint Commissioner, Siliguri
Entry Tax	2010-2011	7.57	High Court
Service Tax	2007-2008 to 2012-2013	323.20	CESTAT, New Delhi
	2003-2004 to 2006-2007	2.54	CESTAT, Mumbai
	2008-2009 to 2009-10	108.31	CESTAT, Bangalore
	2007-2008 to 2008-2009	631.88	CESTAT, Bangalore
	November 2009 to June 2012	404.69	Customs Excise and Service Tax Appellate Tribunal(CESTAT)
	July 2012 to March 2013	203.79	Commissioner of service Tax, Mumbai VI
	April 2013 to March 2014	197.58	Commissioner of Service Tax, Mumbai VI
	2006-07 to 2010-11 and 2012-13	108.24	Commissioner of Service Tax
Income Tax	2007-2008 to 2009-2010 and 2011-2012	2212.95	CIT Appeal
	2010-11	3.68	CIT Appeal
	2009-10 to 2010-11	2.94	CIT Appeal
Custom Duty	2011-2012	9.16	Appellate Tribunal
Total		**4287.64**	

d) The Holding Company, subsidiary companies and associate companies have been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under within time.

8 The Patel Group does not have consolidated accumulated losses at the end of the financial year and have not incurred cash losses, on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year;

9 According to the information and explanations given to us, the Holding Company has delayed payment of principal and interest dues to banks, financial institutions and debenture holders. During the year, the delay in interest servicing is: less than 60 days ₹ 1892 Million and more than 60 days ₹ 585 Million. Such delay in payment of principal is ₹ 1452 Million and ₹959 Million respectively. The dues were subsequently paid during the year.

At the balance sheet date, the delay in interest servicing is less than 60 days ₹ 161.85Million and more than 60 days ₹ 24.05 Million. The delay in principal payment for less than 60 days is ₹ 360 Million.

As per auditor of a subsidiary company which has defaulted in repayment of the dues to the banks amounting to ₹ 41.98 Million which had become due for payment on various dates in February and March 2015, these dues have been subsequently paid by the said subsidiary.

As per the opinion of the respective subsidiary and associate companies auditors, they have not defaulted in repayment of dues to financial institutions, banks and debenture holders.

10 In our opinion and according to the information and explanations given to us and the other auditors, the Holding Company, subsidiary companies and associate companies incorporated in India inter alia, has given guarantees for loan taken by others from a banks or financial institutions. The terms and conditions thereof are not prima facie prejudicial to the interest of the Patel Group.

11 In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company, subsidiary companies and associate companies incorporated in India during the year for the purposes for which they were obtained.

12 To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, its subsidiary companies and associate companies incorporated in India and no material fraud on the Holding Company, its subsidiary companies and associate companies incorporated in India has been noticed or reported during the year.

For **Vatsaraj & Co.**
Chartered Accountants
FRN: 111327W

CA. Nitesh K Dedhia
Partner
M. No.: 114893

Place : Mumbai
Date : July 23, 2015

Consolidated Balance Sheet as at March 31, 2015

(₹ in Million)

			Notes	As at March 31, 2015	As at March 31, 2014
I.	**EQUITY AND LIABILITIES**				
	1	**Shareholders' funds**			
		(a) Share capital	3	76.81	76.81
		(b) Reserves and surplus	4	18,850.22	17,851.55
	2	**Minority Interest**		1,247.37	1,293.29
	3	**Non-current liabilities**			
		(a) Long-term borrowings	5	23,682.76	18,807.66
		(b) Deferred Tax Liability (Net)	26	139.76	171.54
		(c) Other Long term liabilities	6	5,063.75	5,434.08
		(d) Long-term provisions	7	49.77	47.01
	4	**Current liabilities**			
		(a) Short-term borrowings	8	24,215.25	23,048.00
		(b) Trade payables	9	8,671.47	8,684.18
		(c) Other current liabilities	9	10,377.28	10,647.00
		(d) Short-term provisions	7	18.37	19.73
	TOTAL			**92,392.81**	**86,080.85**
II.	**ASSETS**				
	1	**Non-current assets**			
		(a) Fixed assets	16		
		i. Tangible assets		6,245.65	6,393.56
		ii. Intangible assets		2.93	19.71
		iii. Goodwill on Consolidation		332.84	331.39
		iii. Capital work-in-progress		9,820.93	7,862.04
				16,402.35	14,606.70
		(b) Non-current investments	10	1,817.81	1,338.93
		(c) Long-term loans and advances	11	11,192.82	8,770.66
		(d) Non Current Bank Deposits	15	70.70	18.45
		(e) Non Current Trade Receivables	13	8,483.06	9,000.77
		(f) Other Non current asset	14	365.62	288.71
	2	**Current assets**			
		(a) Investments- current	10	-	0.05
		(b) Inventories	12	39,688.19	33,143.84
		(c) Trade receivables	13	5,677.71	5,394.57
		(d) Cash and cash equivalents	15	1,520.84	1,879.50
		(e) Short-term loans and advances	11	7,167.31	11,620.17
		(f) Other current assets	14	6.39	18.50
	TOTAL			**92,392.81**	**86,080.85**
	Summary of Significant Accounting Policies		2		

The Notes referred to above form an integral part of these financial statements

As per our report of even date

For and on behalf of Board

For **Vatsaraj & Co**
Chartered Accountants
Firm Regn No:111327W

(Rupen Patel)
Managing Director
(DIN:00029583)

(Pravin Patel)
Director
(DIN:00029453)

(Kavita Shirvaikar)
Chief Financial Officer

CA Nitesh K. Dedhia
Partner
Membership No. 114893

(Shobha Shetty)
Company Secretary

Place : Mumbai
Date : July 23, 2015

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

(₹ in Million)

		Notes	As on March 31, 2015	As on March 31, 2014
I.	**Revenue from operations**	17	34,153.87	37,011.31
II.	**Other income**	18	1,159.22	1,067.37
III.	**Total Revenue (I+II)**		**35,313.09**	**38,078.68**
IV.	**Expenses:**			
	Cost of Construction	19	25,582.89	29,184.00
	Employee benefits expense	20	1,349.75	1,415.65
	Finance costs	21	5,169.49	4,378.55
	Depreciation and amortization expense		797.78	819.77
	Other expenses	22	2,249.61	1,743.07
	Total expenses		**35,149.52**	**37,541.04**
V.	**Profit before exceptional and extraordinary items and tax (III-IV)**		**163.57**	**537.64**
VI.	Prior Period Item (Refer Note no. 39)		-	(77.67)
VII.	Exceptional Income (Net) (Refer Note no. 50)		153.31	-
VIII.	**Profit before tax (V-VI+VII)**		**316.88**	**459.97**
IX.	**Tax expense:**			
	(1) Current tax		257.98	267.41
	(2) Deferred tax		(31.94)	28.81
	(3) Tax Adjustments for earlier years		(5.89)	(83.43)
X.	**Profit/(Loss) for the period (VIII-IX)**		**96.73**	**247.18**
XI.	**Minority Interest**		**12.04**	**83.49**
XII.	**Net Profit (X-XI)**		**84.69**	**163.69**
XIII.	**Earnings per equity share:**			
	(1) Basic	28	1.10	2.15
	(2) Diluted		1.10	2.13
	Summary of Significant Accounting Policies	2		

The Notes referred to above form an integral part of these financial statements

As per our report of even date

For **Vatsaraj & Co**
Chartered Accountants
Firm Regn No:111327W

CA Nitesh K. Dedhia
Partner
Membership No. 114893

Place : Mumbai
Date : July 23, 2015

For and on behalf of Board

(Rupen Patel)
Managing Director
(DIN:00029583)

(Pravin Patel)
Director
(DIN:00029453)

(Kavita Shirvaikar)
Chief Financial Officer

(Shobha Shetty)
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2015

(₹ in Million)

	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS	316.88	459.97
Adjustment for:		
Depreciation/ Amortisation	797.78	819.77
Finance charges	5,169.49	4,378.55
Interest and Dividend received	(727.76)	(565.89)
Foreign Exchange Loss/ (Gain)	190.80	346.10
Consolidation Adjustment	2.09	(12.47)
Provision for Leave Salary	18.46	12.82
Provision for Gratuity	4.69	1.95
Profit on sale of Investment	(22.32)	(8.84)
Profit on sale of Assets	(130.46)	(190.31)
Excess Credit written back	(144.76)	(158.43)
Irrecoverable debts & advances written off	1,022.24	133.08
ESOP compensation expenses	1.91	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**6,499.04**	**5,216.31**
Adjustment for changes in:		
Trade & other receivables	2,334.08	(3,492.85)
Inventories	(6,544.35)	(5,051.59)
Trade payable, Liabilities and Provisions (excluding Proposed Dividend & Income tax)	(1,761.50)	507.36
Cash generated from / (utilised in) operations	**527.27**	**(2,820.78)**
Direct tax paid	(537.40)	(796.37)
NET CASH USED IN OPERATING ACTIVITIES	**(10.12)**	**(3,617.14)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and (Increase)/Decrease in Capital Advances & Creditors	(2,848.26)	(4,073.33)
Sale of Fixed Assets	445.30	717.87
Investments in JV/ Associates	(789.15)	(227.79)
Change in Minority Interest	(57.96)	220.82
(Increase) / Decrease in Loans to JV/ Associates	19.44	(858.50)
Sale of Investment	332.63	28.77
(Increase) / Decrease in other Bank Balances	(23.06)	(57.65)
Change in Foreign Fluctuation Translation Reserve	94.66	252.12
Interest and Dividend received	382.42	230.38
NET CASH FLOW UTILISED IN INVESTING ACTIVITIES	**(2,443.98)**	**(3,767.30)**

(₹ in Million)

	2015	2014
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	8,711.51	7,754.96
Repayment of Long term Borrowings	(2,774.72)	(3,144.65)
Increase in other borrowings (Net)	1,199.00	5,745.93
Receipt from Securities premium	22.28	-
Dividend Paid	(0.85)	(0.39)
Interest Paid	(4,865.12)	(4,217.15)
NET CASH FLOW FROM FINANCING ACTIVITIES	**2,292.10**	**6,138.70**
Net Decrease in Cash and Cash Equivalent (A+B+C)	**(161.99)**	**(1,245.75)**
Opening Balance of Cash and Cash Equivalents	1,840.30	3,432.15
Balance of Cash and Cash Equivalents	1,678.31	2,186.40
Notes to Cash flow Statement		
1. Cash and Cash Equivalents		
Cash on hand & Balance with banks	1,487.51	1,840.30
Effect of exchange rate changes	190.80	346.10
Closing Cash and Cash Equivalents as restated	1,678.31	2,186.40

The Notes referred to above form an integral part of these financial statements

As per our report of even date

For **Vatsaraj & Co**
Chartered Accountants
Firm Regn No:111327W

CA Nitesh K. Dedhia
Partner
Membership No. 114893

Place : Mumbai
Date : July 23, 2015

For and on behalf of Board

(Rupen Patel)
Managing Director
(DIN:00029583)

(Pravin Patel)
Director
(DIN:00029453)

(Kavita Shirvaikar)
Chief Financial Officer

(Shobha Shetty)
Company Secretary

Notes to Consolidated to financial statement for the year ended March 31, 2015

1 **BASIS OF PREPARATION**

Patel Engineering Ltd. ('the Company') has prepared consolidated financial statements to provide the financial information of its activities along with its Subsidiaries, Associates & Joint Ventures as a single entity. They are collectively referred as "Group" herein.

The financial statements have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP'), Accounting Standards notified under the Rule 7 of the Companies (Accounts) Rules, 2014 and the provision of Section 133 of the Companies Act, 2013. The financial statements have been prepared on the accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2 **SIGNIFICANT ACCOUNTING POLICY**

a) **Principles of Consolidation**

(i) The consolidated financial statements include the accounts of Patel Engineering Ltd. and its subsidiaries, associates and financially controlled Integrated Joint Ventures.

(ii) The financial statements of financially controlled Integrated Joint Ventures (i.e. sharing profit) are consolidated to the extent of the Company's or its subsidiaries share in Joint Venture.

(iii) The financial statements of the Company and its subsidiaries and Integrated Joint Ventures have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses fully eliminating material intra group balances and intra group transactions. Associate entities are consolidated as per the equity method.

The consolidated financial statement have been prepared by the Company in accordance with the requirements of Accounting Standard –21 "Consolidated Financial Statements", Accounting Standard -23 "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard-27 "Financial Reporting of Interest in Joint Ventures", issued by Institute of Chartered Accountants of India. However, the overseas subsidiaries are consolidated as per Generally Accepted Accounting Practices applicable in their respective countries.

Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding. Recognizing this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosure.

b) **Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Differences between actual results and estimates are recognized in the period in which the results are known/materialize.

c) **Method of Accounting**

The Group maintains its accounts on accrual basis. Subsidiaries outside India maintain its accounts based on Generally Accepted Accounting Standards of their respective countries.

d) **Fixed Asset**

Fixed Assets are stated at cost of acquisition or construction (including installation cost upto the date put to use, net of specific credits) less accumulated depreciation. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciations / amortization and impairment loss, if any.

e) **Depreciation**

As per the Schedule II of the Companies Act 2013, effective 1st April 2014, the management has internally reassessed the useful lives of assets to compute depreciation wherever necessary, to conform to the requirements of the Companies Act, 2013 which is:

Tangible Assets : Factory Building/ Building - 28/60years, Machinery- 8 ½ years, Motor Cars- 8 years, Motor Truck- 8 years, Furniture- 6 years, Office Equipments- 5 years, Electrical Equipments- 6 years, Cycle- 2 years, Motor cycle- 7 years, Rails and Trolley- 7 years, Fixtures - 10 years, Generators - 15 years and Ship 8½ years. Intangible Assets : Computer / Software- 3 years. Depreciation on additions and deletions to assets during the year is provided pro-rata basis with reference to the month of addition / disposal / discarding.

Depreciation on Fixed Assets is provided:

a) For assets purchased on or before April 1, 2014.

i) Whose remaining useful life is completed as at 1st April 2014, the carrying value of fixed assets is reduced from the retained earnings as at the said date.

ii) For remaining assets the carrying value of Fixed assets is depreciated equally over the balance useful life of the assets.

b) For assets other than those covered under clause (a) above, on Straight Line Method at the rates specified above.

Michigan Engineers Pvt. Ltd. and Shreeanant Constructions Pvt. Ltd. provide depreciation on written down value method and based on useful life of the assets as precribed in schedule II of the Companies Act, 2013 and in onsite Michigan J.V. and Michigan Savitar Consortium as specified in the Income tax Act.

The estimated useful life of Patel Michigan J.V. - Motor car - 10 years, Motor Truck - 6 years, Office Equipments - 5 years, Container - 3 years.

For overseas subsidiaries depreciation is provided based on estimated useful lives of the fixed assets as determined by the management of such subsidiaries. In view of different sets of environment in which such entities operate in their respective countries, depreciation is provided based on the management experience of use of assets in respective geographies, local laws and are in line with the industry practices. These entities follow straight line method of depreciation spread over the useful life of each individual asset. It is practically not possible to align rates of depreciation of such subsidiaries with those of the domestic entities.

f) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

g) Investments

Current Investments are carried at lower of cost and quoted/ fair value. Long term Investments are stated at cost. Permanent diminution, if any, is provided for.

h) Inventories

Stores, embedded goods and spare parts are valued at cost (weighted average method) and Work in progress of construction contracts at contract rate as per AS-7. Work in Progress in respect of Project development and Buildings held as stock-in-trade are valued at cost or net realizable value, whichever is lower.

i) Recognition of Income and Expenditure

i) Accounting for Construction Contracts :

Revenue from contracts is recognised on the basis of percentage of completion method, based on the stage of completion at the balance sheet date, billing schedules agreed with the client on a progressive completion basis taking into account the contractual price and the revision thereto by estimating total revenue including claims / variations in terms of Accounting Standard 7 - Construction Contract and total cost till completion of the contract and the profit is recognised in proportion to the value of work done when the outcome of the contract can be estimated reliably. In case the estimated total cost of a contract based on technical and other estimate is expected to exceed the corresponding contract value, such excess is accounted for. Price/Quantity Escalation Claims and/ or variations are recognized on acceptance of concerned authorities or on evidence of its final acceptability. Revenue in respect of other claims are accounted as income in the year of receipt of award. Revenue on Project Development is recognized on execution of sale agreement. Dividend income is recognized when the right to receive payment is established. Other revenues and expenses are accounted on accrual basis.

ii) Revenue from building development is recognized on the percentage completion method of accounting. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including cost of land as against the total estimated cost of project under execution subject to such actual cost being 30% or more of the total construction / development cost. The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined. However, if and when the total project cost is estimated to exceed the total revenue from the project, the loss is recognized in the same financial year.

j) Accounting for Joint Venture Contracts

a) Where the Joint Venture Agreement provides for execution of contracts under work sharing pattern, the Company's share of revenue/ expenses in the works executed by it is accounted on percentage completion method

as per the accounting policies followed by it in respect of contracts.

b) Where the Integrated Joint Venture Agreement provides for execution of contracts under profit sharing arrangement, Company's share in the profit /loss is accounted for as and when determined. The services rendered to Joint Ventures are accounted as income, on accrual basis. The contribution to joint venture along with share of profit/ loss accumulated in the Joint Venture is reflected as investments or loans & advances or current liabilities as per the nature of the transaction.

k) Foreign Currency Transaction/Translations

Transactions in foreign currency including acquisition of fixed assets are recorded at the prevailing exchange rates on the date of the transaction. All monetary assets and monetary liabilities in foreign currencies are translated at the relevant rates of exchange prevailing at the year-end. Exchange differences arising out of payment/restatement of long term liabilities relating to Fixed Assets are capitalized and in other cases amortised over the balance period of such long term monetary items. The unamortized balance is carried in the Balance Sheet as " Foreign Currency Monetary items Translation Difference Account" as a separate line item under " Reserve and Surplus Account".

Revenue transactions at the Foreign Branch/Projects are translated at average rate. Fixed Assets are translated at rate prevailing on the date of purchase. Net exchange rate difference is recognized in the Profit and Loss Account. Depreciation is translated at rates used for respective assets

However, Michigan Engineers Pvt. Ltd opted to recognize the exchange differences in the profit and loss account.

Revenue items of overseas Subsidiaries are translated into Indian Rupees at average rate and all other monetary/non monetary items are translated at closing rate. Net exchange rate difference is recognized as Foreign Exchange Translation Reserve.

l) Retirement and other Employee benefits

Contribution to Provident/Family Pension/Gratuity Funds are made to recognized funds and charged to the Profit and Loss account. Provision for incremental liability in respect of Gratuity and Leave encashment is made as per independent Actuarial valuation at the year-end.

m) Taxation

The tax expense comprises of current tax and deferred tax. Current tax is calculated in accordance with the tax laws applicable to the current financial year. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and tax laws that have been enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is virtual certainty of realization in future.

n) Provisions, Contingent Liabilities & Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognized nor disclosed in the financial statements.

o) Employees Stock Option Plan

Compensation expenses under "Employee Stock Option Plan" representing excess of market price of the shares on the date of grant of option over the exercise price of option is amortized on a straight-line basis over the vesting period.

p) Borrowing Cost

Borrowing costs directly attributable and identifiable to the acquisition or construction of qualifying assets are capitalized till the date such qualifying assets are ready to be put to use. Other Borrowing costs are charged to statement of profit and loss as incurred.

q) Leases

Lease rentals in respect of assets acquired under operating lease are charged to Statement of Profit and Loss.

r) Financial Derivative & Hedging transactions

In respect of Financial Derivative & Hedging Contracts, gain / loss are recognized on Mark-to-Market basis and charged to Profit and Loss Accounts along with underlying transactions.

s) Preliminary and Preoprative expenses

In respect of certain subsidaries preliminary and preoperative expenses are written of commencement of operation.

NOTE : 3

SHARE CAPITAL

		2015		2014	
		No. of Shares	₹ in Million	No. of Shares	₹ in Million
a)	**Authorized**				
	Equity shares of ₹ 1/- each	230,000,000	230.00	230,000,000	230.00
	Preference shares of ₹ 10/- each	20,000,000	20.00	20,000,000	20.00
b)	**Issued, subscribed and fully paid up**				
	Equity shares of ₹ 1/- each	76,806,282	76.81	76,244,325	76.24
	Optionally Convertible Preference shares of ₹ 1/- each	-	-	561,957	0.57
		76,806,282	76.81	76,806,282	76.81
c)	**Terms/rights attached to Equity Shares**				
	The Company has only one class of shares referred to as equity shares of ₹ 1/- each. Each holder of equity shares is entitled to the same rights in all respects.				
d)	i) **Reconciliation of Equity Shares outstanding at the beginning and at end of the year**	No. of Shares	₹ in Million	No. of Shares	₹ in Million
	Outstanding at the beginning of the year	76,244,325	76.24	69,827,151	69.83
	Add :- Issued during the year	561,957	0.57	6,417,174	6.41
	Outstanding at the end of the year	76,806,282	76.81	76,244,325	76.24
	ii) **Reconciliation of Optionally Convertible Preference Shares outstanding at the beginning and at end of the year**	No. of Shares	₹ in Million	No. of Shares	₹ in Million
	Outstanding at the beginning of the year	561,957	0.57	-	-
	Add :- Issued during the year	-	-	6,979,131	6.98
	Less:- Converted during the year	561,957	0.57	6,417,174	6.41
	Outstanding at the end of the year	-	-	561,957	0.57
e)	**Share held by each shareholder more than 5%**				
	Name of the shareholder	No. of Shares	% holding	No. of Shares	% holding
	i) Patel Engineering Employees Welfare Trust	6,045,000	7.87	6,045,000	7.93
	ii) Praham India LLP	16,744,424	21.80	16,744,424	21.96
	iii) Patel Corporation LLP	18,665,257	24.30	18,103,300	23.74
	Preference Shares				
	Name of the shareholder	No. of Shares	% holding	No. of Shares	% holding
	i) Patel Corporation LLP	Nil	Nil	561,957	100%

f) The Patel Engineering Employee Welfare Trust, ("the Trust") holds 60,45,000 shares of the Company and administers Company's Employee Stock Option Schemes 2007 on behalf of the Company. The Trust comprising of Independent Trustees have on May 23, 2014 granted 22,400 options to 159 eligible employees of the Company and the subsidiaries as well. The said options shall be vested after completion of 1 year period from the date of grant and exercised within 2 months from the date of vesting at an exercise price of ₹ 1/- per share.

g) The Allotment Committee at its meeting on March 21, 2014 allotted 69,79,131 Optional Convertible Preference shares(OCPS) to the Promoters of the Company. On March 31, 2014, out of the said OCPS, 64,17,174 OCPS were converted into 64,17,174 Equity shares of ₹ 1/- and allotted @ ₹ 57.5 (including premium of ₹ 56.5). On April 15, 2014, the balance 5,61,957 OCPS were converted into 5,61,957 Equity shares of ₹ 1/- and allotted @ ₹ 57.5 (including premium of ₹ 56.5)in terms of Chapter VII of SEBI (ICDR) Regulation 2009.

NOTE : 4

RESERVES AND SURPLUS

	2015		2014	
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
Reserves				
Capital Reserve				
As per the last Balance sheet	266.51		278.98	
Less: Addition /(Deletion) on Consolidation	2.09		(12.47)	
Closing Balance		268.60		266.51
Foreign Currency Translation Reserve				
As per the last Balance sheet	650.69		460.54	
Add: During the year	159.06		190.15	
Closing Balance		809.75		650.69
General Reserve				
As per the last Balance sheet	2,660.09		2,634.59	
Add: Amount Transferred from the Statement of Profit and Loss	-		25.50	
Add: Amount Transferred from Debenture Redemption Reserve	287.50		-	
	2,947.59		2,660.09	
Less: Amount Transferred to the Statement of Profit and Loss	395.14		-	
Less: Amount Transferred to Debenture Redemption Reserve	227.50		-	
Closing Balance		2,324.95		2,660.09
Securities Premium Reserve				
As per the last Balance sheet	7,873.63		7,511.07	
Add: Premium on conversion of OCPs to Equity Shares (Refer Note # 3(g))	54.03		362.56	
Closing Balance		7,927.66		7,873.63
Debenture Redemption Reserve				
As per the last Balance sheet	735.00		626.25	
Add: Transfer from General Reserve	227.50		-	
	962.50		626.25	
Less: Amount Transferred to general Reserve	287.50		-	
Transfer (to) from Profit and Loss Account (net)	-		108.75	
Closing Balance		675.00		735.00
Share Options outstanding Account				
As per the last Balance sheet	-		-	
Add:- Value of Employee Stock Options Issued	2.24		-	
Closing Balance		2.24		-
Foreign Currency Monetary Item Translation Difference		(3.89)		(104.73)
Surplus in the statement of profit and loss				
As per the last Balance sheet	5,770.36		4,759.61	
Add : Reversal of Prudent Provision for Tax (Refer Note -24 (ii))	600.64		981.31	
Add : Amount Transferred from General Reserve	395.14		-	
Add : Net Profit for the year	84.69		163.69	
	6,850.83		5,904.61	
Appropriations for :				
i) Transfer to Debenture Redemption Reserve	-		108.75	
ii) Transfer to General Reserve	-		25.50	
iii) Depreciation impact as per Schedule II (Refer note 16 (10))	4.92		-	
Closing Balance		6,845.91		5,770.36
Total Reserve & Surplus		18,850.22		17,851.55

NOTE : 5

LONG TERM BORROWINGS

(₹ in Million)

	Non-Current Portion		Current Maturities	
	2015	2014	2015	2014
Secured Loans				
a) Debentures[1]	3,750.00	5,200.00	1,100.00	950.00
b) Term Loans				
- From Bank[2]	17,911.38	13,062.71	1,868.52	1,186.78
- From Others[3]	2,021.38	544.95	767.05	787.94
Amount disclosed under "Other Current Liabilities" in Note No.9	-	-	(3,735.57)	(2,924.72)
	23,682.76	**18,807.66**	**-**	**-**

1 Debentures

a) 11.30% Secured Redeemable Non Convertible Debentures were allotted on September 17, 2012 for a period of 10 years. These debentures have a face value of ₹ 1.0 Million each aggregating to ₹ 1,500.00 Million (P.Y. ₹1,500.00 Million) and are to be redeemed in Septmeber 17, 2022. The same are secured against charge on immovable assets of the Company and its subsidiaries.

b) 9.80% Secured Redeemable Non Convertible Debentures were allotted on July 20, 2009 for a period of 7 years. These debentures have a face value of ₹ 1.0 Million each aggregating to ₹ 550 Million (P.Y. ₹ 900 Million) repayable in a single installment, with a put / call option available and exercisable at par at the end of 5th year from the date of allotment. The same are secured against immovable property of the Company and its subsidiaries. Interest rate has been revised to 13.16% p.a.(P.Y. 9.80% p.a.) w.e.f. July, 2014

c) 9.55% Secured Redeemable Non Convertible Debentures were allotted on April 26, 2010 for a period of 5 years. These debentures have a face value of ₹ 1.0 Million each aggregating to ₹ 400 Million (P.Y. ₹700 Million). These debentures will be redeemed as follows: April 26,2015 - ₹400 Million. The same are secured against immovable property and subservient charge on all the Fixed assets of the Company. Interest rate on the same has been at 9.55% p.a.(P.Y. 9.55% p.a.)

d) 10.75% Secured Redeemable Non Convertible Debentures were allotted on 3 March, 2011 for a period of 5 years. These debentures have a face value of ₹ 0.10 Million each aggregating to ₹ 250 Million (P.Y. ₹ 250 Million). These debentures will be redeemed as follows- March 3, 2015- ₹150 Million and March 3, 2016- ₹100 Million. Interest rate on the same has been at 13% p.a.(P.Y. 13% p.a.). Debentures have a face value of ₹0.10 Million each aggregating to ₹100 Million (P.Y. ₹100 Million) and interest rate on the same is 10.75% (P.Y. 10.75%). These debentures will be redeemed as follows March 3, 2016- ₹100 Million. The same is secured against immovable property and subservient charge on all the Fixed asset of the Company and its subsidiaries.

e) 11.40% Secured Redeemable Non Convertible Debentures were allotted on July 11, 2011 for a period of 5 years. These debentures have a face value of ₹ 0.10 Million each aggregating to ₹1,000 Million (P.Y. ₹1,500 Million). These debentures have following repayment schedule: July 11, 2015- ₹500 Million and July 11, 2016-₹500 Million. The same is secured against immovable property of the Company and its subsidiaries. Interest rates on the same has been at 13% p.a.(P.Y. 13% p.a.)

f) 14 % Secured Redeemable Non-Convertible Debentures ('NCD') having face value of ₹10,00,000 each are redeemable as under :
a) The Company to repay or deposit with Standard Chartered Bank('SCB') (under lien or charge) a sum of INR 90 Lacs per month beginning from 1st August 2015 until the final maturity of the said NCD; or,
b) Prepayment of the entire NCD of INR 1200 Million subscribed to by SCB prior to repayment of term loan obtained by the company from Syndicate Bank.
It is secured by first ranking pari passu charge over the immovable properties purchased by the company and PRIL at electronic city Bangalore, escrow account and receivables, and assignment by way of security of the development right and all rights of the company under the EPC contract. Along with above security, company has pledged over 99.998% of the issued and fully-paid up equity share capital in favour of the Debenture Trustees under the share pledge agreement. The ultimate holding company i.e. Patel Engineering Limited has given unconditional and irrevocable corporate guarantee to secure the debenture.

The above debentures are listed on The National Stock Exchange of India.

As per Section 71 of the Companies Act, 2013 the Company has created adequate Debenture Redemption Reserve for the above series of Secured Redeemable

Non Convertible Debenture issued during the year. Further, in terms section 71 read with Rule 18(7)(c) of Companies Share Capital and Debentures Rules, 2014, the Company had made deposit/investment during the current year to secure the repayment of debentures maturing after September, 2014. However, all the Debentures matured upto September, 2014 have been paid.

2 Term Loan Banks

a) The Term loans are secured by first charge on the specific assets acquired out of the term loan alongwith unencumbered assets & guarantees. The rate of Interest for these loans vary between 10%-13.75% on an average, with a repayment period of 3-10 years respectively. Term Loan include Working Capital Term Loan secured by a First Pari-passu charge on the receivables and WIP, mortgage over certain Lands owned by Subsidiary companies and pledge of 30% & 99.998% shareholding of subsidiaries owning real estate lands. The Promoters Mr. Pravin Patel and Mr. Rupen Patel has provided personal guarantees for the above loan. Subsequently, the Company has counter indemnified the guarantees provided by the Promoters.

b) Includes ₹929.51 Millions (USD 14,865,103) (P.Y. ₹ 998.76 Millions (USD 16,713,010)) which carries interest which ranging between LIBOR rate plus 3% to Libor rate plus 6%.It is secured against hypothecation of equipment, receivables and inventories.

c) Term loans also includes the loans taken from Standard Charterered Bank in form of FCNR Loan outstanding amt out of the same is ₹128.97 Mln which shall be payable within a period of next one year and rate of interest on the same has been LIBOR + 400 i.e. 4.23% p.a.

d) Term loan amounting to ₹ 360 Million were outstanding as on 31/03/2015 comprises of ₹254 Million due within 0-30 days and ₹106 Million due within 30-60 days . Interest on the term loans outstanding of ₹ 90 Million as on 31/03/2015 comprises of ₹2 Million due within 0-30 days, ₹ 88 Million due within 30-60 days.

e) Term loan from Union Bank of India, Vijaya Bank and Syndicate Bank was taken during the financial year 2013-14 and carries interest @ Base rate plus 3.5% - 3.55% (Presently 13.75%). The loan is secured by pari passu charge on mortgage of project land and building, other fixed assets, escrow account of lease receivable/rents, and assignment by way of securities of the development rights of the company under the EPC contract. Along with above security, company has pledged over 99.998% of the issued and fully-paid up equity share capital in favour of the bank. Patel Realty (India) Limited has given unconditional and irrevocable corporate guarantee to secure the loan. The Loan from Union Bank & Vijaya Bank is repayable 87 monthly unequal installment commence from 33 month after the first disbursement and that from Syndicate Bank is repayable in 87 monthly unequal installment commence from August 1, 2015, if Lease Rental Discounting ('LRD') proposal is materialise. If LRD Proposal does not materialise then loan shall be repay in bullet payment on or before October 31, 2016. For the loan of Syndicate Bank, corporate guarantee of the Company is also given.

f) Includes term loans of ₹ Nil (PY ₹ 107.61 Million) are secured by Hypothecation of machinery & vehicles. Interest rate ranging between 8.5% to 15%, and repaid in 2014 & 2015.

g) Includes term loans secured by first charge on tangible and intangible assets, both existing in the present and to be acquired in the future. Also, Collaterally secured by 51% of the equity shares pledged of Dirang Energy Private Limited. The rate of interest is 13.25% and the repayment instalment shall be due between April, 2018 to January, 2030.

3 From Others

a) Includes funds from Financial Institutions on Equipments, secured against the said Equipments. These loans carry an interest rate of average between 13%-14% on an average, with a repayment period of 3-5 years respectively. This Term Loan also includes Inter Corporate Deposits with an average rate of interest of 14%-16% with maturity period of 1-3 yrs. Interest outstanding on equipment loan of ₹17 Million as on 31/03/2015 comprises of ₹5.84 Million due within 0-30 days, ₹6.59 Million due within 30-60 days and ₹ 4.54 Million due within 60-90 days.

b) Includes ₹ 85.57 Millions (USD 1,368,417) (P.Y. ₹ 4.36 Million (USD 73,054)) which carries interest which ranging between LIBOR rate plus 3% to Libor rate plus 6%.It is secured against hypothecation of equipment.

c) Includes ₹ Nil (PY ₹ 563.73 Million) secured by hypothecation of vehicles & equipment acquired from these loans. Interest rate ranging between 8.5% to 13.5% and repaid between 2014 and 2015.

d) Includes ₹ 224.30 Million (P.Y. ₹ 361.35 Million) which carries interest 14% p.a (upto 07/08/2013, 13.75% p.a) The above loan is for a period of 3 years, with moratorium period of 1 year. The Loan shall be repayable in the ratio of 20% in the second year in 12 monthly installments and 80% in the third year in 12 monthly installments. Secured by corporate guarantee given and immovable property of the Company.

e) Includes ₹ 80.66 Million (P.Y. ₹ 243.75 Million) which carries interest 13.75% p.a. Secured by corporate guarantee given and immovable property of the Company.

NOTE : 6

(a) OTHER LONG TERM LIABILITY

(₹ in Million)

	2015	2014
Trade Payables (refer Other Current Liabilities Note# 9-1)	1,897.13	1,742.08
Capital Creditors	59.63	15.88
Other		
Contractee Advances	2,495.89	3,280.42
Deposits	0.32	130.57
Other Liability	610.78	265.13
	5,063.75	**5,434.08**

NOTE : 7

PROVISIONS

(₹ in Million)

	Long term		Short term	
	2015	2014	2015	2014
Provision for Employee Benefits				
Provision for Gratuity	12.75	16.40	5.83	10.15
Provision for Leave Salaries	37.02	30.61	12.54	9.58
	49.77	**47.01**	**18.37**	**19.73**

NOTE : 8

SHORT TERM BORROWINGS

(₹ in Million)

		2015	2014
Secured Loans			
I	**Short Term Loans**		
	- From Bank [1]	6,410.14	4,961.98
	- From Others	-	134.89
	Loans Repayable on Demand		
	- From Bank[2]	14,976.59	14,132.67
II	**Unsecured Loans**		
	- From Bank[3]	2,823.58	3,786.71
	- From Others[3]	4.95	31.75
		24,215.25	**23,048.00**

Short Term Loan

1 From Bank

a) Includes Loans by earmarking from bank Gurantee limits and short term loans from various banks against various immovable properties of company at Interest rate of 12-13% (PY 12.25-12.75%) payable within a year. Interest outstanding on short term loans of ₹79 Million as on 31/03/2015 comprises of ₹27 Million due within 0-30 days, ₹32 Million due within 30-60 days and ₹ 20 Million due within 60-90 days.

b) Company has availed short term loan facility from Axis bank which carries interest @ Base rate + 3 p.a (Presently 13.25%). The Loan has been secured by hypothecation/charge of all the current assets of the one of the subsidiary company and exclusive charge on certain parcel of land & flats of the group companies.

c) Company has availed Cash Credit facility from Bank of Maharashtra which carries interest @ Base rate + 4.5% p.a (Presently 14.75%). The Loan has been secured by hypothecation of all the present and future current assets of the company and mortgage of certain parcel of land situated at electronic city, south Bangalore.

d) Working Capital Demand loan Includes ₹ 150 millions (PY ₹ 260 millions) secured by first pari-passu charges on the movable & immovable assets of the company excepts the assets specially charged for project/lease based finance. Interest rate 14% to 16% p.a.

e) Includes cash credit ₹290.80 Million (PY ₹ 243.80 Million) secured by first pari pasu charge on the movable & immovable assets of the company except the assets specifically charged for project/lease based finance and relevant term loan. Interest rate 14% to 16% p.a.

f) Includes cash credit ₹158.80 Million (PY ₹ 106.90 Million) and foreign currency loans of ₹ 37.96 Million (P.Y. ₹ 26.13 Million) secured by first pari passu charge on the current assets and movable fixed assets (including Plant & machinery) of the Company except for the assets specifically charged for relevant term loan. Interest rate on cash credits 14% to 16% p.a. and on foreign currency loan 5% to 6%.

g) Company has availed short term loan facility from STCI financial Limited which carries interest @ 16%. The Loan has been secured by pledge of equity shares of holding company and equitable mortgage on certain parcel of land of the director.

h) Loan From Development Bank of Singapore ₹ 625.30 Millions (USD 10,000,000) {P.Y. ₹ 597.58 Millions (USD 10,000,000)} is secured by a standby Letter of Credit issued by IDBI and Axis bank. Interest is charged at 4.41% to 5.58% (P.Y. 4.41% to 5.58%) per annum

i) Loan from IDBI Bank is secured by first charge on tangible and intangible assets, both existing in the present and to be acquired in the future of Dirang Energy Private Limited. Also Collaterally secured by 51% of the equity shares pledged of Dirang Energy Private Limited. The rate of interest is 13.25%.

2 **Loans Repayable on Demand**

Includes Cash Credit and Working Capital Demand Loan from various Banks. These loans have been given against hypothecation of stocks, spare parts, book debts, work in progress & guarantees;

Terms of Repayment:

Cash Credit- Yearly Renewal, Rate of Interest ranges between 12.50%-15% p.a.(PY 11%-14%)

3 **Unsecured Loan**

- From Bank

It includes short term loans from banks and loans from related parties and includes amount of ₹50 Million outstanding within 0-30 days

- From others

Includes non interest bearing loan and is repayable on demand.

NOTE : 9

OTHER CURRENT LIABILITIES

(₹ in Million)

		2015	2014
(a)	**Trade Payable[1]**		
(b)	**Other Liabilities**		
	Current maturities of long-term debt	3,735.57	2,924.72
	Interest accrued but not due on borrowings	217.47	332.04
	Interest accrued and due on borrowings	418.94	-
	Contractee Advances	4,036.92	4,906.68
	Unpaid Dividend	2.11	2.96
	Other Payables		
	Deposits	100.50	425.78
	Payable to Employees	221.54	195.94
	Unpaid Matured Debentures	150.00	-
	Other Liabilities	1,485.40	1,308.82
(b)	**Balance in Current Account**		
	(i) With Subsidiaries, associates	-	-
	(ii) With Joint Ventures	8.83	550.06
		10,377.28	10,647.00
		19,048.75	**19,331.18**

1 The Company has ₹5.15 Million (PY ₹ Nil) due to suppliers under the Micro Small and Medium Enterprise Development Act, 2006, as at March 31, 2015. Principal amount due to suppliers under the Act is ₹ 3.58 Million (P.Y. ₹Nil). Interest Accrued and due to the Suppliers on the above amount is ₹ 0.28 Million (PY ₹ Nil). Payment made to the suppliers (other than Interest beyond appointed day during the year is ₹ 5.41 Million (PY ₹ Nil). Interest paid to the suppliers under the Act ₹ Nil (PY ₹ Nil). Interest due and payable to the Suppliers under the Act towards payments already made ₹ 1.3 Million (PY ₹ Nil). Interest accrued and remaining and unpaid at the end of the accounting year ₹ 1.58 Million (PY ₹ Nil).

The above information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 and has been determined to the extent such parties had been identified on the basis of information available with the Company and relied upon by the auditors.

NOTE : 10

NON- CURRENT INVESTMENTS

(₹ in Million)

	2015	2014
Investment in Equity Instruments		
Trade Investments - Quoted		
Nil (17,77,116 shares) of KNR Construction Ltd., Face Value ₹10/- per share	-	310.31
Trade Investments - Un-quoted		
- In Others	104.41	-
Other Investments - Quoted		
66,640 shares (66,640) of Kingfisher Airlines Ltd., Face Value ₹10/- per share *	-	-
* written off in FY 2012-13		
Other Investments- Unquoted		
In Subsidiaries	-	-
In Joint Ventures	0.24	-
In Others	214.08	505.03

(₹ in Million)

	2015	2014
In Associates		
Other Investments		
(Accounted Under Equity method)		
26,672,000 shares (2,40,04,798) of Raichur Sholapur Transmission Company Ltd., Face Value ₹ 10/- per share	261.75	238.87
24,665 Shares (24,665) of Terra Land Developers Ltd., Face Value ₹ 10/- per share	-	0.25
10,006,000 shares (10,006,000) of Patel KNR Heavy Infrastructures Ltd., F.V. ₹10/- per share	96.47	119.88
51,000 shares (51,000) of PAN Realtors Private Limited., F.V. ₹10/- per share (includes goodwill of ₹ 122 Million)	123.10	-
5,000 shares (5,000) of APS Michigan Engineering Private Limited., F.V. ₹10/- per share	0.05	0.05
5,000 shares (5,000) of PLS Private Limited., F.V. LKR.10/- per share	14.77	14.77
8,495,040 Shares (40,31,820) of ACP Tollways Pvt. Ltd., Face Value ₹ 100/- per share (includes goodwill of ₹ 2.77 Million)	848.02	-
1,55,40,000 shares (1,55,40,000) of Patel KNR Infrastructures Ltd., F.V. ₹ 10/- per share	149.67	146.11
	1,493.82	519.92
Investment in Government Securities[III]	0.12	0.12
Investment in Partnership Firms [IV]	0.13	0.13
Share Application Money in PLS Private Limited	5.02	3.41
	1,817.81	1,338.93
Current Investments		
Other Investments- Unquoted		
4,900 shares(4,900) of Shreeanant Construction Pvt. Ltd., Face Value ₹10/- per share	-	0.05
	-	0.05

I. Aggregated amount of Unquoted Investments as at 31st March 2015 ₹ 1,817.81 Million (P.Y. ₹ 1,028.62 Million)

II. Aggregated amount of Quoted Investments as at 31st March 2015 ₹ Nil, Market value ₹ 0.11 Million (P.Y. ₹ 310.31 Million, Market value ₹ 151.20 Million)

III. Includes Investment in National Saving Certificates, in the name of Directors, lodged with Project Authorities

IV. A firm AHCL - PEL having fixed capital of ₹75,000 (P.Y. ₹ 75,000), profit sharing has been reconstituted as follows :- the company 20% (P.Y. 5%), Ace Housing & Const. Ltd. 1% (P.Y. 78%) & Pravin Patel 79% (P.Y. 17%).

A firm Patel Advance JV having nil fixed capital, profit sharing has been as follows : the Company 27% (P.Y.27%), Advance Const. Co. Pvt. Ltd. 26% (P.Y. 26%) Patel Realty (I) Ltd. 26% (P.Y. 26%) & Apollo Buildwell Pvt. Ltd. 21% (P.Y. 21%)

NOTE : 11

LOANS AND ADVANCES

(₹ in Million)

	Non-Current		Current	
	2015	2014	2015	2014
Capital Advance				
Unsecured, Considered Good	493.62	638.66	-	-
Security Deposit				
Unsecured, Considered Good [2]	1,781.31	1,355.53	1,482.17	1,620.65
Balance in Current Account with Subsidiaries/ Associates/Joint Ventures/Partnership				
Unsecured, Considered Good	33.63	44.76	1,311.43	3,108.14
Advance Recoverable in cash or in Kind				
Unsecured, Considered Good [1]	3,956.25	3,252.79	3,414.37	5,906.55
Doubtful	-	-	137.50	-
	3,956.25	**3,252.79**	**3,551.87**	**5,906.55**

(₹ in Million)

	Non-Current		Current	
	2015	2014	2015	2014
Less: Provision for Doubtful Debts	-	-	137.50	-
	3,956.25	3,252.79	3,414.37	5,906.55
Other Loans & Advances				
Prepaid Expenses	38.39	29.03	186.79	201.22
Balance with Stautory Authorities	49.89	-	248.58	169.99
Service Tax and Cenvat Credit	-	-	441.17	348.63
Works Contract Tax	8.77	-	-	-
Advance Tax (Net)	2,557.02	1,561.79	0.67	60.37
Accrued Interest	2,176.40	1,843.13	61.69	172.31
Advances to Employees	97.54	44.97	20.44	32.31
	4,928.01	**3,478.92**	**959.34**	**984.83**
	11,192.82	**8,770.66**	**7,167.31**	**11,620.17**

1 a) Advances Recoverable in Cash or in kind or for value to be received includes ₹ Nil (P.Y.₹ 13.88 Million) due from officers of the Company and ₹ Nil (P.Y. ₹0.13 million) due from company in which Directors are Directors or members.

b) Includes secured advance to piece workers ₹ Nil (P.Y. ₹ 91.39 Million)

c) includes share application Money in Raichur Sholapur Transmission Company Ltd. ₹ Nil (P.Y. ₹ 26.67 Million) - Pending allotment

2 Security Deposit includes FDR valued ₹ 0.04 Million pledged with the Sales tax Department, Arunachal Pradesh as security given on behalf of the Company at the time of Sales tax registration. The said FDR is not yet released and further the Company is also not booking any interest thereon in absence of exact details of interest rates etc.

NOTE : 12

INVENTORIES *

(At lower of cost or net realisable value/Contract Rates)

(₹ in Million)

	Non-Current		Current	
	2015	2014	2015	2014
Stores, Embedded Goods and Spare Parts etc.	-	-	1,608.59	1,758.75
(Includes Stores in Transit ₹ 35.13 Million (P.Y. ₹40.47 Million)				
Work in Progress	-	-	38,079.60	31,385.09
	-	**-**	**39,688.19**	**33,143.84**

*(As technically valued & certified by the Management)

NOTE : 13

TRADE RECEIVABLES

(₹ in Million)

		Non-Current		Current	
		2015	2014	2015	2014
Unsecured, Considered Good unless otherwise stated					
Receivables outstanding for a period exceeding six months					
Considered good		7,061.39	8,879.22	1,703.94	256.87
Doubtful		-	-	43.78	-
		7,061.39	8,879.22	1,747.72	256.87
Less: Provision for Doubtful Debts		-	-	43.78	-
	(A)	7,061.39	8,879.22	1,703.94	256.87
Other Receivables					
Considered good	(B)	1,421.67	121.55	3,973.78	5,137.70
	(A+B)	**8,483.06**	**9,000.77**	**5,677.71**	**5,394.57**

(refer Note no. 44 (g))

NOTE : 14

OTHER CURRENT ASSETS

(₹ in Million)

	Non-Current		Current	
	2015	2014	2015	2014
Preoperative & Preliminary Expenses	365.62	288.71	0.01	15.84
Other Current Assets *	-	-	6.38	2.66
	365.62	**288.71**	**6.39**	**18.50**

NOTE : 15

CASH AND BANK BALANCES

(₹ in Million)

	Non-Current		Current	
	2015	2014	2015	2014
Cash & Cash Equivalents				
- Balances with Banks	-		1,220.90	1,741.09
- On Fixed Deposits accounts with Scheduled Banks[1]	70.70	18.45	6.12	65.67
- Cheques in hand	-	-	243.65	17.62
- Cash on Hand	-	-	16.84	15.92
Other Bank Balances				
- Deposits with maturity more than 3 months but less than 12 months*	-	36.26	31.25	36.26
Balances with Bank for Unpaid Dividend	-	-	2.08	2.94
	70.70	**18.45**	**1,520.84**	**1,879.50**

1 Includes fixed deposit given towards margin money and Earnest money deposit.

FIXED ASSETS SCHEDULE 16 Forming part of Consolidated Balance Sheet as at March 31, 2015

(₹ in Million)

Particulars	Gross Block						DEPRECIATION					Net Block	
	As at April 1, 2014	Addition [8]	Deduction/ Retirement [7]	Sub Total	Foreign Currency Fluctuation	As at March 31, 2015	As at April 1, 2014	For the year	Deduction [9]	Foreign Currency Fluctuation	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
TANGIBLE ASSETS													
Land[1]	2,330.88	117.22	0.86	2,447.24	2.96	2,450.20	-	-	-	-	-	2,450.20	2,330.88
Building[2]	573.55	111.75	58.70	626.60	4.12	630.72	119.10	16.31	26.53	2.45	111.33	519.39	454.45
Plant & Equipment	6,430.25	507.41	284.24	6,653.42	80.70	6,734.12	3,496.45	606.26	167.36	31.65	3,967.00	2,767.12	2,933.80
Furniture & Fixtures	108.12	2.69	12.24	98.57	(0.27)	98.30	70.92	6.47	1.32	(0.37)	75.70	22.60	37.20
Vehicles[3]	1,288.66	35.71	58.58	1,265.79	(1.15)	1,264.64	700.52	140.10	30.19	(0.79)	809.64	455.00	588.14
Office Equipments	60.35	2.27	1.53	61.09	(0.05)	61.04	45.59	8.63	0.52	(0.10)	53.60	7.44	14.76
Others[4]	28.76	-	-	28.76	-	28.76	24.28	3.15	-	-	27.43	1.33	4.46
Electric equipment	53.25	0.58	1.21	52.62	-	52.62	38.96	3.42	0.20	-	42.18	10.44	14.29
Computer Equipments	88.44	6.63	2.06	93.01	0.30	93.31	77.01	7.02	0.05	0.16	84.14	9.17	11.43
Container	10.66	-	-	10.66	-	10.66	6.51	1.19	-	-	7.70	2.96	4.15
Establishment Cost	-	126.47	-	126.47	-	126.47	-	-	(126.47)	-	126.47	-	-
Total	**10,972.92**	**910.73**	**419.42**	**11,464.23**	**86.61**	**11,550.84**	**4,579.34**	**792.55**	**99.70**	**33.00**	**5,305.19**	**6,245.65**	**6,393.56**
INTANGIBLE ASSETS													
Computer Software	58.45	0.35	1.41	57.39	-	57.39	38.73	17.10	1.37	-	54.46	2.93	19.71
Goodwill	331.39	0.94	-	332.33	0.51	332.84	-	-	-	-	-	332.84	331.39
Total	**389.84**	**1.29**	**1.41**	**389.72**	**0.51**	**390.23**	**38.73**	**17.10**	**1.37**	**-**	**54.46**	**335.77**	**351.10**
Less : Trfd to Capital WIP								11.87					
GROSS TOTAL	**11,362.76**	**912.02**	**420.83**	**11,853.95**	**87.12**	**11,941.07**	**4,618.07**	**797.78**	**101.07**	**33.00**	**5,359.65**	**6,581.42**	**6,744.66**
Previous Year	11,379.83	985.63	967.49	11,397.97	(35.22)	11,362.75	4,233.46	819.77	439.93	(12.61)	4,618.09	6,744.66	7,146.31
Capital Work-In-Progress	7,862.04	1,957.35	8.69	9,810.69	10.23	9,820.93	-	-	-	-	-	9,820.93	7,862.04
Previous Year	5,363.26	2,481.31	-	7,844.57	17.47	7,862.04	-	-	-	-	-	7,862.04	5,363.26

Notes

1 Land includes ₹8.29 Million (₹9.04 Million) held in the name of Directors,relatives of Directors and employees for and on behalf of the Company.

2 a) Building includes Building [Gross Block -₹468.74 Million (P.Y. ₹411.54 Million),Accumulated Depreciation ₹72.83 Million (P.Y. ₹88.77 Million)] and Factory Building [Gross Block - ₹162.01 Million (P.Y. ₹ 162.01 Million), Accumulated Depreciation ₹36.10 Million (P.Y. ₹30.33 Million)]

b) Includes ₹0.0098 Million (P.Y. ₹0.02 Million) being the value of 195 shares and share deposits in Co - operative Societies

3	**Vehicles includes**	Gross Block 2014-15	Gross Block 2013-14	Acc Dep. 2014-15	Acc Dep. 2013-14
	Motor Car	272.73	278.35	162.71	136.80
	Motor Truck	989.61	1,008.02	645.68	562.61
	Motor Cycle	2.29	2.28	1.25	1.11
4	**Others Include**				
	Ship	2.81	2.81	2.77	2.77
	Rails and Trolley	25.95	25.95	24.66	21.52

5 Includes Assets costing ₹96.26 Million (P.Y. ₹30.21 Million) yet to commissioned/erected/put to use, ₹ Nil (P.Y. ₹22.38 Million) towards exchange rate difference and ₹ Nil (P.Y. ₹ 31.98 Million) reversal of excise duty claimed in earlier year as CENVAT credit

6 Deductions to Land and Building includes ₹ Nil (P.Y. ₹84.14 Million) transferred to Project Development Expenses

7 Includes of ₹ 111.77 Million on account of Non Consolidation of subisidiary

8 Includes of ₹ 136.85 Million on acquisition / consolidation of subsidiaries during the year

9 Includes cumulative depreciation of ₹ 133.63 Million on acquisition/ consolidation of subsidiaries during the year and ₹ 33.56 Million on account of non consolidation of subsidiaries

10 Consequent to the introduction of schedule II of the Companies Act 2013, the useful life of certain assets has been revised. Accordingly depreciation for the year is higher by ₹4.25 millions net of Deferred Tax of ₹ 0.67 Milliion and the same is adjusted in the accumulated balance of retained earnings.

NOTE : 17

REVENUE FROM OPERATIONS

(₹ in Million)

		2015	2014
(a)	Revenue/Turnover (refer note 35 b)	28,017.12	31,548.26
	Add: Increase/(Decrease) in Work in Progress	5,400.41	5,322.88
	Total Turnover	**33,417.53**	**36,871.14**
(b)	Other operating Income		
	Lease and Service Charges	1.12	1.63
	Share of profit from JV /Partnership	32.41	18.85
	Other Income	702.81	119.69
		34,153.87	**37,011.31**

NOTE : 18

OTHER INCOME

(₹ in Million)

	2015	2014
Dividend Income	-	1.93
Net Gain on Sale of Assets	130.46	190.31
Net Gain on Sale of Investments	22.32	8.84
Interest Income (Gross)	727.76	563.96
Miscellaneous Income	133.92	143.90
Excess Credit written back	144.76	158.43
	1,159.22	**1,067.37**

NOTE : 19

COST OF CONSTRUCTION

(₹ in Million)

	2015	2014
Stores, Embedded goods and Spare Parts *		
Inventories at the Beginning of the year	1,758.75	2,035.96
Add:Purchase (Net)	4,746.67	6,350.68
	6,505.42	8,386.64
Inventories at the end of the year	1,608.59	1,758.75
Consumption of Stores and Spares	4,896.83	6,627.89
Piece Rate Expenses (Net)	16,494.12	17,144.51
Repairs to Machinery	19.26	20.41
Transportation, Hire etc.	1,904.96	1,891.65
Power, Electricity & Water Charges	503.51	640.73
Project Development Cost	1,438.82	2,703.03
Technical Consultancy Fees	51.77	79.11
Other Construction Costs	273.62	76.67
	25,582.89	**29,184.00**

* Stores, embedded goods and Spares etc., consumed include materials issued to Sub Contractors. It also includes materials of ₹ 35.13 Million (P.Y. ₹ 40.47 Million) in transit.

NOTE : 20

EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

	2015	2014
Salaries, Wages, and Bonus	1,244.67	1,286.60
Contribution to Provident and Other Funds	56.27	54.27
Employee Stock Option (ESOP)	1.91	-
Staff Welfare Expenses	46.90	74.78
	1,349.75	**1,415.65**

NOTE : 21

FINANCE COSTS

(₹ in Million)

	2015	2014
Interest Expense	5,157.63	4,357.53
Other Borrowing Costs	11.86	4.42
Net Loss on Foreign Currency Translations	-	16.60
	5,169.49	**4,378.55**

NOTE : 22

OTHER EXPENSES

(₹ in Million)

		2015	2014
Other Administrative Costs			
Rent		31.14	45.60
Repairs and Maintenance - Building		0.53	4.37
Insurance		117.94	143.23
Rates and taxes		166.09	247.46
Advertisement and Selling Expenses		17.09	23.74
Travelling and Conveyance		65.45	75.56
Directors Fees		3.28	2.28
Auditor's remuneration			
Audit fees	7.70		6.45
Tax Audit fees	1.67		2.26
Taxation Matters	2.30		1.20
Other Capacity	1.24		1.54
Certification	1.50		2.38
Reimbursement of Expenses	0.11		0.23
	14.52	**14.52**	**14.06**
Communication expenses		32.31	34.80
Printing and Stationery		44.37	29.46
Legal and consultancy charges		188.55	187.37
Irrecoverable Debts written off		1,022.24	133.08
Loss on foreign currency translation		190.80	346.10
Share of loss from Associates / Joint Ventures		24.55	53.55
Other Expenses [1]		330.75	402.41
		2,249.61	**1,743.07**

1 Includes donation to Bharatiya Janata Party towards political contribution amounting to ₹ 10.03 Million (P.Y ₹ NIL)

23 **Details of Subsidiaries & Joint Ventures, which are consolidated:**

A) Wholly owned (100%) Subsidiaries:	
1. Patel Realty (India) Limited	11. Patel Engineers Private Limited
2. Patel Energy Resources Limited	12. Pandora Infra Private Limited
3. Patel Engineering Inc.	13. Patel Engineering Lanka Private Limited
4. Patel Engineering (Mauritius) Limited	14. Shashvat Land Projects Private Limited
5. Patel Engineering (Singapore) Pte. Limited	15. Vismaya Constructions Private Limited
6. Patel Engineering Infrastructure Limited	16. Bhooma Realties Private Limited
7. Patel Concrete and Quarries Private Limited	17. Patel Lands Limited
8. Friends Nirman Private Limited	18. Energy Design Private Limited
9. Zeus Minerals Trading Private Limited	19. Shreeanant Constructions Private Limited (w.e.f. November 25, 2014)
10. Patel Patron Private Limited	

B) Other Subsidiaries:	
Name of Subsidiaries	**% holding**
1. Michigan Engineers Private Limited	51.00%
2. ASI Constructors Inc.	65.20%

C) Joint Ventures:	
Name of Joint Ventures	**% of share**
1. Patel Michigan JV	10%
2. CICO Patel JV	99.90%

Patel KNR Infrastructure Ltd., Patel KNR Heavy Infrastructure Ltd., Raichur Sholapur Transmission Co. Ltd., Terra Land Developers Limited and ACP Tollways Pvt. Ltd (w.e.f. 26th May, 2014) has been consolidated as per equity method in accordance with AS -23 "Accounting for Investment in Associate in Consolidated Financial Statements".

During the previous year, one of the subsidiary named PAN Realtors Private limited (PAN) being a 51% subsidiary till 4th January, 2015. PAN issued additional shares as a result, the shareholding of the company in PAN got reduced to 36.43%. PAN was de-subsidiarised and effect thereof, including elimiation of minority interest, Goodwill on consolidation and adjustment to gain on de-subsidiaration, has been given in consolidated financial statement. Hence, the comparative previous year figures of income and expenditure in the consolidated statement of profit and loss are not strictly comparable.

24 (i) Income-tax assessments are completed up to A.Y. 2012-2013. Several appeals for the earlier assessment years are pending before the Appellate Authorities and out of the aggregate demand of ₹ 3256.18 Million, ₹ 1,050.69 Million (P.Y. ₹ 1,584.95 Million) has been already adjusted / paid. The Company has made a provision for tax of ₹171.18 Million (P.Y. ₹ 149.63 Million) (net of ₹ Nil. (P.Y. ₹ 7.07 Million) reversal of excess liability of earlier years) under all proceeding under the Income Tax Act, 1961, and Deferred Tax Assets of ₹ 72.23 Million (P.Y. ₹40.64 Million). The Company has been advised that it is not liable to Wealth-Tax except on Motor Cars. Accordingly, Wealth Tax of ₹ 0.89 Million (P.Y. ₹ 3.37 Million) has been provided including liability of ₹ Nil (P.Y. ₹ 2.27 Millions) of pervious years under all proceeding under the act.

(ii) The Finance Act, 2009 has amended Section 80IA (4) of the Income Tax Act, 1961 by inserting an explanation to the said section retrospectively from April 1, 2000 purporting to withdraw the benefit hitherto available.The company has filed a writ petition with High Court of Mumbai for challenging constitutional validity for insertion of explanation with retrospective effect and writ has been admitted. Recently the appellate authority held that the company is eligible for the said deduction on certain projects. Accordingly, the corresponding excess provision for the tax of ₹ 600.64 Million (P.Y. ₹ 981.31 Million) has been adjusted and credited to Reserves.

25 In view of the amendment in the Service Tax Act, certain projects which were hitherto not liable for service tax became liable to tax by virtue of the said amendment effective 1st July 2012. The amount of service tax payable on such projects is reimbursable by the client as per the contract conditions and the same has been reflected as receivables. However in few cases where the client has not accepted this liability, the same has been debited to the profit & loss account.

26 DEFERRED TAX

Deferred tax adjustments on account of timing differences as described in Accounting Standard – 22 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, is made.

The deferred tax liability (net) comprise of the following:

(₹ in Million)

	2015	2014
Deferred Tax Liability (DTL)		
Related to depreciation on fixed assets and other timing difference	344.51	366.25
(a)	344.51	366.25
Deferred Tax Assets (DTA)		
i. Relating to depreciation on fixed assets	136.42	166.58
ii. Disallowances under the Income Tax Act	68.33	28.13
(b)	204.75	194.71
Liability for Deferred Tax (net) **(a – b)**	139.76	171.54

27 LEASE

The Company and its subsidiary companies has taken various construction equipments and vehicles under non cancellable operating leases. The future minimum lease payment in respect of these as at March 31st are as follows:

(₹ in Million)

	2015	2014
Minimum lease obligation payable as at March 31,		
a) within one year of the Balance Sheet date	332.06	297.94
b) due in a period between one year and five years	267.27	381.39

The Operating lease arrangement, are renewable on a periodic basis and it provides for an option to the Company to renew the lease at the end of the non cancellable period. There is no exceptional / restrictive covenants under the lease arrangement.

28 EARNING PER SHARE

(₹ in Million)

	2015	2014
Net profit as per the statement of Profit and Loss available for shareholders for both Basic and Diluted Earnings Per Shares of ₹ 1/- each	84.69	163.69
Weighted Average Number of Equity shares for earning per share	76,783,188	76,244,325
Earning Per Share (Basic) ₹	1.10	2.15
Earning Per Share (Diluted) ₹	1.10	2.13

29 RELATED PARTY DISCLOSURE

Related party disclosures, as required by Accounting Standard 18, 'Related Party Disclosures', are given below:

A. Name of Related Parties and nature of relationship :-

Associates

1	Patel KNR Infrastructure Ltd	4	Raichur Sholapur Transmission Company Ltd
2	ACP Tollways Pvt. Ltd. 1	5	TERRA Land Developers Pvt Ltd.
3	Patel KNR Heavy Infrastructure Ltd	6	Pan Realtors Pvt. Ltd. (since Jan 11, 2015)

Joint Ventures & Consortium:			
1	LGE&C-PATEL J.V.	9	Era Patel Advance Kiran JV
2	PATEL –KNR J.V.	10	Patel – Siddhivinayak JV
3	KNR – PATEL J.V.	11	Patel – V Arks JV
4	PATEL – SOMA J.V	12	Navyuga – Patel – BHEL
5	PATEL – MICHIGAN JV	13	Patel – Avantika – Deepika – BHEL
6	PATEL-SA JV	14	Patel – V Arks - Precision
7	Patel Sew JV	15	CICO-Patel JV
8	Era Patel Advance JV	16	Patel APCO JV

Partnership	
1	AHCL PEL
2	Patel Advance JV

Others	
1	Patel corporation LLP
2	Praham India LLP

B.	**(a) Key Management Personnel (KMP)**	
	Mr. Pravin Patel	Non-Executive Chairman & Director of Michigan Engineers Pvt. Ltd.
	Mr. Rupen Patel	Managing Director & Director of Michigan Engineers Pvt. Ltd.
	Mr. Ashwin Parmar	Director & Director of Michigan Engineers Pvt. Ltd.
	Ms. Silloo Patel	Whole Time Director
	Mr. Nimish Patel	Whole Time Director
	Ms. Sonal Patel	Relative of KMP
	Mr. Shiraz Patel	
	Dr. Manubhai Patel	Director of Michigan Engineers Pvt.Ltd.
	Mr. Saurin Patel	
	Mr. Suresh Kumar Garg	Key Management Person of PAN Realtors Pvt.Ltd
	Mr. Shitul Patel	
	Mr. Pravin Malkani	Director of Patel Realty (India) Ltd
	Mrs. M. J. Patel	Relative of KMP of Michigan Engineers Pvt. Ltd.
	Mr. M. L. Gupta	Director of Patel Energy Resources Ltd.
	Mr. Sanjay Ladge	KMP of Shreeanant Constructions Pvt.Ltd.
	Mr. Sujay Ladge	
	Mr. Suhas Ladge	

(b) Entities Controlled by KMP	
1. DSQ Architects Pvt. Ltd. (Till December 18, 2014)	
2. MAX Arospace & Aviation Ltd.	
3. Hotal Transit Pvt. Ltd. (Till December 18, 2014)	

C. Transaction with Related Parties with Subsidiaries, Associate companies, Joint Ventures, Partnership and Others referred to in item (A) above.

(₹ in Million)

Particular	Associates/ Joint Ventures / Partnership/Others	
	2014-15	2013-14
- Revenue/Turnover	2,932.36	3,228.01
- Investment in Equity / Purchase of Shares	472.99	80.02
- Share Application Money	-	26.67
- Loans / Advances received	255.21	1,698.53
- Loans / Advances recovered/repaid	159.24	330.70
-Inter company deposit received	4.95	435.85
-Inter company deposit repaid	31.75	68.51*
- Share of Profit	32.41	42.58
- Share of loss	0.19	23.76
- Miscellaneous Receipts	1.10	2.99
- Loans/Advances given	344.44	2,272.80
- Loan/ Advances returned	49.15	477.37
- Corporate Guarantee outstanding as at the end of the year	3001.44	4209.70
- Bank Guarantee outstanding as at the end of the year	1,192.34	943.64
- Outstanding Balance included in Current / Non Current Assets	2,188.77	2,682.17
- Outstanding Balance included in Current / Non Current Liabilities	1,028.76	2,302.56
- Reimbursement of Expenses from	1.63	4.62
- Rent Income	-	0.05
- Interest Income	0.97	11.08
- Sundry Balances Written Off	412.90	2.05
- Issue of shares**	32.32	369.55

The subsidiaries have given some collateral securities in form of immovable properties for loan taken by the Company.

* includes loan converted into convertible preference shares

** OCPS and loan converted into equity share

D. Disclosures of Material Transactions with Related Parties with Associate companies, Joint Ventures, Partnership and Others referred to in item (A) above.

(₹ in Million)

Particular	Name of the Company	2014-15	2013-14
- Revenue/Turnover	Navyuga-Patel-BHEL	2216.01	2007.30
	Raichur Sholapur Transmission Company Ltd	94.93	628.12
- Investment in Equity / Purchase of Shares	ACP Tollways Pvt. Ltd	446.32	166.50
	Raichur Sholapur Transmission Company Ltd	26.67	80.02
- Share Application Money	Raichur Sholapur Transmission Company Ltd	-	26.67
- Advances Received	Patel Avantika Deepika Bhel Consortium	115.20	105.5
	Patel Sew JV	114.08	57.44
	Patel V-arks Precision	25.93	1.79
	Terra Land Developers Ltd.	-	1440.00

(₹ in Million)

Particular	Name of the Company	2014-15	2013-14
- Advances Recovered / Repaid	Terra Land Developers Ltd.	-	103.26
	Patel KNR Heavy Infrastructure Ltd	-	69.17
	Raichur Sholapur Transmission Company Ltd	18.98	124.50
	Patel Sew JV	128.15	19.01
- Inter Company deposit received	Pan Realtors Pvt Ltd	4.95	216.79
	Patel Corporation LLP	-	219.06
- Inter Company deposit paid	Patel Corporation LLP	31.75	67.70
- Share of Profit	AHCL-PEL Partnership	27.42	10.76
	Patel Arss JV	-	17.63
- Share of Loss	Patel - KNR JV	0.18	23.42
- Miscellaneous Receipts	Patel Leena JV	0.71	0.71
	Patel SA JV	0.23	0.31
	Patel Sew JV	0.16	0.07
	Patel KNR Ltd.	-	1.32
	CICO Patel JV		0.71
- Loans/Advances given	Patel Soma JV	114.66	3.09
	Patel Sew JV	185.37	93.23
	Terra Land Developers Ltd.	-	1774.75
- Loan/ Advances returned	Patel KNR JV	16.61	38.38
	Sandeep Associates	-	135.00
	Patel Leena JV	-	151.92
	Patel Soma JV	-	114.66
	CICO Patel JV	-	0.65
	AHCL - PEL	7.84	40.22
	Patel V Arks Precision JV	8.00	1.50
	Patel Sew JV	12.34	8.15
- Reimbursement of expenses from	Enpro Limited	-	1.48
	CICO PATEL JV	-	0.33
	PATEL Leena JV	1.04	0.30
	PATEL SA JV	0.34	0.13
	PATEL Sew JV	0.25	0.04
- Rent Income	Enpro Limited	-	0.01
- Interest Income	Enpro Limited	-	8.57
	Patel KNR JV	-	1.34
	PATEL Leena JV	0.44	0.44
	CICO PATEL JV	-	0.43
	ACP Tollways	0.24	-
	PATEL SA JV	0.15	0.20
	PATEL Sew JV	0.11	0.11
- Sundry Balances Written Off	Patel KNR JV	-	1.05
	KNR Patel JV	-	1.00
	Terra Land Developers Ltd.	412.90	-
- Issue of Shares	Praham India LLP	-	150.49
	Patel Corporation LLP	32.32	219.06

E. Details of Transactions relating to persons referred in item (B) above.

(₹ In Million)

Particular	2014-15	2013-14
Managerial Remuneration	70.58	67.65
Salary and contribution to provident fund	2.29	3.02
Rent Income	-	0.92
Deposit outstanding	-	0.40
Share Capital	-	300.00
Loan Received	50.00	90.00
Loan Repaid	50.00	90.00
Rent Paid	0.06	0.06
Director's Seating fees	-	0.10
Interest Expenses	0.43	1.12
Other Expenses	0.04	0.26
Consultancy Exp. Paid	11.63	11.77
Outstanding Balance (Dr)	0.56	22.91
Outstanding Balance (Cr)	28.28	-
Sale of Asset	0.10	-

30 Segment Reporting

Primary Segment

(₹ in Million)

	As at March 31, 2015			
	Business Segments			
	Construction	Real Estate	Others	Total
Segment Revenue	32,983.19	1,170.68	-	34,153.87
Segment Results	5,274.58	358.30	(121.97)	5,510.91
Carrying Amount of Segment Assets	84,214.95	9,246.29	4,503.70	97,964.94
Segment Liabilities	84,214.95	9,246.29	4,503.70	97,964.94
Addition to Fixed Assets	920.29	664.72	1,284.18	2,869.19
Segment Depreciation	786.24	5.12	6.41	797.77

Geographical Segment

(₹ in Million)

	As at March 31, 2015		
	Domestic Operation	International Operation	Total
Segment Revenue	26,676.83	7,477.04	34,153.87
Carrying Amount of Segment Assets	91,300.03	6,664.91	97,964.94
Addition to Fixed & Intangible Assets	2,472.59	396.60	2,869.19

(₹ in Million)

	As at March 31, 2014		
	Domestic Operation	International Operation	Total
Segment Revenue	31,823.81	5,187.49	37,011.30
Carrying Amount of Segment Assets	78,857.70	5,606.24	84,463.94
Addition to Fixed & Intangible Assets	3,157.58	310.31	3,467.89

31 **The company's proportionate share in assets, liabilities, income and expenses of its Joint Venture Companies included in these consolidated financial statements in accordance with AS 27 - 'Financial Reporting of Interest in Joint Ventures' is presented below :**

(₹ in Million)

BALANCE SHEET	As at March 31,2015	As at March 31,2014
I. EQUITY AND LIABILITIES		
Shareholder's Funds		
Reserve and Surplus	64.61	20.36
Non-current liabilities		
(a) Long-term borrowings	-	-
(b) Deferred Tax Liability (Net)	-	-
(c) Other Long term liabilities	144.59	23.89
(d) Long-term provisions	7.60	7.05
Current liabilities		
(a) Short-term borrowings	-	-
(b) Trade payables	33.00	34.41
(c) Other current liabilities	19.10	13.60
(d) Short-term provisions	-	-
TOTAL	**268.91**	**99.31**
II. ASSETS		
Non-current assets		
(a) Fixed assets	1.07	1.92
(b) Non-current investments	-	-
(c) Long-term loans and advances	158.07	2.59
(d) Deferred Tax Assets (Net)	-	-
(e) Other Non current assets	18.05	53.58
Current assets		
(a) Inventories	38.90	38.95
(b) Trade receivables	0.26	-
(c) Cash and cash equivalents	0.86	1.44
(d) Short-term loans and advances	51.69	0.83
(e) Other current assets	-	-
TOTAL	**268.91**	**99.31**

(₹ in Million)

STATEMENT OF PROFIT AND LOSS ACCOUNT	As on March 31,2015	As on March 31,2014
INCOME		
Revenue from operation	191.46	170.37
Other Income	0.38	1.70
TOTAL INCOME	**191.84**	**172.07**

(₹ in Million)

STATEMENT OF PROFIT AND LOSS ACCOUNT	As on March 31,2015	As on March 31,2014
EXPENSES		
Cost of Construction	181.86	153.41
Employee benefits expense	0.05	0.05
Finance costs	-	1.40
Depreciation and Amortization expense	0.98	0.99
Other expenses	0.28	0.06
Total Expenses	**183.17**	**155.91**
Profit / (Loss) before Tax	8.67	16.16
Tax expense		
Provision for Current Tax	(0.55)	(6.12)
Provision for Deferred Tax	-	-
Profit / (Loss) After Tax	8.12	10.04

32 Income consisting of Construction income of ₹Nil (P.Y. ₹ 50.69 Million), Interest Income of ₹18.53 Million (P.Y. ₹Nil), Income from customers of ₹0.64 Million (P.Y. ₹Nil), and Other Income of ₹60.66 Million (P.Y. ₹ 13.35 Million) and Expenses consisting of Piece Rate Expenses ₹33.38 millions (P.Y. ₹10.37 Million), Store material purchases ₹ 14.67 millions, Professional and Legal Expense of ₹ 0.35 millions (P.Y. ₹ Nil), Import duty and custom clearance of ₹ 5.84 million (P.Y. ₹ Nil), Service tax and WCT ₹ 3.57 Million (P.Y. ₹ Nil) and Other Expenses ₹190.17 Million (P.Y. ₹ 213.82 Million) pertaining to prior periods credited and debited respectively to Profit and Loss Accounts under various heads of accounts.

33 In accordance with "The Companies (Accounting Standards) Amendment Rules 2009, where in the provisions pertaining to AS-11 relating to "The Effects of the changes in Foreign Exchange Rates", vide notification dated March 31, 2009 and further amended on May 13, 2011 and further amended on December 29, 2011, the Company has carried over exchange (gain)/loss of ₹3.89 million (P.Y. ₹104.73 million) through "Foreign Currency Monetary Items Translation Difference Account", to be amortized over the balance period of the long term asset/liability, in respect of which such exchange gain/loss has arisen, but not beyond March 31, 2020. Further exchange loss (net) of ₹Nil (P.Y. ₹22.38 million) has been added to the cost of the respective fixed asset.

34 In case of the Company, confirmation letters have been sent in respect of Sundry Debtors / Loans and Advances / Sundry Creditors of which certain confirmations have been received which are accordingly accounted and reconciled. The remaining balances have been shown as per books of accounts and are subject to reconciliation adjustments, if any. In the opinion of the Management, the realizable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet. In respect of subsidiaries, debit and credit balances are subject to confirmation from creditors, debtors and sub contractors. The management does not expect any material difference affecting the financial statements for the year.

35 a) Unbilled Work in Progress includes stock of land under development (including held in the name of directors/relatives of directors/employees, as nominees of the company).

b) Turnover includes, construction of multi purpose projects, water supply projects, Irrigation projects, building projects, road and railway projects, on item rate or EPC basis and sale of development rights net of rebates. It also includes duty drawback and entitlement etc but excludes VAT, Service Tax etc.

c) During the Financial year 2010-11, two of Company's hydropower projects in Loharinagpala, in the state of Uttarakhand, awarded by NTPC, were prematurely terminated by Government of India. NTPC has sought details of expenditure incurred, committed costs, anticipated expenditure on safety and stabilization measures, other recurring site expenses and interest costs, as well as other claims of various packages of contractors / vendors for further submission to the government after compiling all the details of expenses incurred by various contractors working for the project. Management expects that all these cost as well as claims will be recovered in full and hence the cost incurred on the project up to March 31, 2015 ₹1849.70 Million (P.Y. ₹1,865.38 Million) (including hedging cost of ₹458.71 millions (P.Y. ₹ 458.71 Millions)) are

considered recoverable and billable to the client and hence included under work in progress.

d) Arbitration awards received in favour of the Company amounting to ₹ 783.56 million (P.Y. ₹ 61.71 million) is accounted for as construction Receipts.

36 Patel Energy Resourses Limited (PERL), wholly owned subsidiary of the Company has invested in various SPV's for hydro and thermal power projects which are of long gestation. The management is of the view that no provision is considered necessary at this stage in respect of these investments/loans, considering their long term nature. Based on future and long term potential of the projects, "Going concern" basis of accounting has been adopted for the said subsidiary despite continuous/significant losses. These investments / loans are more than 50% of the total assets and income from such financial assets are more than 50% of the total income of PERL. However PERL has been legally advised that taking into account the intention of the company in setting up wholly owned subsidiaries as a Special Purpose Vehicle (SPV) for executing independent power projects as per requirement under the Electricity Act, PERL cannot be treated as Non-Banking Finance Companies (NBFC) .

37 "Les Salines Development Ltd (""LSDL""), a step down subsidiary of the company in Mauritius, has a lease on the land taken from Govt. of Mauritius for a period of 99 years, recently on the 04th of June 2015 LSDL has received a notice of termination from the Govt. of Mauritius for the lease, and LSDL is under process of responding to such notice. It may also be noted that as per the lease agreement the only cause where the lease can be terminated is the non payment of lease rent. It may be noted that the entire lease rent for the current year has already been paid in advance therefore the cause of action of termination is unwarranted. In this case LSDL is confident of resolving the issue with the Govt. of Mauritius in due course and will pursue the issue with the Govt. of Mauritius actively, as there is no breach by LSDL from their end. As of now the land still vests with LSDL and is in possession of the land and has ongoing works being carried out on the said land."

38 PRIL is in the process of being compliant with section 203 (appointment of Key managerial personnel) of the Companies Act 2013.

39 The net impact on profit due to difference in audited and un-audited accounts of ASI Constructors Inc, a subsidiary of the company for FY 2012-13 amounting to ₹ 77.60 million has been reflected as "Prior Period Items" in the P.Y. and ₹ 4.7 million with respect to FY 2013-14 pertaining to decrease in tax liability has been reduced from current tax expense.

40 Arising out of proceedings initiated under section 132 read with Section 153C/143 (2) of Income Tax Act, 1961 by Income Tax Authorities, the Company had offered to reduce by way of disallowances, an aggregate sum of ₹ 795.77 Million. (As on 31.03.2014 - ₹ 795.77 Million) from pre-operative expenses / Land Development expenses incurred by the Company in the past in setting up the Power Plant at Nagapattinam, Tamilnadu. Deputy Commissioner of Income-Tax (DCIT) vide his order dated 25.03.2013 has also held that the above pre-operative expenses, amounting to ₹ 795.77 Million (As on 31.03.2014 - ₹ 795.77 Million) has to be reduced from the Capital Work in Progress (CWIP) based on the above submissions and as well as other grounds.However, in the opinion of management, considering the realizable value of land, no adjustment is required to be carried out. Due to the above mentioned reduction of Land Development Expenses, for tax purposes, the value of fixed assets reckoned subsequent to allocation of Land Development / Pre-operative expenses to core assets, for computation of depreciation wherever applicable, will be lower to the extent of ₹795.77 Million (As on 31.03.2014 - ₹ 795.77 Million)

41 Ministry Of Coal (MOC) after keeping the request for change in location of the proposed power plant from Bhavnagar area to Pipavav area with in Gujarat State for 16 months and belatedly declined it after the LOA expired. Consequent upon the expiry of Letter Of Assurnace (LoA), South Eastern Coal Limited (SEC) invoked and encashed three Bank Guarantees agreegating to ₹ 196.64 Million issued as Commitment Guarantees against LoA. Patel Energy Limited has filed a writ petition at Delhi High Court challenging the decision of MoC refusing to approve the change of location of the said power plant, and also for quashing the unlawful invocation of bank guarantee by SEC and has saught a further direction that the change of location be approved and the LoA be extened in view of the delay by Moc. The case was last heard on 13.3.2015 in Delhi High Court and the same is posted for final hearing on 13.7.2015. In the mean time we have represented the matter to the Honourable Minister for Power & Coal and CEA recommended the case to be reviewed and the SLC directed that the case be put up on file for review in Ministry of Coal. The matter is under process in Ministry of Coal.The Company is confident that requisite clearance shall be obtained and hence the accounts of the company is continued to be complied on " Going Concern" basis.

42 In respect of 54.12 acres of land acquired by PEL Power Limited in earlier years, the original owner of the land had filed a case against the vendor from whom PEL Power Limited had purchased these lands questioning his authority to transfer the property

to PEL Power Limited. PEL Power Limited is legally advised that the title to PEL Power Limited valid and good and there can be no claim against PEL Power Limited. Notwithstanding the above PEL Power Limited has impleaded itself in the case in order to effectively defend its ownership in the said land.

43 During 2013-2014 short term loans and advances amouting to ₹43,972,500 and reimbursements receivable from Patel lanka Squanda (PVT) Limited amounting to ₹1,91,33,139/- have been erroneously recorded as Investments in Patel Lanka Squanad (PVT) Limited . Correction have been made to the financials statement as at 31/03/2014 in accordanace with SLFRS for SMEs, Section 10 "Accounting Policies, Estimates and Error.

44 Contingent Liabilities

(a) Commitment for capital expenditure is ₹ 176.37 Million (P.Y. ₹634.52 Million), advance paid ₹ 40.64 Million (P.Y. ₹ 7.81 Million)

(b) Counter indemnities given to Banks and others in respect of secured guarantees, etc. on behalf of subsidiaries and others given by them in respect of contractual commitments in the ordinary course of business is ₹ 7,302.27 million (P.Y. ₹ 7,752.61 million) (including Customs ₹ 120.64 million (P.Y. ₹ 282.81 million) for the current year includes guarantees given in US$ 10 million (P.Y. US$ 10.00 million). Corporate guarantees on behalf of subsidiaries and others is ₹ 18,876.34 million (P.Y. ₹ 15,497.69 million) (against which the Company has obtained counter indemnities for ₹4,821.06 million (P.Y. ₹.4,802.69 million) and towards Custom Duty ₹ 71.62 million (P.Y. ₹ 71.62 million).

(c) The Company has received an amount of ₹ 12.74 Million in 1997 against arbitration award in its favour. The client has preferred an appeal against above award claiming an amount of ₹ 213.32 Million (P.Y. ₹ 213.32 Million) before the Hon'ble appeal court. However the management feels that the likelihood of outflow of resources is remote.

(d) Service tax liability that may arise on matters in appeal ₹ 1085.92 Million (P.Y. ₹ 654.55 Million) and advance paid ₹ 20.00 Million (P.Y. ₹ 2.68 Million). However, this amount is contractually recoverable from the Clients.

(e) Sales tax ₹ 99.56 Million (P.Y. ₹88.00 Million) (Advance paid ₹ 17.09 Million (P.Y. ₹ 18.51 Million)), Cess ₹ 78.55 Million (P.Y. ₹ 53.70 Million), Custom Duty ₹ 17.62 Million (P.Y. Nil) (Advance paid ₹ ₹ 8.46 Million (P.Y. Nil)).

(f) Income tax liability that may arise on matters in appeal ₹ 2,819.73 Million (P.Y. ₹ 981.31 Million).

(g) Trade Receivables/ Client Retention to the extent of ₹ 180.00 Million (P.Y. ₹ Nil) have been discounted with Bank on Recourse Basis.

(h) Allowances due to employees in remote areas (North East) may accrue in future maximum to the extent of ₹ 0.37 million (₹ 4.56 Million). The same will be paid to the employees who continue to be on the payrolls upto July 1, 2014 (previously October, 1).

(i) Michigan Engineers Pvt. Ltd. has received show cause cum demand notices for a sum of ₹ 108.24 Millions (P.Y. ₹ 108.24 Millions) from Service tax department pertaining to the financial years 2006-07 to 2010-11 and 2012-13.

(j) In Pan Realtors Pvt. Ltd., Sales Tax due to Commercial Tax Tribunal (Noida) ₹ 537.17 Million (₹ 645.32 Million), Due under Building and other Construction Worker welfare cess Act ₹ 55 Million (₹ 55 Million), Due under Income tax ₹ 9.43 Million (P.Y. ₹ 9.43 Million), claim from SREI Bank Nil (P.Y. ₹ 0.11 Million)

(k) Proceedings u/s 271 (1) (c) of the Income Tax Act,1961 for the past assessment years initiated, quantum currently not ascertainable, as being contested by Patel Realty (India) Limited.

(l) ASI Constructors Inc is involved in a claim for additional reimbursement for fees costs as result of unforeseen site conditions, contractual obligation, and weather damages. The company has requested an equitable adjustment of ₹ 196.67 Million ($ 3.61 Million). The Company received ₹ 62.15 Million (P.Y. $ 1.04 Million) settled during the year ended March 31, 2013. As a result of the cost and the risk of collectability of the claim, management has elected to record the claim at ₹ 36.67 Million ($ 0.60 Million) and ₹ 33.77 Million ($ 0.57 Million) for the financial statement ending March 31, 2015 and 2014 respectively.

(m) A part of the immovable property belonging to the company shown under inventories has been offered as security in favour of a bank against credit facilities availed by the Patel Realty (India) Ltd. (PRIL)

(n) PRIL is under commitment to construct specific area for land owners.

(o) PRIL has received an order from the learned commissioner of service tax for the period Nov 2009 to Jun 2012 demanding service tax amounting ₹ 220.33 Million along with interest (not quantified in the order) and penalty of ₹ 184.36 Million. The company has filed an appeal before the Customs Excise and Service tax Appellate Tribunal against the said order and based on information with it, believe that future cash outflow for this is remote.

(p) Income Tax Demand of ₹ 18.20 million for various subsidiaries for earlier years for which they have preferred an appeal which is pending at various forums.

(q) PRIL is subject to legal proceeding and claims, which have arisen in the ordinary course of business, including certain litigation for land acquired by it for construction purpose, the impact of which is not quantifiable. These case are pending with various courts and are scheduled for hearings. After considering the circumstances, manangement believes that these case will not adversely effect its financial statement.

(r) PRIL had recevied an show cause cum demand notice from the learned Commissioner of Service Tax for the period July 2012 to March 2013 demanding service tax amounting ₹ 20,37,90,486/-. The company has filled a reply before the tax authority against the said order and based on information with it, believe that future cash outflow for this is remote.

(s) PRIL had recevied an show cause cum demand notice from the learned Commissioner of Service Tax for the period April 13 to March 2014 demanding service tax amounting ₹ 19,75,83,495/-.

(t) Provident Fund liability that may arise on matter in appeal ₹ 9.52 Million (P.Y. ₹ 9.52 Million) and advance Paid ₹ 2.38 Millions (P.Y. ₹ 2.38 Millions)

(u) Claims not acknowledged as debt ₹ 485 Million (any liability herein shall be borne by the Principal Contractor).

(v) Entry Tax liabilities on purchase of goods of ₹ 11.35 Millions (against which amount of ₹ 3.78 Millions have been paid and for the balance amount of ₹ 7.60 Millions bank guarantee has been furnished) for A.Y. 2010 - 11 which has been stayed by Hon'ble High Court of H.P. The Company has not provided any further liability from the relevant assessement year as the amount for same is not ascertainable.

(w) In respect of Shreeanant Construction Pvt Ltd, a SLP was filed in the Supreme Court by the State Govt. of Arunachal Pradesh against the judgment of the Hon'ble Gauhati High Court in favour of the Company abolishing the Arunachal Pradesh Goods Taxation Act, 2005 as it was unconstitutional in nature. Still the matter is pending before the Supreme Court and hearings are going on. Further, a Writ petition was filed by the Company in the Gauhati High Court challenging the validity of newly enacted Arunachal Pradesh Entry Tax Act,2010. The Hon'ble Court has granted interim stay on the payment of Entry Tax subject to the furnishing of Bank Guarantee of the equivalent amount. The matter is still pending and final judgment is yet to be delivered. But in case of adverse judgment there may be outflow towards Entry Tax liability on import of goods from outside of Arunachal Pradesh. However the management feels that likelihood of outflow of resources is remote.

45 a) Patel Realty (India) Limited (PRIL) has recognised, based on legal advised received by it, sum of ₹ 12,23,49,878/- and ₹ 17,93,00,479/- towards input credit under Service tax (ST) and under Karnataka State Value added Tax (KVAT) respectively for the period from 2009-10 to 2013-14. The same is disclosed as an exceptional items in term of provision of Schedule III to the Act.

b) PRIL has paid sum of ₹ 11,95,21,412/- under the service tax provision, for the aforesaid period, prior to and in response to show cause cum demand notice/ summon received from the tax authorities. This amount will be attributed towards the tax liabilities for the said period/s, as applicable. The order issued by the tax authorities has been contested by the company."

46 PEL Port Private Ltd was primarily incorporated to build a captive Port to cater to the needs of PEL Power Ltd. which is engaged in setting up a Merchant Power Plant with capacity of 1045MW at Maruthampallam Village, Nagapattinam District in Tamil Nadu. There is a delay in commencement of construction of Power Plant due to delay in getting Consent for Establishment from Government of Tamilnadu. PEL Power Ltd. is confident in getting the clearance in the near future. Since the Captive Port project is closely interlinked with the above Power Project and in view of the long term potential of that project, the accounts of PEL Port Private Ltd. are compiled on "Going Concern" basis.

47 Energy Design Pvt. Ltd. (EDPL) is in process of applying to New Okhla Industrial Development Authority for extending the license for development of land admeasuring 1357.55 sqm in Sector 6, Noida, for activities related to IT and ITES. EDPL is also exploring other object of providing management consultancy services relating to design and development of infrastructure project. The management is confident that the requisite license will be obtained and with substantial and continuous financial support, the accounts of the company have been prepared on "Going Concern" basis.

48 Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

	Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit and loss	
		As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
	Parent				
	Patel Engineering Limited	89.78%	16,993.11	140.34%	118.85
	Subsidiaries				
	Indian				
1	Patel Realty (India) Limited	9.04%	1,710.49	131.46%	111.33
2	Patel Energy Resources Limited	10.11%	1,913.27	-7.32%	-6.20
3	Patel Engineering Infrastructure Limited	0.57%	108.69	0.00%	-
4	Patel Concrete and Quarries Private Limited	0.00%	0.82	-0.04%	-0.03
5	Friends Nirman Private Limited	0.01%	1.43	0.04%	0.03
6	Zeus Minerals Trading Pvt Ltd	0.00%	0.39	-0.04%	-0.03
7	Patel Patron Pvt. Ltd.	0.74%	139.24	-0.10%	-0.09
8	Patel Engineers Pvt. Ltd.	0.50%	94.67	-0.85%	-0.72
9	Pandora Infra Pvt. Ltd.	0.36%	69.08	-0.10%	-0.09
10	Shashvat Land Projects Pvt. Ltd.	0.41%	77.78	-0.10%	-0.09
11	Vismaya Constructions Pvt. Ltd.	0.29%	54.21	-0.11%	-0.09
12	Bhooma Realties Pvt. Tld.	0.38%	71.09	-0.10%	-0.09
13	Patel Lands Ltd.	0.00%	0.41	-0.04%	-0.03
14	Energy Design Pvt. Ltd.	-0.16%	-30.52	-10.61%	-8.98
15	Shreeanant Constructions Pvt. Ltd.	0.09%	16.10	17.97%	15.22
16	Michigan Engineers Private Limited	4.75%	898.85	12.68%	10.74
	Foreign				
1	Patel Engineering Inc.	3.17%	599.69	-83.75%	-70.93
2	Patel Engineering (Mauritius) Limited	0.17%	31.28	0.00%	-
3	Patel Engineering (Singapore) Pte. Limited	1.91%	361.87	-94.79%	-80.28
4	Patel Engineering Lanka Ltd.	0.21%	39.02	2.60%	2.20
5	ASI Constructors Inc.	10.21%	1,933.07	85.98%	72.82
Joint Ventures (as per proportionate consolidation/Investment as per the equity method)					
1	Patel Michigan JV	0.07%	14.11	2.27%	1.93
2	CICO Patel JV	0.27%	50.50	7.31%	6.19
Associate (as per proportionate consolidation/Investment as per the equity method)					
1	Patel KNR Infrastructure Ltd	0.79%	149.67	2.68%	2.27
2	ACP Tollways Pvt. Ltd.	6.05%	1,146.01	-1.72%	-1.46
3	Patel KNR Heavy Infrastructure Ltd	0.51%	96.47	-27.64%	-23.41
4	Raichur Sholapur Transmission Company Ltd	1.38%	261.75	-2.96%	-2.51
5	TERRA Land Developers Pvt Ltd.	-1.08%	-203.56	-0.30%	-0.25
6	Pan Realtors Pvt. Ltd.	0.65%	123.08	2.71%	2.3

49 Derivative transactions :

a. For Interest Rate Related Risks:

Nominal amounts of interest rate swaps entered into by the company and outstanding as on 31st March 2015 amounts to ₹ Nil (P.Y. ₹ 554.24 Million).

b. Foreign Currency Exposure that are not hedged by derivative instruments as on March 31, 2015 amounting to ₹ -405.06 Million (P.Y ₹ 948.78 Million).

(₹ in Million)

	Foreign currency exposure outstanding at	
Currency	**March 31, 2015**	**March 31, 2014**
USD	(169.40)	890.71
EURO	(510.75)	58.07
SGD	62.86	Nil
JPY	18.93	Nil
MUR	181.52	Nil
LKR	11.74	Nil
CNY	0.02	Nil
OMANI RIAL	0.02	Nil

50 Exceptional items includes reverse back of service tax and VAT input credit of ₹ 301.61 million reduced by compensation towards delay possession of ₹ 148.30 million in Patel Realty (India) Limited, (PRIL) a subsidiary of the company.

51 EMPLOYEE BENEFITS

I Brief description of the Plans

The Company provides long-term benefits in the nature of Provident fund and Gratuity to its employees. In case of funded schemes, the funds are recognized by the Income tax authorities and administered through appropriate authorities/ insurers. The Company's defined contribution plans are provident fund, employee state insurance and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The Company's defined benefit plans include gratuity benefit to its employees, which is funded through the Life Insurance Corporation of India. The employees of the Company are also entitled to leave encashment and compensated absences as per the Company's policy. The Provident fund scheme additionally requires the Company to guarantee payment of specified interest rates, any shortfall in the interest income over the interest obligation is recognised immediately in the statement of profit & loss as actuarial loss. Any loss/gain arising out of the investment with the plan is also recognised as expense or income in the period in which such loss/gain occurs. The companies' liabilities for long term employee benefits (Gratuity/Leave encashment) are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain & losses are recognized in the statement of profit & loss as income or expense respectively. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yield on the date of balance sheet on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

II Disclosure for Defined Benefit Plan based on actuarial reports as on March 31, 2015 and March 31, 2014:

(₹ in Million)

Particular		Gratuity (Funded)	Gratuity (Unfunded)	Leave Encashment (unfunded)
(i)	**Expenses recognized in the Profit and Loss Account:**			
	Current service Cost	7.17	1.66	9.24
		(7.54)	(1.56)	(8.81)
	Interest Cost	1.95	0.41	3.44
		(1.22)	(0.32)	(1.43)

(₹ in Million)

	Particular	Gratuity (Funded)	Gratuity (Unfunded)	Leave Encashment (unfunded)
	Expected Return on Plan Assets	(1.57) (-1.57)	- -	- -
	Net actuarial Gain	(5.99) (-0.5)	1.06 (-0.42)	5.79 (31.84)
	Total Expenses recognized in the Statement Profit and Loss	**1.56** **(6.68)**	**3.13** **(1.46)**	**18.46** **(42.08)**
(ii)	**Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets (Amount recognized in Balance Sheet):**			
	Present Value of Funded Obligation as at year end	(31.47) (-20.90)	(5.09) (-4.37)	43.66 (36.98)
	Fair Value of Plan Assets as at year end	32.49 (18.04)	- -	- -
	Funded (Asset)/Liability recognized in the Balance Sheet	**1.02** **(-2.86)**	**(5.09)** **(-4.37)**	**43.66** **(36.98)**
(iii)	**Changes in Defined Benefit Obligation :**			
	Liability at the beginning of the year	20.90 (14.76)	4.37 (3.91)	36.98 (17.37)
	Interest cost	1.95 (1.22)	0.41 (0.32)	3.44 (1.43)
	Current service cost	7.17 (7.54)	1.66 (1.56)	8.45 (8.81)
	Benefit Paid	(1.16) (-2.21)	(2.41) (-1.00)	(11.80) (-22.46)
	Actuarial (gains) / losses on obligations	2.62 (-0.41)	1.06 (-0.42)	5.79 (31.84)
	Liability at the end of the year	**31.47** **(20.90)**	**5.09** **(4.37)**	**43.66** **(36.98)**
(iv)	**Changes in the Fair value of Plan Assets:**			
	Fair Value of Plan Assets at the beginning of the year	18.04 (18.12)	- -	- -
	Expected Return on Plan Assets	1.57 (1.58)	- -	- -
	Contributions	5.44 (0.46)	- -	- -
	Benefit Paid	(1.16) (-2.21)	- -	- -
	Actuarial gain/(loss) on Plan Assets	8.61 (0.09)	- -	- -
	Fair Value of Plan Assets at the end of the year	32.50 (18.04)	0.38 -	- -
	Total Actuarial Gain/(Loss) To Be Recognized	**5.99** **(0.50)**	**0.38** **-**	**5.79** **(31.84)**
(v)	**Actual return on Plan Assets**			
	Expected Return on Plan Assets	1.57 (1.58)	- -	- -
	Actuarial Gain on Plan Assets	8.61 (0.09)	- -	- -

(₹ in Million)

	Particular	Gratuity (Funded)	Gratuity (Unfunded)	Leave Encashment (unfunded)
	Actuarial Gain on Plan Assets	**10.18**	**-**	**-**
		(1.67)	**-**	**-**
(vi)	**The Company expects to contribute ₹ 9.23 Million (P.Y.₹10.03 Million) to Gratuity Funded Plan in FY 2015-16.**			
(vii)	**Percentage of each Category of Plan Assets to total Fair Value of Plan Assets:**			
	Insurer Managed Funds	100%	100%	100%
		100%	-	100%
(viii)	**In accordance with the Accounting Standard- 15 (Revised 2005), actuarial valuation was performed based on the following assumptions:**			
	Discount rate	8.00%	7.96%	8.00%
		(9.31%)	(9.31%)	(9.31%)
	Rate of increase in Compensation Levels	5.00%	5.00%	5.00%
		(5.00%)	(5.00%)	(5.00%)
	Expected Rate of Return on Plan Assets	8.00%	0	0
		(8.70%)	0	0
	Attrition rate	2.00%	3.00%	2.00%
		(2.00%)	(3.00%)	(2.00%)
	Average Age of retirement (years)	60	60	60
		(60)	(60)	(60)
ix)	**Experience Adjustments**			
	On Plan Obligation (gain)/loss	-1.20	-	-0.41
		-1.84	-	-35.03
	On Plan Asset (Loss)/Gain	8.61	-	-
		-0.09	-	-

52 Pension Plans

ASI Constructors Inc (ASI), a subsidiary of the Company participates in several multi-employer defined pension plans in connection with collective bargaining agreements with the various unions. The plans cover all employees who are members of the unions. For the years ended March 31, 2015 and 2014, the pension expense was ₹ 25.24 Million ($ 403,653) and ₹ 24.72 Million ($ 395,376), respectively.

ASI's participation in these plans for the annual period ended March 31, 2015, is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number, if applicable. Unless otherwise noted, the most recent Pension Protection Act (PPA) zone status available in 2015 and 2014 is for the plan's year beginning in 2014 and 2013, respectively. The zone status is based on information that ASI received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are less than 80 percent funded, and plans in the green zone are at least 80 percent funded. The "FIP/RP Status Pending/ Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. The funding status of the plans for plan years beginning in 2014 was not readily available at the time these financial statements were issued. The last column lists the expiration dates of the collective-bargaining agreements to which the plans are subject.

Pension Fund		MN Laborers Central Pension Fund	Central Laborers' Pension Funds	Twin City Carpenters & Joiners Fringe Benefit Fund	Carpenters Pension Fund of Illinois pension plan	Iron Workers St. Louis District Council Trust Funds	Central Pension Fund of the International Union of Operating Engineers and participating Employers (MN and IL)
EIN/Pension Plan Number		41-6159599 / 001	37-6052379 / 001	41-6043137 / 001	36-6147396 / 001	43-6052659 / 001	36-6052390 / 001
Pension Protection Act Zone Status (plan year beginning)	**2014**	Green	Red	Yellow	Green	N/A	Green
	2013	Green	Red	Yellow	Green	Yellow	Green
FIP/RP Status Pending/ implemented		N/A	RP Implemented	RP Implemented	N/A	N/A	N/A
Contributions of ECI, Inc.	**2015**	16.57	0.30	3.98	-	-	4.39
	2014	15.60	1.88	2.38	0.43	0.12	4.31
Surcharge imposed		N/A	No	No	N/A	N/A	N/A
Expiration Date of Collective Bargaining Agreement		April 30, 2017	April 30, 2017	April 30, 2017	April 30, 2017	April 30, 2017	April 30, 2017

52 The subsidiary Company accounts for its direct expenses including depreciation as direct cost of construction, which are however charged, to the respective heads of accounts in consolidated accounts.

53 a) Previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

b) Figure in brackets indicates amounts pertaining to previous year.

As per our report of even date

For **Vatsaraj & Co**
Chartered Accountants
Firm Regn No:111327W

CA Nitesh K. Dedhia
Partner
Membership No. 114893

Place : Mumbai
Date : July 23, 2015

For and on behalf of Board

(Rupen Patel)
Managing Director
(DIN:00029583)

(Pravin Patel)
Director
(DIN:00029453)

(Kavita Shirvaikar)
Chief Financial Officer

(Shobha Shetty)
Company Secretary

Independent Auditors' Report

To The Members of PATEL ENGINEERING LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Patel Engineering Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended). This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.

4. We have taken into account the provisions of the Act & the Rules made there under including the accounting standards & matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act & other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Director, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

9. As required by Companies (Auditor's Report) Order, 2015 issued by the Central government of India in terms of sub-section (11) of the section 143 of the act (hereinafter referred to as the "Order"), and on the basis of such checks of the books & records of the company as we considered appropriate & according to the information & explanation given to us, we give in the annexure a statement on the matters specified in paragraph 3 and 4 of the Order.

10. As required by section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

    c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account of the company.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014, In our opinion & to the best of our knowledge & belief & according to information & explanations given to us:

i) The company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position, in its financial statements.

ii) Company has made provision as at March, 31, 2015 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the investor education & protection fund by the company during the year ended 31st March 2015.

For **Vatsaraj & Co.**
Chartered Accountants
FRN: 111327W

CA Mayur Kisnadwala
Partner
M. No.: 33994

Place : Mumbai
Date : June 15, 2015

Annexure to Independent Auditors Report

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Patel Engineering Limited for the year ended 31st March, 2015.

1 a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) We have been informed to that, the fixed assets including assets of the company purchased in the name of Directors and their relatives and employees have been physically verified at reasonable intervals by the management and no material discrepancies were noticed on such verifications.

2 a) The Inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.

b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to book records.

3 The Company has granted unsecured loans to 33 companies and 2 firms which are covered in the register maintained under section 189 of the Companies Act, of which the net balance of ₹ 419.2 million of a company has been written off during the year.

a) As per information and explanation given to us, the above loans are repayable on demand, there is no time stipulation for repayment of the Principal and interest. We are also informed that the company has not demanded repayment of either principal or interest during the year.

b) There is no overdue amount in excess of ₹ 1 lac on loans granted remaining outstanding as at the year end, as they are repayable on demand.

4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of the business for purchase of fixed assets and for sale of goods and services. *However the internal controls over purchases of inventory continues to be strengthened further.*

5 In our opinion and according to the information and explanations given to us the company has not accepted deposits during the year.

6 We have broadly reviewed the cost records maintained by the company as specified by Central Government under sub section (1) of section 148 of the Companies Act, and we are of opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7 a) According to information & explanation given to us and the records of the company examined by us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues have been generally regularly deposited with the appropriate authorities except for the Sales Tax, Entry Tax, Service Tax, Municipality Tax, and Income Tax amounting to ₹ 180.05 million outstanding as on the last day of the financial year for a period of more than six months from the date they become payable.

7 b) According to information & explanation given to us & the records of the company examined by us, the disputed statutory dues aggregating ₹ 3,359.24 Million that have not been deposited on account of

disputed matters pending before appropriate authorities are as under:

Particulars	Financial Year to which amount relates	Amounts in Million (₹)	Forum where dispute is pending
Sales Tax	2001-2002 to 2003-2004, 2005-2006, 2006-07 and 2009-2010	49.86	Appellate Tribunal
	2007-2008	11.63	Dy Commissioner Appellate –III, Mumbai
	2007-2008, 2008-2009 and 2010-2011	9.61	Senior Joint Commissioner, Siliguri
Entry Tax	2010-2011	7.57	High Court
Service Tax	2007-2008 to 2012-2013	323.20	CESTAT, New Delhi
	2003-2004 to 2006-2007	2.54	CESTAT, Mumbai
	2008-2009 to 2009-2010	108.31	CESTAT, Bangalore
	2007-2008 to 2008-2009	631.88	CESTAT, Bangalore
Income Tax	2007-2008 to 2009-2010 and 2011-2012	2205.48	CIT Appellate
Custom Duty	2011-2012	9.16	Appellate Tribunal
Total		**3359.24**	

c) The amount required to be transferred to Investor Education & Protection fund has been transferred within the stipulated time in accordance with the relevant provisions of the Companies Act,1956 (1 of 1956) and rules made there under

8 The company does not have any accumulated losses at the end of the financial year and the company has not incurred cash losses in current financial year and in the immediately preceding financial year;

9 According to the information and explanations given to us, the Company has delayed payment of principal and interest dues to banks, financial institutions and debenture holders. During the year, the delay in interest servicing is: less than 60 days ₹ 1892 Million and more than 60 days ₹ 585 Million. Such delay in payment of principal is ₹ 1452 Million and ₹ 959 Million respectively. The dues were subsequently paid during the year.

At the balance sheet date, the delay in interest servicing is less than 60 days ₹ 161.85 Million and more than 60 days ₹ 24.05 Million. The delay in principal payment for less than 60 days is ₹ 360 Million.

10 In our opinion and according to the information and explanations given to us, the Company has given guarantees for loan taken by others from a bank or financial institution. The terms and conditions thereof are not prima facie prejudicial to the interest of the Company.

11 According to the information and explanations given to us the term loans were applied for the purpose.

12 According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **Vatsaraj & Co.**
Chartered Accountants
FRN: 111327W

CA Mayur Kisnadwala
Partner
M. No.: 33994

Place : Mumbai
Date : June 15, 2015

Balance Sheet as at March 31, 2015

(₹ in Million)

		Notes	As at March 31, 2015	As at March 31, 2014
I.	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
(a)	Share capital	2	76.81	76.81
(b)	Reserves and surplus	3	16,916.30	16,066.91
2	**Non-current liabilities**			
(a)	Long-term borrowings	4	16,756.82	12,412.13
(b)	Other Long term liabilities	5	6,040.86	6,907.69
(c)	Long-term provisions	6	34.10	32.44
3	**Current liabilities**			
(a)	Short-term borrowings	7	20,562.26	20,426.12
(b)	Trade payables	8	5,823.20	5,116.78
(c)	Other current liabilities	9	8,001.84	8,170.15
(d)	Short-term provisions	6	12.62	15.36
TOTAL			**74,224.81**	**69,224.39**
II.	**ASSETS**			
1	**Non-current assets**			
(a)	Fixed assets	12		
	i. Tangible assets		2,142.09	2,449.52
	ii. Intangible assets		2.68	19.26
	iii. Capital work-in-progress		42.25	207.02
			2,187.02	2,675.80
(b)	Non-current investments	10	6,056.97	5,923.07
(c)	Deferred Tax Assets (Net)	11	103.28	31.04
(d)	Long-term loans and advances	13	15,747.12	12,050.95
(e)	Non Current Trade Receivables	15	8,526.84	8,989.38
(f)	Other Non Current Assets	16	70.63	18.42
2	**Current assets**			
(a)	Investments- current	10	-	0.05
(b)	Inventories	14	30,963.94	25,242.73
(c)	Trade receivables	15	4,351.32	3,719.30
(d)	Cash and Bank Balances	16	815.63	1,072.43
(e)	Short-term loans and advances	13	5,395.68	9,494.24
(f)	Other current assets	17	6.38	6.98
TOTAL			**74,224.81**	**69,224.39**
Summary of Significant Accounting Policies		1		

The Notes referred to above form an integral part of these financial statements

As per our report of even date

For **Vatsaraj & Co**
Chartered Accountants
Firm Regn No:111327W

CA Mayur Kisnadwala
Partner
Membership No. 33994

Place : Mumbai
Date : June 15, 2015

For and on behalf of Board

(Rupen Patel)
Managing Director
(DIN:00029583)

(Pravin Patel)
Director
(DIN:00029453)

(Kavita Shirvaikar)
Chief Financial Officer

(Shobha Shetty)
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2015

(₹ in Million)

		Notes	As on March 31, 2015	As on March 31, 2014
I.	**Revenue from operations**	18	24,728.08	27,039.55
II.	**Other income**	19	1,954.17	1,463.05
III.	**Total Revenue (I + II)**		**26,682.25**	**28,502.60**
IV.	**Expenses:**			
	Cost of Construction	20	17,932.75	21,151.25
	Employee benefits expense	21	957.02	961.34
	Finance costs	22	5,522.93	4,286.29
	Depreciation and amortization expense	12	519.18	542.29
	Other expenses	23	1,531.69	1,199.00
	Total expenses		**26,463.57**	**28,140.17**
V.	**Profit before exceptional and extraordinary items and tax (III-IV)**		**218.68**	**362.43**
VI.	**Exceptional items**		-	-
VII.	**Profit before extraordinary items and tax (V - VI)**		**218.68**	**362.43**
VIII.	**Extraordinary Items**		-	-
IX.	**Profit before tax (VII- VIII)**		218.68	362.43
X.	**Tax expense:**			
	(1) Current tax	25	172.06	153.00
	(2) Deferred tax	25	(72.23)	(40.54)
XI.	**Profit for the Year (IX-X)**		**118.85**	**249.97**
XII.	**Earnings per equity share:**			
	(1) Basic	28	1.55	3.28
	(2) Diluted		1.55	3.25
	Summary of Significant Accounting Policies	1		

The Notes referred to above form an integral part of these financial statements

As per our report of even date

For **Vatsaraj & Co**
Chartered Accountants
Firm Regn No:111327W

CA Mayur Kisnadwala
Partner
Membership No. 33994

Place : Mumbai
Date : June 15, 2015

For and on behalf of Board

(Rupen Patel)
Managing Director
(DIN:00029583)

(Pravin Patel)
Director
(DIN:00029453)

(Kavita Shirvaikar)
Chief Financial Officer

(Shobha Shetty)
Company Secretary

Cash Flow Statement for the year ended March 31, 2015

(₹ in Million)

	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS	218.68	362.44
Adjustment for:		
Depreciation / Amortisation	519.18	542.29
Finance Charges	5,522.93	4,286.29
Interest and Dividend received	(1,534.46)	(1,038.49)
Foreign Exchange Loss / (Gain)	(4.77)	282.00
Provision for Leave Salary	6.71	12.69
Provision for Gratuity	2.15	0.07
Profit on sale of Investment	(33.50)	(8.84)
Profit on sale of Assets	(140.95)	(136.37)
Excess Credit written back	(137.41)	(158.40)
Irrecoverable debts & advances written off	857.84	132.15
ESOP compensation expenses	1.91	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**5,278.30**	**4,275.82**
Adjustment for changes in:		
Trade & other receivables	2,058.82	(5,259.25)
Inventories	(5,721.21)	(4,202.67)
Trade payable, Liabilities and Provisions (excluding Proposed Dividend & Income tax)	(1,844.13)	2,433.62
Cash used in operations	**(228.21)**	**(2,752.48)**
Direct tax paid	(324.97)	(592.05)
NET CASH USED IN OPERATING ACTIVITIES	**(553.18)**	**(3,344.53)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(110.83)	(641.74)
Sale of Fixed Assets	219.90	563.50
Increase in Loans to Subsidiaries / JV / Associates	(728.29)	(1,661.06)
Investments in Subsidiaries / JV / Associates	(447.34)	(295.64)
Divestment in Subsidiaries	14.36	68.92
Sale of Investments	332.63	46.46
(Increase) / Decrease in other Bank Balances	(23.02)	139.14
Interest and Dividend received	272.93	852.28
NET CASH USED IN INVESTING ACTIVITIES	**(469.65)**	**(928.14)**

(₹ in Million)

	2015	2014
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	7,933.95	3,335.98
Repayment of Long term Borrowings	(2,175.08)	(2,502.69)
Increase in other borrowings (Net)	167.90	7,346.05
Dividend Paid	(0.86)	(0.39)
Finance Charges	(5,158.76)	(4,210.02)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**767.14**	**3,968.94**
Net Decrease in Cash & Cash Equivalents (A+B+C)	**(255.70)**	**(303.74)**
Opening Balance of Cash & Cash Equivalents	1,033.23	1,641.27
Balance of Cash & Cash Equivalents	777.53	1,337.53
Notes to Cash flow Statement		
Cash and Cash Equivalents		
Cash on hand & Balance with banks	782.30	1,033.23
Effect of exchange rate changes	(4.77)	304.31
Closing Cash and Cash Equivalents as restated	777.53	1,337.54

As per our attached report of even date

For **Vatsaraj & Co**
Chartered Accountants
Firm Regn No:111327W

CA Mayur Kisnadwala
Partner
Membership No. 33994

Place : Mumbai
Date : June 15, 2015

For and on behalf of Board

(Rupen Patel)
Managing Director
(DIN:00029583)

(Pravin Patel)
Director
(DIN:00029453)

(Kavita Shirvaikar)
Chief Financial Officer

(Shobha Shetty)
Company Secretary

Notes to financial statement for the year ended March 31, 2015

NOTE : 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) **Basis of Preparation**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards as notified under Companies (Accounting Standards) Rules, 2006, read with general circular 15/2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013, the Provisions of the Companies Act, 1956 and 2013 and on the accounting principle of going concern. Expenses and Income to the extent considered payable and receivable, respectively, are accounted for on accrual basis, except those with significant uncertainties.

b) **Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.
Differences, if any, between actual results and estimates are recognized in the period in which the results are known/ materialize.

c) **Fixed Asset**

Fixed Assets are stated at cost of acquisition or construction (including installation cost upto the date put to use, net of specific credits) less accumulated depreciation. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciations / amortization and impairment loss, if any.

d) **Depreciation**

As per the Schedule II of the Companies Act 2013, effective 1st April 2014, the management has internally reassessed the useful lives of assets to compute depreciation wherever necessary, to conform to the requirements of the Companies Act, 2013 which is:

Tangible Assets : Factory Building/ Building - 28/60years, Machinery- 8 ½ years, Motor Cars- 8 years, Motor Truck- 8 years, Furniture- 6 years, Office Equipments- 5 years, Electrical Equipments- 6 years, Cycle- 2 years, Motor cycle- 7 years, Rails and Trolley- 7 years and Ship 8½ years. Intangible Assets : Computer / Soft-ware- 3 years. Depreciation on additions and deletions to assets during the year is provided pro-rata.

Depreciation on Fixed Assets is provided:

a) For assets purchased on or before April 1, 2014.

i) Whose remaining useful life is completed as at 1st April 2014, the carrying value of fixed assets is reduced from the retained earnings as at the said date.

ii) For remaining assets the carrying value of Fixed assets is depreciated equally over the balance useful life of the assets.

b) For assets other than those covered under clause (a) above, on Straight Line Method at the rates specified above.

e) **Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized, if any, in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

f) **Investments**

Current Investments are carried at lower of cost or quoted/ fair value. Long term Investments are stated at cost. Permanent diminution, if any, is provided for.

g) **Inventories**

Stores, embedded goods and spare parts are valued at cost (weighted average method) and Work in progress of construction contracts at contract rate as per AS-7. Work in Progress in respect of Project development and Buildings held as stock-in-trade are valued at cost or net realizable value, whichever is lower.

h) **Recognition of Income and Expenditure**

i) **Accounting for Construction Contracts :**

Revenue from contracts is recognised on the basis of percentage of completion method, based on the stage of completion at the balance sheet date, billing schedules agreed with the client on a progressive completion basis taking into account the contractual price and the revision thereto by estimating total revenue including claims / variations in terms of Accounting Standard 7 - Construction Contract and total cost till completion of the contract and the profit is recognised in proportion to the value of work done when the outcome of the contract can be estimated reliably. In case the estimated total cost of a contract based on technical and other estimate is expected to exceed the corresponding contract value, such excess is accounted for. Price/Quantity Escalation Claims and/or variations are recognized on acceptance of concerned authorities or on evidence of its final acceptability. Revenue in respect of other claims are accounted as income in the year of receipt of award. Revenue on Project Development is recognized on execution of sale agreement. Dividend income is recognized when the right to receive

payment is established. Other revenues and expenses are accounted on accrual basis.

ii) Revenue from building development is recognized on the percentage completion method of accounting. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including cost of land as against the total estimated cost of project under execution subject to such actual cost being 30% or more of the total construction / development cost. The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined. However, if and when the total project cost is estimated to exceed the total revenue from the project, the loss is recognized in the same financial year.

i) **Accounting for Joint Venture Contracts**

a) Where the Joint Venture Agreement provides for execution of contracts under work sharing pattern, the Company's share of revenue/expenses in the works executed by it is accounted on percentage completion method as per the accounting policies followed by it in respect of contracts.

b) Where the Integrated Joint Venture Agreement provides for execution of contracts under profit sharing arrangement, Company's share in the profit /loss is accounted for as and when determined. The services rendered to Joint Ventures are accounted as income, on accrual basis. The contribution to joint venture along with share of profit/ loss accumulated in the Joint Venture is reflected as investments or loans & advances or current liabilities as per the nature of the transaction.

j) **Foreign Currency Transaction/Translations**

Transactions in foreign currency including acquisition of fixed assets are recorded at the prevailing exchange rates on the date of the transaction. All monetary assets and monetary liabilities in foreign currencies are translated at the relevant rates of exchange prevailing at the year-end. Exchange differences arising out of payment/restatement of long term liabilities relating to Fixed Assets are capitalized and in other cases amortised over the balance period of such long term monetary items. The unamortized balance is carried in the Balance Sheet as " Foreign Currency Monetary items Translation Difference Account" as a separate line item under " Reserve and Surplus Account".

Revenue transactions at the Foreign Branch/projects are translated at average rate. Fixed Assets are translated at rate prevailing on the date of purchase. Net exchange rate difference is recognized in the Profit and Loss Account. Depreciation is translated at rates used for respective assets.

k) **Retirement and other Employee benefits**

Contribution to Provident/Family Pension/Gratuity Funds are made to recognized funds and charged to the Profit and Loss account. Provision for incremental liability in respect of Gratuity and Leave encashment is made as per independent Actuarial valuation at the year-end.

l) **Taxation**

The tax expense comprises of current tax and deferred tax. Current tax is calculated in accordance with the tax laws applicable to the current financial year. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and tax laws that have been enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is virtual certainty of realization in future.

m) **Provisions, Contingent Liabilities and Contingent Assets**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote , no provision or disclosure is made. Contingent Assets are neither recognized nor disclosed in the financial statements.

n) **Employees Stock Option Plan**

Compensation expenses under "Employee Stock Option Plan" representing excess of market price of the shares on the date of grant of option over the exercise price of option is amortized on a straight-line basis over the vesting period.

o) **Borrowing Cost**

Borrowing costs directly attributable and identifiable to the acquisition or construction of qualifying assets are capitalized till the date such qualifying assets are ready to be put to use. Other Borrowing costs are charged to statement of profit and loss as incurred.

p) **Leases**

Lease rentals in respect of assets acquired under operating lease are charged to Statement of Profit and Loss.

q) **Financial Derivative & Hedging transactions**

In respect of Financial Derivative & Hedging Contracts, gain / loss are recognized on Mark-to-Market basis and charged to Profit and Loss Accounts along with underlying transactions.

NOTE : 2

SHARE CAPITAL

		2015		2014	
		No. of Shares	₹ in Million	No. of Shares	₹ in Million
a)	**Authorized**				
	Equity shares of ₹ 1/- each	230,000,000	230.00	230,000,000	230.00
	Preference shares of ₹ 10/- each	20,000,000	20.00	20,000,000	20.00
b)	**Issued, subscribed and fully paid up**				
	Equity shares of ₹ 1/- each	76,806,282	76.81	76,244,325	76.24
	Optionally Convertible Preference shares of ₹ 1/- each	-	-	561,957	0.57
		76,806,282	76.81	76,806,282	76.81
c)	**Terms/rights attached to Equity Shares**				
	The Company has only one class of shares referred to as equity shares of ₹ 1/- each. Each holder of equity shares is entitled to the same rights in all respects.				
d)	i) **Reconciliation of Equity Shares outstanding at the beginning and at end of the year**	**No. of Shares**	**₹ in Million**	**No. of Shares**	**₹ in Million**
	Outstanding at the beginning of the year	76,244,325	76.24	69,827,151	69.83
	Add :- Issued during the year	561,957	0.57	6,417,174	6.41
	Outstanding at the end of the year	76,806,282	76.81	76,244,325	76.24
	ii) **Reconciliation of Optionally Convertible Preference Shares outstanding at the beginning and at end of the year**	**No. of Shares**	**₹ in Million**	**No. of Shares**	**₹ in Million**
	Outstanding at the beginning of the year	561,957	0.57	-	-
	Add :- Issued during the year	-	-	6,979,131	6.98
	Less:- Converted during the year	561,957	0.57	6,417,174	6.41
	Outstanding at the end of the year	-	0.00	561,957	0.57
e)	**Share held by each shareholder more than 5%**				
	Equity Shares				
	Name of the shareholder	**No. of Shares**	**% holding**	**No. of Shares**	**% holding**
	i) Patel Engineering Employees Welfare Trust	6,045,000	7.87	6,045,000	7.93
	ii) Praham India LLP	16,744,424	21.80	16,744,424	21.96
	iii) Patel Corporation LLP	18,665,257	24.30	18,103,300	23.74
	Preference Shares				
	Name of the shareholder	**No. of Shares**	**% holding**	**No. of Shares**	**% holding**
	i) Patel Corporation LLP	Nil	Nil	561,957	100%

f) The Patel Engineering Employee Welfare Trust, ("the Trust") holds 60,45,000 shares of the Company and administers Company's Employee Stock Option Schemes 2007 on behalf of the Company. The Trust comprising of Independent Trustees have on May 23, 2014 granted 22,400 options to 159 eligible employees of the Company and the subsidiaries as well. The said options shall be vested after completion of 1 year period from the date of grant and exercised within 2 months from the date of vesting at an exercise price of ₹ 1/- per share.

g) The Allotment Committee at its meeting on March 21, 2014 allotted 69,79,131 Optional Convertible Preference Shares(OCPS) to the Promoters of the Company. On March 31, 2014, out of the said OCPS, 64,17,174 OCPS were converted into 64,17,174 Equity shares of ₹ 1/- and allotted @ ₹ 57.5 (including premium of ₹ 56.5). On April 15, 2014, the balance 5,61,957 OCPS were converted into 5,61,957 Equity shares of ₹ 1/- and allotted @ ₹ 57.5 (including premium of ₹ 56.5)in terms of Chapter VII of SEBI (ICDR) Regulation 2009.

NOTE : 3

RESERVES AND SURPLUS

	2015		2014	
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
Reserves				
Capital Reserve				
As per last Balance Sheet	266.51		266.51	
	-		-	
Closing Balance		266.51		266.51
General Reserve				
As per last Balance Sheet	2,076.97		2,076.97	
Add: Amount Transferred from Debenture Redemption Reserve	287.50		-	
	2,364.47		2,076.97	
Less: Amount Transferred to Debenture Redemption Reserve	227.50		-	
Closing Balance		2,136.97		2,076.97
Securities Premium Reserve				
As per last Balance Sheet	7,873.63		7,511.07	
Add: Premium on Conversion of OCPS to Equity Shares (Refer Note # 2(f))	31.75		362.56	
Closing Balance		7,905.38		7,873.63
Debenture Redemption Reserve				
As per last Balance Sheet	735.00		626.25	
Add: Transfer from General Reserve	227.50			
	962.50			
Less: Amount Transferred to general Reserve	287.50			
Transfer (to) from Profit and Loss Account (net)			108.75	
Closing Balance		675.00		735.00
Share Options outstanding Account				
As per last Balance Sheet	-		-	
Add:- Value of Employee Stock Options Issued	2.24		-	
Closing Balance		2.24		-
Foreign Currency Monetary Item Translation Difference		(3.89)		(104.73)
Surplus in the statement of profit and loss				
As per last Balance Sheet	5,219.52		4,096.98	
Add : Reversal of Provision for Tax (Refer Note #25 (ii))	600.64		981.31	
Add : Net Profit for the year	118.85		249.98	
	5,939.01		5,328.27	
Appropriations for :				
i) Transfer to (from) Debenture Redemption Reserve			108.75	
ii) Depreciation impact as per Schedule II(Refer note 12 (4#))	4.92		-	
Closing Balance		5,934.09		5,219.52
Total Reserve & Surplus		16,916.30		16,066.91

NOTE : 4

LONG TERM BORROWINGS

(₹ in Million)

	Non-Current Portion		Current Maturities	
	2015	2014	2015	2014
Secured Loans				
Debentures[1]	2,550.00	4,000.00	1,100.00	950.00
Term Loans				
- From Bank[2]	13,053.34	8,153.18	1,868.52	1,082.33
- From Others[3]	1,153.48	258.95	519.89	292.76
Amount disclosed under "Other Current Liabilities" in Note No. 9	-	-	(3,488.41)	(2,325.08)
	16,756.82	**12,412.13**	**-**	**-**

1 Debentures

a) 11.30% Secured Redeemable Non Convertible Debentures was allotted on September 17, 2012 for a period of 10 years. These debentures have a face value of ₹ 1.0 Million each aggregating to ₹ 1,500.00 Million (P.Y. ₹ 1,500.00 Million) and are to be redeemed in September 17, 2022. The same is secured against charge on immovable assets of the Company and its subsidiaries.

b) 9.80% Secured Redeemable Non Convertible Debentures was allotted on July 20, 2009 for a period of 7 years. These debentures have a face value of ₹ 1.0 Million each aggregating to ₹ 550 Million (P. Y. ₹ 900 Million) repayable in a single installment, with a put / call option available and exercisable at par at the end of 5th year from the date of allotment. The same is secured against immovable property of the Company and its subsidiaries. Interest rate has been revised to 13.16% p.a.(P. Y. 9.80% p.a.) w. e. f. July, 2014

c) 11.40% Secured Redeemable Non Convertible Debentures was allotted on July 11, 2011 for a period of 5 years. These debentures have a face value of ₹ 0.10 Million each aggregating to ₹ 1,000 Million (P. Y. ₹ 1,500 Million). These debentures have following repayment schedule: July 11, 2015- ₹ 500 Million and July 11, 2016- ₹ 500 Million. The same is secured against immovable property of the Company and its subsidiaries. Interest rates on the same has been at 13% p.a.(P. Y. 13% p.a.)

d) 10.75% Secured Redeemable Non Convertible Debentures was allotted on March 3, 2011 for a period of 5 years. These debentures have a face value of ₹ 0.10 Million each aggregating to ₹ 250 Million (P. Y. ₹ 250 Million). These debentures will be redeemed as follows- March 3, 2015- ₹ 150 Million and March 3, 2016- ₹ 100 Million. Interest rate on the same has been at 13% p.a.(P. Y. 13% p.a.). Debentures have a face value of ₹ 0.10 Million each aggregating to ₹ 100 Million (P.Y. ₹ 100 Million) and interest rate on the same is 10.75% (P.Y. 10.75%). These debentures will be redeemed as follows March 3, 2016- ₹ 100 Million. The same is secured against immovable property and subservient charge on all the Fixed asset of the Company and its subsidiaries.

e) 9.55% Secured Redeemable Non Convertible Debentures was allotted on April 26, 2010 for a period of 5 years. These debentures have a face value of ₹ 1.0 Million each aggregating to ₹ 400 Million (P.Y. ₹ 700 Million). These debentures will be redeemed as follows: April 26,2015 - ₹ 400 Million. The same is secured against immovable property and subservient charge on all the Fixed assets of the Company. Interest rate on the same has been at 9.55% p.a.(P.Y. 9.55% p.a.)

The above debentures are listed on The National Stock Exchange of India.

As per Section 71 of the Companies Act, 2013 the Company has created adequate Debenture Redemption Reserve for the above series of Secured Redeemable Non Convertible Debenture issued during the year. Further, in terms section 71 read with Rule 18(7)(c) of Companies Share Capital and Debentures Rules, 2014, the Company had made deposit/investment during the current year to secure the repayment of debentures maturing after September, 2014. However, all the Debentures matured upto September, 2014 have been paid.

2 Term Loan Banks

a) Term loans also includes the loans taken from Standard Chartered Bank in form of FCNR Loan outstanding amount out of the same is ₹ 128.97 Million which shall be payable within a period of next one year and rate of interest on the same has been LIBOR + 400 i.e. 4.23% p.a.

b) The Term loans are secured by first charge on the specific assets acquired out of the term loan alongwith unencumbered assets & guarantees. The rate of Interest for these loans vary between 10%-

13% on an average, with a repayment period of 5-7 years respectively. Term loan includes Working Capital Term Loan(WCTL) secured by a First pari passu charge on the receivables more than 180 days and WIP, mortagae over certain lands owned by subsdiary companies and pledge of 30% share holding of subsidiaries owning real estate lands. The promoters Mr. Pravin Patel and Mr.Rupen Patel has provided personal guarantees for the above loan.

Term loan amounting to ₹ 360 Million were outstanding as on 31/03/2015 comprises of ₹ 254 Million due within 0-30 days and ₹106 Million due within 30-60 days. Interest on the term loans outstanding of ₹ 90 Million as on 31/03/2015 comprises of ₹ 2 Million due within 0-30 days, ₹ 88 Million due within 30-60 days.

3 **From Others**

Includes funds from Financial Institutions on Equipments, secured against the said Equipments. These loans carry an interest rate of average between 13%-14% on an average, with a repayment period of 3-5 years respectively. This Term Loan also includes Inter Corporate Deposits with an average rate of interest of 14%-15% with maturity period of 1-3 yrs. Interest outstanding on equipment loan of ₹ 17 Million as on 31/03/2015 comprises of ₹ 5.84 Million due within 0-30 days, ₹ 6.59 Million due within 30-60 days and ₹ 4.54 Million due within 60-90 days.

NOTE : 5

OTHER LONG TERM LIABILITY

(₹ in Million)

	2015	2014
Trade Payables	1,651.17	1,757.90
Capital Creditors	59.63	15.88
Other		
Contractee Advances	4,328.84	5,113.36
Deposits	0.32	0.33
Other Liability	0.90	20.22
	6,040.86	**6,907.69**

NOTE : 6

PROVISIONS

(₹ in Million)

	Long term		Short term	
	2015	**2014**	**2015**	**2014**
Provision for Employee Benefits (Note 24)				
Provision for Gratuity	0.37	4.61	1.21	5.01
Provision for Leave Entitlements	33.73	27.84	11.41	9.20
Provision -Others	-	-	-	1.15
	34.10	**32.44**	**12.62**	**15.36**

NOTE : 7

SHORT TERM BORROWINGS

(₹ in Million)

		2015	2014
I	**Secured Loans**		
	Short Term Loans		
	- From Bank [1]	3,982.00	4,541.53
	Loans Repayable on Demand		
	- From Bank[2]	13,751.73	12,066.13
II	**Unsecured Loans**		
	- From Bank[3]	2,823.58	3,786.71
	- From Related Parties	4.95	31.75
		20,562.26	**20,426.12**

1 **Short Term Loan**

Includes Loans by earmarking from bank Guarantee limits and short term loans from various banks against various immovable properties of company at Interest rate of 12-13% (PY 12.25-12.75%) payable within a year. Interest outstanding on short term loans of ₹ 79 Million as on 31/03/2015 comprises of ₹ 27 Million due within 0-30 days, ₹ 32 Million due within 30-60 days and ₹ 20 Million due within 60-90 days.

2 **Loans Repayable on Demand**

Includes Cash Credit and Working Capital Demand Loan from various Banks. These loans have been given against hypothecation of stocks, spare parts,book debts,work in progress & guarantees;

Terms of Repayment:

Cash Credit- Yearly renewal, Rate of Interest ranges between 12.50%-15% p.a.(PY 11%-14%)

3 **Unsecured Loan**

It includes short term loans from banks and loans from related parties and includes amount of ₹ 50 Million outstanding within 0-30 days.

NOTE : 8

TRADE PAYABLES

(₹ in Million)

	2015	2014
Micro Small and Medium Enterprises [1]	5.15	-
Other Payables	5,818.05	5,116.78
	5,823.20	**5,116.78**

1. The Company has ₹ 5.15 Million (PY ₹ Nil) due to suppliers under the Micro Small and Medium Enterprise Development Act, 2006, as at March 31, 2015. Principal amount due to suppliers under the Act is ₹ 3.58 Million (P.Y. ₹ Nil). Interest Accrued and due to the Suppliers on the above amount is ₹ 0.28 Million (PY ₹ Nil). Payment made to the suppliers (other than Interest) beyond appointed day during the year is ₹ 5.41 Million (PY ₹ Nil). Interest paid to the suppliers under the Act ₹ Nil (PY ₹ Nil). Interest due and payable to the Suppliers under the Act towards payments already made ₹ 1.3 Million (PY ₹ Nil). Interest accrued and remaining and unpaid at the end of the accounting year ₹ 1.58 Million (PY ₹ Nil).

   The above information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 and has been determined to the extent such parties had been identified on the basis of information available with the Company and relied upon by the auditors.

NOTE : 9

OTHER CURRENT LIABILITIES

(₹ in Million)

		2015	2014
(a)	**Other Liabilities**		
	Current maturities of long-term debt	3,488.41	2,325.08
	Interest accrued but not due on borrowings	150.49	144.67
	Interest accrued and due on borrowings	358.35	-
	Contractee Advances	2,979.88	4,216.39
	Unpaid Dividend	2.11	2.96
	Other Payables		
	Deposits	100.50	-
	Payable to Employees	194.76	191.81
	Unpaid matured debentures	150.00	-
	Other Liabilities	552.67	696.88
(b)	**Balance in Current Account**		
	(i) With Subsidiaries, associates	15.84	42.29
	(ii) With Joint Ventures	8.82	550.06
		8,001.84	**8,170.15**

NOTE : 10

INVESTMENTS

(₹ in Million)

	2015	2014
NON- CURRENT INVESTMENTS		
TRADE INVESTMENTS :-		
Investment in Equity Instruments		
Equity Instruments - Quoted		
NIL shares (17,77,116) of KNR Construction Ltd., Face Value ₹ 10/- per share	-	310.31
Equity Instruments-Unquoted		
- In Subsidiaries		
8,85,220 shares (8,85,220) of Michigan Engineers Pvt. Ltd., Face Value ₹ 10/- per share	111.86	111.86
10,00,00,000 shares (10,00,00,000) of Patel Realty (I) Ltd., Face Value ₹ 10/- per share	1,000.00	1,000.00
10,000shares(4,900) of Shreeanant Construction Pvt. Ltd., Face Value ₹ 10/- per share	0.10	-
20,207 shares (20,207) of ASI Constructors INC. par value US $ 0.0099 per share	170.54	170.54
	1,282.50	**1,282.40**
Investment in Redeemable Preference Shares		
- In Subsidiaries		
50,000 (50,000) Shares of ASI Const. Inc, Par value US$ 100 per share	225.98	225.98
	1,508.47	**1,508.37**
OTHER INVESTMENTS :-		
Equity Instruments - Quoted		
66,640 shares (66,640) of Kingfisher Airlines Ltd., Face Value ₹ 10/- per share	-	-
(Written off in the financial year 2012-13)		
Equity Instruments-Unquoted		
-In Subsidiaries		
409,422 shares (4,22,580) of Patel Engineering Inc. of par value US $0.001 per share	391.53	394.71
60,000 shares (60,000) of Zeus Minerals Trading Pvt. Ltd., Face Value ₹ 10/- per share	0.60	0.60
7,210,000 shares (7,210,000) of Bhooma Realties Pvt. Ltd., Face Value ₹ 10/- per share	72.28	72.28
7,880,000 shares (7,880,000) of Shashvat Land Projects Pvt. Ltd., Face Value ₹ 10/- per share	79.00	79.00
7,000,000 shares (7,000,000) of Pandora Infra Pvt. Ltd., Face Value ₹ 10/- per share	70.18	70.18
9,100,000 shares (9,100,000) of Patel Engineers Pvt. Ltd., Face Value ₹ 10/- per share	91.23	91.23
5,510,000 shares (5,510,000) of Vismaya Constructions Pvt. Ltd., Face Value ₹ 10/- per share	55.24	55.24
14,070,000 shares (14,070,000) of Patel Patron Pvt. Ltd., Face Value ₹ 10/- per share	141.05	141.05
10,000,000 shares (10,000,000) of Patel Engineering Infrastructure Ltd. Face Value ₹ 10/- per share	100.00	100.00
50,000 shares (50,000) of Energy Design Pvt. Ltd., Face Value ₹ 10/- per share	0.50	0.50
Nil (51,000) of Pan Realtors Pvt. Ltd., Face Value ₹ 10/- per share	-	0.51
50,000 Shares (50,000) of Patel Lands Ltd., Face Value ₹ 10/- per share	0.50	0.50
17,05,000 shares (17,05,000) of Patel Engineering Mauritius Ltd., Face Value Mauritius ₹ 10/- per share	25.76	25.76
33,000 shares (33,000) of Friends Nirman Ltd., Face Value ₹ 10/- per share	24.15	24.15
100,000 shares (100,000) of Patel Concrete & Quarries Pvt . Ltd., Face Value ₹ 10/- per share	1.00	1.00
23,65,000 shares (23,65,000) of Patel Engineering Singapore Pte. Ltd., Face Value US $ 1 per share	94.46	94.46
20,90,00,000 shares (20,90,00,000) of Patel Energy Resources Ltd., Face Value ₹ 10/- per share	2,090.00	2,090.00
26,193,077 shares (26,193,077) of Patel Engineering Lanka Ltd., Face Value LKR 1/- per share	11.21	11.21
	3,249.19	**3,252.37**

(₹ in Million)

	2015	2014
In Associates		
Other Investments		
15,540,000 shares (15,540,000) of Patel KNR Infrastructures Ltd., Face Value ₹ 10/- per share	155.40	155.40
24,665 Shares (24,665) of Terra Land Developers Ltd., Face Value ₹ 10/- per share	0.25	0.25
8,495,040 Shares (4,031,820) of ACP Tollways Pvt. Ltd., Face Value ₹ 100/- per share	849.50	403.18
26,672,000 shares (24,004,798) of Raichur Sholapur Transmission Company Ltd., Face Value ₹ 10/- per share	266.72	240.05
51,000 Shares (Nil) of Pan Realtors Pvt. Ltd., Face Value ₹ 10/- per share	0.51	-
	1,272.38	**798.88**
Investment in Redeemable Preference Shares		
Other Investments - In Subsidiaries		
56,231,670 shares (56,231,670) of Patel Engineering Lanka Ltd. Face Value LKR 1/- per share	26.32	26.32
Investment in Government Securities[III]	0.12	0.12
Investment in Partnership Firms[IV]	0.03	0.03
Share Application Money	0.98	26.67
TOTAL NON - CURRENT INVESTMENT	**6,056.97**	**5,923.07**
CURRENT - INVESTMENTS		
Other Investments		
Trade Investments - Unquoted		
Nil shares(4,900) of Shreeanant Construction Pvt. Ltd., Face Value ₹ 10/- per share	-	0.05
TOTAL CURRENT INVESTMENT	**-**	**0.05**

I. Aggregated amount of Unquoted Investments as at 31st March 2015 ₹ 6,055.96 Million (P.Y. ₹ 5,586.07 Million)

II. Aggregated amount of Quoted Investments as at 31st March 2015 ₹ Nil , Market value ₹ 0.11 Million (P. Y. ₹ 310.31 Million, Market value ₹ 151.20 Million)

III. Includes Investment in National Saving Certificates, in the name of Directors , lodged with Project Authorities

IV. A firm AHCL - PEL having fixed capital of ₹ 75,000 (P.Y. ₹ 75,000), profit sharing has been reconstituted as follows :- the company 20% (P.Y. 5%), Ace Housing & Const. Ltd. 1% (P.Y. 78%) & Pravin Patel 79% (P.Y. 17%).

A firm Patel Advance JV having nil fixed capital, profit sharing has been as follows : the Company 27% (P.Y.27%), Advance Const. Co. Pvt. Ltd. 26% (P.Y. 26%) Patel Realty (I) Ltd. 26% (P.Y. 26%) & Apollo Buildwell Pvt. Ltd. 21% (P.Y. 21%)

NOTE : 11

DEFERRED TAX ASSETS

(₹ in Million)

	2015	2014
Related to Depreciation on Fixed Assets	41.32	43.12
Foreign Currency Monetary Item Reserve	(1.32)	(35.60)
Other Dis-allowances under the Income Tax Act	63.28	23.52
	103.28	**31.04**

The Company is entitled to deductions under the Income Tax Act, which are in nature of permanent benefits. However, deferred tax adjustments on account of timing differences as described in Accounting Standard – 22 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, is made.

Note : 12 FIXED ASSETS

(₹ in Million)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2014	Addition	Deduction/ Retirement	As at March 31, 2015	As at April 1, 2014	For the year	Deduction / Adjustments#	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
TANGIBLE ASSETS										
Land[1*]	168.51	3.65	0.87	171.29	-	-	-	-	171.29	168.51
Building [2*]	289.07	107.92	28.54	368.45	49.25	9.38	6.20	52.43	316.02	239.83
Plant & Equipment[@]	3,681.58	132.66	186.80	3,627.44	2,218.80	344.28	137.53	2,425.55	1,201.89	1,462.79
Furniture & Fixtures	33.74	0.42	-	34.16	26.89	2.50	-	29.39	4.77	6.84
Vehicles[3]	1,213.08	29.56	32.42	1,210.22	664.38	133.33	21.17	776.54	433.68	548.70
Office Equipments	36.55	0.68	-	37.23	31.75	2.82	0.14	34.71	2.52	4.81
Others[4]	28.76	-	-	28.76	24.28	3.14	-	27.42	1.34	4.48
Electric equipment	35.29	0.58	-	35.87	28.10	2.42	-	30.52	5.35	7.20
Computer Equipments	51.69	3.27	0.04	54.92	45.32	4.41	0.04	49.69	5.23	6.36
	5,538.27	**278.73**	**248.67**	**5,568.33**	**3,088.77**	**502.28**	**164.80**	**3,426.25**	**2,142.09**	**2,449.52**
INTANGIBLE ASSETS										
Computer Software	56.33	0.32	-	56.65	37.07	16.90	-	53.97	2.68	19.26
TOTAL	**5,594.60**	**279.05**	**248.67**	**5,624.98**	**3,125.84**	**519.18**	**164.80**	**3,480.22**	**2,144.77**	**2,468.78**
Previous Year	5,981.12	466.20	852.71	5,594.60	3,009.12	542.29	425.58	3,125.82	2,468.78	2,972.00

Notes

1 Land includes ₹ 8.29 Million (P.Y. ₹ 9.04 Million) held in the name of Directors,relatives of Directors and employees for and on behalf of the Company

2 a) Building includes Building [Gross Block -₹ 212.44 Million (P.Y. ₹ 133.06 Million),Accumulated Depreciation ₹ 17.54 Million (P.Y. ₹ 19.93 Million)] and Factory Building [Gross Block -₹ 156.01 Million (P.Y. ₹ 156.01 Million), Accumulated Depreciation ₹ 34.88 Million (P.Y. ₹ 29.31 Million)]

b) Includes ₹ 0.010 Million (P.Y. ₹ 0.02 Million) being the value of 195 shares and share deposits in Co - operative Societies

		Gross Block 2014-15	Gross Block 2013-14	Acc Dep. 2014-15	Acc Dep. 2013-14
3	**Vehicles includes**				
	Motor Car	231.40	222.41	139.92	113.90
	Motor Truck	976.53	988.55	635.37	549.47
	Motor Cycle	2.29	2.12	1.25	1.01
4	**Others Include**				
	Ship	2.81	2.81	2.77	2.77
	Rails and Trolley	25.94	25.95	24.65	21.51

@ Includes Assets costing ₹ 96.26 Million (P.Y. ₹ 30.21 Million) not commissioned/erected/put to use, ₹ Nil (P.Y. ₹ 22.38 Million) towards exchange rate difference and
₹ Nil (P.Y. ₹ 31.98 Million) reversal of excise duty claimed in earlier year as CENVAT credit

* Deductions to Land and Building includes ₹ NIL Million (P.Y. ₹ 84.14 Million) transferred to Project Development Expenses

\# Consequent to the introduction of schedule II of the Companies Act 2013, the useful life of certain assets has been revised. Accordingly depreciation for the year is higher by ₹ 4.25 millions net of Deferred Tax of ₹ 0.67 Milliion and the same is adjusted in the accumulated balance of retained earnings.

NOTE : 13

LOANS AND ADVANCES

(₹ in Million)

	Non-Current		Current	
	2015		2015	2014
Capital Advance				
Unsecured, Considered Good	36.49	184.44	-	-
Security Deposit				
Unsecured, Considered Good	1,775.73	1,289.82	696.12	1,016.07
Balance in Current Account with				
Subsidiaries/Associates/Joint Ventures/Partnership				
Unsecured, Considered Good	6,847.98	5,618.40	1,147.39	2,426.62
Advance Recoverable in cash or in Kind				
Unsecured, Considered Good[1]	2,499.62	1,679.98	2,652.39	5,092.36
Doubtful	-	-	137.50	-
	11,159.82	**8,772.64**	**4,633.40**	**8,535.05**
Less: Provision for Doubtful Debts	-	-	137.50	-
	11,159.82	**8,772.64**	**4,495.90**	**8,535.05**
Other Loans and advances				
Prepaid Expenses	38.39	29.03	135.82	148.18
Balance with Statutory Authorities	49.89	-	248.58	161.61
Service Tax and Cenvat Credit	-	-	441.17	348.63
Advance Tax (Net)[2]	2,322.40	1,406.16	-	114.42
Accrued Interest	2,176.40	1,843.13	57.46	157.78
Advances to Employees[1]	0.23	-	16.74	28.57
	4,587.30	**3,278.32**	**899.78**	**959.19**
	15,747.12	**12,050.96**	**5,395.68**	**9,494.24**

1 a) Advances Recoverable in Cash or in kind or for value to be received includes ₹ Nil (P.Y. ₹ 13.88 Million) due from officers of the Company and ₹ Nil (P.Y. ₹ 0.13 million) due from company in which Directors are Directors or members.

b) Includes secured advance to piece workers ₹ Nil (P.Y. ₹ 91.39 Million)

2 Includes Advance Tax which is Net of Provision for Tax ₹ 605.74 Million (P.Y. ₹ 3,370.21 Million).

NOTE : 14

INVENTORIES *

(At lower of cost or net realisable value/Contract Rates)

(₹ in Million)

	Current	
	2015	2014
Stores, Embedded Goods and Spare Parts etc.	1,215.48	1,331.85
(Includes Stores in Transit ₹ 35.13 Million (P.Y. ₹ 40.47 Million)		
Work in Progress	29,748.46	23,910.88
	30,963.94	**25,242.73**

*(As technically valued & certified by the Management)

NOTE : 15

TRADE RECEIVABLES

(₹ in Million)

		Non-Current		Current	
		2015	2014	2015	2014
Unsecured, Considered Good unless otherwise stated					
Receivables outstanding for a period exceeding six months					
Considered good		7,105.17	8,867.83	1,584.29	62.11
	(A)	**7,105.17**	**8,867.83**	**1,584.29**	**62.11**
Other Receivables					
Considered good	(B)	**1,421.67**	**121.55**	**2,767.03**	**3,657.19**
	(A+B)	**8,526.84**	**8,989.38**	**4,351.32**	**3,719.30**

(refer Note no. 41 (g))

NOTE : 16

CASH AND BANK BALANCES

(₹ in Million)

	Non-Current		Current	
	2015	2014	2015	2014
CASH AND CASH EQUIVALENTS				
Balance with Banks				
- On current accounts with Scheduled Banks	-	-	532.71	1,008.26
- On Fixed Deposits accounts with Scheduled Banks*	70.63	18.42	-	-
- Balances with Non Scheduled Banks	-	-	1.45	1.34
- Cheques in hand	-	-	243.65	17.62
- Cash on Hand	-	-	4.49	6.01
Other Bank Balances				
- Deposits with maturity more than 3 months but less than 12 months*	-	-	31.25	36.26
Balances with Bank for Unpaid Dividend	-	-	2.08	2.94
	70.63	**18.42**	**815.63**	**1,072.43**

* Includes amount given towards margin money and Earnest Money Deposits

NOTE : 17

OTHER CURRENT ASSETS

(₹ in Million)

	2015	2014
Deferred Employees Stock Option Expenses	0.33	-
Non-Trade Receivables	6.05	6.98
	6.38	**6.98**

NOTE : 18

REVENUE FROM OPERATIONS

(₹ in Million)

	2015	2014
(a) Revenue/Turnover (refer note 39 b)	18,154.83	22,352.34
Add: Increase/(Decrease) in Work in Progress	5,837.57	4,535.76
Total Turnover	**23,992.40**	**26,888.10**
(b) Other operating Income		
Lease and Service Charges [TDS. ₹ 0.25 Million (P.Y. ₹ 0.27 Million)	2.54	3.04
Share of profit from JV / Partnership	34.13	41.09
Other Income	699.01	107.33
	24,728.08	**27,039.55**

NOTE : 19

OTHER INCOME

(₹ in Million)

	2015	2014
Dividend Income	-	1.93
Gain on Sale of Assets (Net)	140.95	136.37
Other non operating Income	103.07	120.94
Interest Income (Gross) [TDS. ₹ 14.53 Million (₹ 13.03 Million)]	1,534.46	1,036.56
Net gain on foreign currency translation	4.77	-
Excess Credit written back	137.41	158.40
Net gain on Sale of Non-Current Investments	33.50	8.84
	1,954.17	**1,463.05**

NOTE : 20

COST OF CONSTRUCTION

(₹ in Million)

	2015	2014
Stores, Embedded goods and Spare Parts *		
Inventories at the Beginning of the year	1,331.85	1,664.94
Add:Purchase (Net)	1,899.38	3,415.60
	3,231.22	5,080.54
Inventories at the end of the year	1,215.48	1,331.85
Consumption of Stores and Spares	**2,015.74**	**3,748.69**
Piece Rate Expenses (Net)	13,582.08	14,579.20
Repairs to Machinery	8.16	16.99
Transportation, Hire etc.	895.19	1,319.91
Power, Electricity & Water Charges	436.03	550.45
Project Developement Cost	844.66	780.01
Technical Consultancy Fees	51.77	79.32
Other Construction Costs	99.13	76.67
	17,932.75	**21,151.25**

* Stores, embedded goods and Spares etc., consumed include materials issued to Sub Contractors. It also includes materials of ₹ 35.13 Million (₹ 40.47 Million) in transit.

NOTE : 21

EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

	2015	2014
Salaries, Wages and Bonus	862.07	850.39
Contribution to Provident and Other Funds	49.56	46.96
Employee Stock Option (ESOP)	1.91	-
Staff Welfare Expenses	43.48	63.99
	957.02	**961.34**

NOTE : 22

FINANCE COSTS

(₹ in Million)

	2015	2014
Interest Expense[1]	5,081.54	4,098.78
Other Borrowing Costs	441.39	187.51
	5,522.93	**4,286.29**

[1] Interest Capitalised of ₹ 416.16 Million (P.Y. ₹ 491.51 Million) towards Fixed assets and project development expenses.

NOTE : 23

OTHER EXPENSES

(₹ in Million)

		2015	2014
Other Administrative Costs			
Rent		28.35	35.47
Repairs and Maintenance - Building		0.47	4.37
Insurance		82.33	114.89
Rates and taxes		149.77	205.35
Advertisement and Selling Expenses		0.42	8.72
Travelling and Conveyance		47.28	58.04
Directors Fees		2.19	1.18
Auditor's remuneration			
Audit fees	4.60		4.10
Tax Audit fees	1.20		1.20
Taxation Matters	2.30		2.07
Company Law Matters	1.20		1.73
Certification	1.50		1.50
Reimbursement of Expenses	0.11		0.21
		10.91	**10.81**
Communication expenses		18.79	20.04
Printing and Stationery		10.44	11.74
Legal and consultancy charges		153.42	141.56
Irrecoverable Debts written off / provided		857.84	132.15
Net loss on foreign currency translation		-	304.30
Other Expenses[1]		169.49	150.39
		1,531.69	**1,199.00**

[1] Includes Miscellaneous expenses which includes Other Repairs- ₹ 9.26 Million (P.Y. ₹ 9.83 Million), donation to Bharatiya Janata Party towards political contribution amounting to ₹ 10.03 Million (P.Y ₹ NIL), Tender fees, office and General Charges, Entertainment and rebate to clients etc.

24 EMPLOYEE BENEFITS

I Brief description of the Plans

The Company provides long-term benefits in the nature of Provident fund and Gratuity to its employees. In case of funded schemes, the funds are recognized by the Income tax authorities and administered through appropriate authorities/insurers. The Company's defined contribution plans are provident fund, employee state insurance and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The Company's defined benefit plans include gratuity benefit to its employees, which is funded through the Life Insurance Corporation of India. The employees of the Company are also entitled to leave encashment and compensated absences as per the Company's policy. The Provident fund scheme additionally requires the Company to guarantee payment of specified interest rates, any shortfall in the interest income over the interest obligation is recognised immediately in the statement of profit & loss as actuarial loss. Any loss/gain arising out of the investment with the plan is also recognised as expense or income in the period in which such loss/gain occurs.

II Disclosures for Defined Benefit Plan based on actuarial reports as on March 31, 2015 and March 31, 2014:

(₹ in Million)

		Gratuity (Funded)	Gratuity (Unfunded)	Leave Entitlement (unfunded)
(i)	**Expenses recognized in the Statement of Profit and Loss:**			
	Current service Cost	7.17	0.38	9.24
		(7.54)	-	(8.81)
	Interest Cost	1.95	-	3.44
		(1.22)	-	(1.43)
	Expected Return on Plan Assets	(1.57)	-	-
		(-1.57)	-	-
	Net actuarial Gain	(5.99)	-	5.79
		(-0.5)	-	(31.84)
	Total Expenses recognized in the Statement of Profit and Loss:	**1.56**	**0.38**	**18.46**
		(6.68)	**-**	**(42.08)**
(ii)	**Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets (Amount recognized in Balance Sheet):**			
	Present Value of Funded Obligation as at year end	(31.47)	(0.38)	43.66
		(-20.90)	-	(36.98)
	Fair Value of Plan Assets as at year end	32.49	-	-
		(18.04)	-	-
	Funded (Asset)/Liability recognized in the Balance Sheet	**1.02**	**(0.38)**	**43.66**
		(-2.86)	**-**	**(36.98)**
(iii)	**Changes in Defined Benefit Obligation :**			
	Liability at the beginning of the year	20.90	-	36.98
		(14.76)	-	(17.37)
	Interest cost	1.95	-	3.44
		(1.22)	-	(1.43)
	Current service cost	7.17	0.38	8.45
		(7.54)	-	(8.81)
	Benefit Paid	(1.16)	-	(11.80)
		(-2.21)	-	(-22.46)
	Actuarial (gains) / losses on obligations	2.62	-	5.79
		(-0.41)	-	(31.84)
	Liability at the end of the year	**31.47**	**0.38**	**43.66**
		(20.90)	**-**	**(36.98)**

(₹ in Million)

		Gratuity (Funded)	Gratuity (Unfunded)	Leave Entitlement (unfunded)
(iv)	**Changes in the Fair value of Plan Assets:**			
	Fair Value of Plan Assets at the beginning of the year	18.04	-	-
		(18.12)	-	-
	Expected Return on Plan Assets	1.57	-	-
		(1.58)	-	-
	Contributions	5.44	-	-
		(0.46)	-	-
	Benefit Paid	(1.16)	-	-
		(-2.21)	-	-
	Actuarial gain/(loss) on Plan Assets	8.61	-	-
		(0.09)	-	-
	Fair Value of Plan Assets at the end of the year	32.50	0.38	-
		(18.04)	-	-
	Total Actuarial Gain/(Loss) To Be Recognized	**5.99**	**0.38**	**5.79**
		(0.50)	**-**	**(31.84)**
(v)	**Actual return on Plan Assets**			
	Expected Return on Plan Assets	1.57	-	-
		(1.58)	-	-
	Actuarial Gain on Plan Assets	8.61	-	-
		(0.09)	-	-
	Actuarial Gain on Plan Assets	10.18	-	-
		(1.67)	-	-
(vi)	**The Company expects to contribute ₹ 9.23 Million (P.Y. ₹ 10.03 Million) to Gratuity Funded Plan in FY 2015-16.**			
(vii)	**Percentage of each Category of Plan Assets to total Fair Value of Plan Assets:**			
	Insurer Managed Funds	100%	100%	100%
		100%	-	100%
(viii)	**In accordance with the Accounting Standard- 15 (Revised 2005), actuarial valuation was performed based on the following assumptions:**			
	Discount rate	8.00%	7.96%	8.00%
		(9.31%)	-	(9.31%)
	Rate of increase in Compensation Levels	5.00%	5.00%	5.00%
		(5.00%)	-	(5.00%)
	Expected Rate of Return on Plan Assets	8.00%	-	-
		(8.70%)	-	-
	Attrition rate	2.00%	2.00%	2.00%
		(2.00%)	-	(2.00%)
	Average Age of retirement (years)	60	60	60
		(60)	-	(60)
(ix)	**Experience Adjustments**			
	On Plan Obligation (gain)/loss	(1.20)	-	(0.41)
		(1.84)	-	(35.03)
	On Plan Asset (Loss)/Gain	8.61	-	-
		(0.09)	-	-

(x) Figure in brackets indicates amounts pertaining to previous year.

25 (i) Income-tax assessments are completed up to A.Y. 2012-2013. Several appeals for the earlier assessment years are pending before the Appellate Authorities and out of the aggregate demand of ₹ 3256.18 Million, ₹ 1,050.69 Million (P.Y. ₹ 1,584.95 Million) has been already adjusted / paid. The Company has made a provision for tax of ₹ 171.18 Million (P.Y. ₹ 149.63 Million) (net of ₹ Nil. (P.Y. ₹ 7.07 Million) reversal of excess liability of earlier years) under all proceeding under the Income Tax Act, 1961 , and Deferred Tax Assets of ₹ 72.23 Million (P.Y. ₹ 40.64 Million). The Company has been advised that it is not liable to Wealth-Tax except on Motor Cars. Accordingly, Wealth Tax of ₹ 0.89 Million (P.Y. ₹ 3.37 Million) has been provided including liability of ₹ Nil (P.Y. ₹ 2.27 Millions) of previous years under all proceeding under the act.

(ii) The Finance Act, 2009 has amended Section 80IA (4) of the Income Tax Act, 1961 by inserting an explanation to the said section retrospectively from April 1, 2000 purporting to withdraw the benefit hitherto available. The company has filed a writ petition with High Court of Mumbai for challenging constitutional validity for insertion of explanation with retrospective effect and writ has been admitted. Recently the appellate authority held that the company is eligible for the said deduction on certain projects. Accordingly, the corresponding excess provision for the tax of ₹ 600.64 Million (P.Y. ₹ 981.31 Million) has been adjusted and credited to Reserves.

26 In view of the amendment in the Service Tax Act, certain projects which were hitherto not liable for service tax became liable to tax by virtue of the said amendment effective 1st July 2012. The amount of service tax payable on such projects is reimbursable by the client as per the contract conditions and the same has been reflected as receivables. However in few cases where the client has not accepted this liability, the same has been debited to the profit & loss account.

27 **LEASE**

The Company has taken various construction equipments under non cancellable operating leases. The future minimum lease payment in respect of these as at March 31, 2015 are as follows:

(₹ in Million)

	2015	2014
Minimum lease obligation payable as at March 31,		
a) within one year of the Balance Sheet date	210.93	266.88
b) due in a period between one year and five years	137.43	348.36
c) due after five years	-	-

The operating lease arrangement, are renewable on a periodic basis and it provides for an option to the Company to renew the lease at the end of the non cancellable period. There is no exceptional / restrictive convenants under the lease arrangement.

28 **EARNING PER SHARE**

(₹ in Million)

	2015	2014
Net profit as per profit and Loss Account available for shareholders for both Basic and diluted Earnings Per Shares of ₹ 1/- Each	118.85	249.98
Weighted Average Number of Equity shares for earning per share	76,783,188	76,244,325
Earning Per Share (Basic) ₹	1.55	3.28
Earning Per Share (Diluted) ₹	1.55	3.25

29 **RELATED PARTY DISCLOSURE**

Related party disclosures, as required by Accounting Standard 18, 'Related Party Disclosures', are given below:

A.	**Name of Related Parties and nature of relationship :-**	
	Direct Subsidiaries	
	1. Patel Realty (India) Ltd.	12. Vismaya Constructions Pvt. Ltd.
	2. Patel Energy Resources Ltd.	13. Bhooma Realties Pvt. Ltd.
	3. Michigan Engineers Pvt. Ltd.	14. Friends Niraman Pvt. Ltd.
	4. Shreeanant Construction Pvt. Ltd.	15. Patel Concrete and Quarries Pvt. Ltd.
	5. Energy Design Pvt. Ltd.	16. ASI Constructors Inc
	6. Patel Lands Ltd.	17. Patel Engineering Infrastructure Ltd.
	7. Patel Patron Pvt. Ltd.	18. Patel Engineering (Mauritius) Ltd.

8. Patel Engineers Pvt. Ltd.	19. Patel Engineering (Singapore) Pte. Ltd.
9. Pandora Infra Pvt. Ltd.	20. Patel Engineering Inc
10. Shashvat Land Projects Pvt. Ltd.	21. Zeus Minerals Trading Pvt. Ltd.
11. Patel Engineering Lanka Pvt. Ltd.	22. Pan Realtors Pvt. Ltd.. (upto Jan 11, 2015)
Subsidiaries of Patel Realty (India) Limited	
1. Bellona Estate Developers Ltd.	8. Nirman Constructions Pvt. Ltd.
2. Hebe Infracon Pvt. Ltd.	9. Azra Land Projects Pvt. Ltd.
3. Hera Realcon Pvt. Ltd.	10. Waterfront Developers Ltd.
4. Lucina Realtors Pvt. Ltd.	11. Les Salines Development Ltd.
5. Apollo Buildwell Pvt. Ltd.	12. La Bourade Development Ltd.
6. Arsen Infra Pvt. Ltd.	13. Ville Magnifique Development Ltd.
7. Praval Developers Pvt. Ltd.	14. Sur La Plage Development Ltd.
	15. PBSR Developers Pvt. Ltd..
Subsidiaries of Patel Engineers Private Limited	
1. Phedra Projects Pvt. Ltd.	
Subsidiaries of Patel Energy Resources Limited	
1. Patel Hydro Power Pvt. Ltd.	10. PEL Port Private Ltd.
2. PEL Power Ltd.	11. Patel Energy Ltd.
3. Patel Energy Assignment Pvt. Ltd.	12. Laksha Infra Projects Pvt. Ltd.
4. Patel Energy Projects Pvt. Ltd.	13. Jayshe Gas Power Pvt. Ltd.
5. Patel Energy Operations Pvt. Ltd.	14. Patel Urjaa Vyapaar Pvt. Ltd.
6. Patel Thermal Energy Pvt. Ltd.	15. Naulo Nepal Hydro Electric Pvt. Ltd.
7. Dirang Energy Pvt. Ltd.	16. Meyong Hydro Power Pvt. Ltd.
8. West Kameng Energy Pvt. Ltd.	17. Saskang Rong Energy Pvt. Ltd.
9. Digin Hydro Power Pvt. Ltd.	
Subsidiaries of ASI Constructors Inc	
1. ASI Constructors Australia Pty Ltd.	
2. Engineering & Construction Innovations Inc.	
3. HCP Constructors Inc.	
Subsidiaries of Patel Engineering (Singapore) Pte Ltd.	
1. Patel Surya (Singapore) Pte. Ltd.	7. Patel Param Energy Pte Ltd.
2. PT PEL Minerals Resources	8. PT Patel Surya Jaya
3. Patel Param Minerals Pte Ltd.	9. Patel Param Natural Resources Pte Ltd.
4. PT Patel Surya Minerals,Pte,Ltd.	10. PT Patel Engineering Indonesia, Pte Ltd..
5. PT Surya Geo Minerals	
6. PT Surpat Geo Minerals	
Subsidiaries of Patel Engineering Inc	
1. ASI RCC Inc	2. ASI RCC India Ltd.
3. Westcon Microtunelling Inc	4. ASI Global LLC.
Subsidiaries of Patel Engineering (Mauritius) Ltd.	
1. Patel Mining (Mauritius) Ltd.	8. Metalline Mine Works, Lda
2. Enrich Mining Vision Lda	9. Patel Mining Assignments, Lda

	3. Patel Mining Privilege, Lda	10. Chivarro Mines Mozambique,Lda	
	4. Patel Infrastructure, Lda	11. Fortune Mines Concession,Lda	
	5. Trend Mining Projects,Lda	12. Omini Mines Enterprises,Lda	
	6. Accord Mines Venture,Lda	13. Quest Mining Activities, Lda	
	7. Netcore Mining Operations,Lda		
	Associates:		
	1. Patel KNR Infrastructure Ltd.	4. Terra Land Developers Pvt. Ltd.	
	2. Patel KNR Heavy Infrastructure Ltd.	5. Pan Realtors Pvt. Ltd. (since Jan 11, 2015)	
	3. Raichur Sholapur Transmission Company Ltd.	6. ACP Tollways Pvt. Ltd.	
	Joint Ventures:	**Refer Note (37)**	
	Partnership		
	1. AHCL PEL		
	2. Patel Advance JV		
	Others		
	1. Patel Corporation LLP		
	2. Praham India LLP		
B.	**Key Management Personnel (KMP)**		
	Mr. Pravin A Patel	Non-Executive Chairman	
	Mr. Rupen Patel	Managing Director (Son of Mr. Pravin Patel)	
	Ms. Silloo Patel	Whole Time Director	
	Mr. Shiraz Patel	Son of Ms. Silloo Patel	
	Mr. Nimish Patel	Whole Time Director	
	Mr. Ashwin Parmar	Whole Time Director	

C. Transaction with Related Parties with Subsidiaries, Associate companies, Joint Ventures, Partnership and Others referred to in item (A) above.

(₹ in Million)

Particular	Subsidiary Companies		Associates/ Joint Ventures / Partnership/Others	
	2014-15	2013-14	2014-15	2013-14
- Revenue/Turnover	174.72	596.19	2,932.36	3,228.01
- Piece Rate Expenses	974.76	80.34	-	-
- Investment in Equity / Purchase of Shares	0.05	-	472.99	80.02
- Investment in Preference shares	-	22.46	-	-
- Value of Return of Equity	19.93	64.31	-	-
- Share Application Money	0.98	-	-	26.67
- Loans / Advances received	430.53	1,418.35	264.61	1,698.53
- Loans / Advances recovered/repaid	664.34	433.85	168.64	330.70
- Inter Company deposit received	-	-	4.95	435.85
- Inter Company deposit paid *	-	-	31.75	68.51
- Share of Profit	-	-	34.34	64.85
- Share of loss	-	-	0.19	23.76
- Miscellaneous Receipts	6.90	15.68	6.61	6.55

(₹ in Million)

Particular	Subsidiary Companies		Associates/ Joint Ventures / Partnership/Others	
	2014-15	2013-14	2014-15	2013-14
- Loans/Advances given	1,933.49	4,766.50	444.07	2,311.77
- Loan/ Advances returned	662.66	4,048.29	142.13	479.57
- Corporate Guarantee Outstanding as at the end of the year	7,886.50	9,760.00	3,001.44	4,209.70
- Bank Guarantee outstanding as at the end of the year	637.85	1,571.00	1,909.49	943.64
- Outstanding Balance included in Current/ Non Current Assets	7,134.56	6,254.38	2,368.88	2,852.21
- Outstanding Balance included in Current / Non Current Liabilities	1,984.52	2,377.91	1,028.76	2,302.56
- Purchase / issue of Stores	248.73	-	-	-
- Sale of Asset	2.25	-	-	-
- Land Development Expenses	69.06	-	-	-
- Reimbursement of Expenses from	9.69	11.64	9.91	4.62
- Consultancy Fees paid	-	7.74	-	-
- Rent Income	1.41	1.41	-	0.05
- Rent paid	4.74	4.71	-	-
- Interest Income	850.69	510.90	6.55	14.76
- Interest Expenses	5.70	1.06	-	-
- Sundry Balances Written Off	412.90	-	-	2.05
- Issue of shares **	-	-	32.32	369.55
Sales Return	68.00	-	-	-

The subsidiaries have given some collateral securities in form of immovable properties for loan taken by the Company.

* includes loan converted into convertible preference shares

** OCPS and loan converted into equity share

D. Disclosures of Material Transactions with Related Parties with Subsidiaries, Associate companies, Joint Ventures, Partnership and Others referred to in item (A) above.

(₹ in Million)

Particular	Name of the Company	2014-15	2013-14
- Revenue/Turnover	Navyuga-Patel-BHEL	2216.01	2007.30
	Raichur Sholapur Transmission Company Ltd	94.93	628.12
- Piece Rate Expenses	Shreeanant Construction Pvt. Ltd.	914.61	234.55
	Michigan Engineers Pvt. Ltd	60.14	80.34
- Investment in Equity / Purchase of Shares	ACP Tollways Pvt. Ltd	446.32	166.50
	Raichur Sholapur Transmission Company Ltd	26.67	80.02
- Investment in Preference Shares	Patel Engineering Lanka Pvt. Ltd	-	22.46
- Value of Return of Equity	Patel Engineering Inc U.S.A	19.93	64.31
- Share Application Money	Patel Engineering Lanka Pvt. Ltd	0.98	-
	Raichur Sholapur Transmission Company Ltd	-	26.67
- Advances Received	Dirang Energy Pvt. Ltd	94.00	1055.49
	Patel Avantika Deepika Bhel Consortium	115.20	105.50

(₹ in Million)

Particular	Name of the Company	2014-15	2013-14
	Patel Sew JV	114.08	57.44
	Patel Realty (India) Ltd.	336.53	362.73
	Terra Land Developers Ltd.	-	1440.00
- Advances Recovered / Repaid	Dirang Energy Pvt. Ltd	288.61	45.33
	Terra Land Developers Ltd.	-	103.26
	Patel Realty (India) Ltd.	363.01	388.36
	Raichur Sholapur Transmission Company Ltd	18.98	124.50
	Patel Sew JV	103.40	-
- Inter Company deposit received	Pan Realtors Pvt. Ltd	4.95	216.79
	Patel Corporation LLP	-	219.06
- Inter Company deposit paid	Patel Corporation LLP	31.75	67.70
- Share of Profit	AHCL-PEL Partnership	27.42	10.76
	Patel Michigan JV	1.93	22.28
	Patel Arss JV	-	17.63
- Share of Loss	Patel - KNR JV	0.18	23.42
- Miscellaneous Receipts	PEL Power Ltd.	5.32	4.73
	Patel Engineering (Singapore) Pte Ltd.	1.96	2.49
	Patel-Michigan JV	3.60	3.56
	CICO Patel JV	2.72	-
	Patel Reality (I) Ltd.	0.06	5.39
- Loans/Advances given	Patel Energy Resources Ltd	1226.32	1999.78
	Patel Reality (I) Ltd.	281.49	1241.77
	Dirang Energy Pvt. Ltd	5.07	1089.83
	Terra Land Developers Ltd.	-	1774.75
- Loan/ Advances returned	Patel Energy Resources Ltd	313.88	666.65
	Patel Reality (I) Ltd	315.98	1729.64
	Dirang Energy Pvt. Ltd	1.66	1087.98
	Patel Engineering Infrastructure Ltd	0.01	519.41
	Terra Land Developers Ltd.	-	0.19
- Purchase / Issue of stores	Shreeanant Construction Pvt. Ltd.	248.73	74.89
- Sale of Asset	Michigan Engineers Pvt. Ltd	2.25	-
- Land Development Expenses	Patel Reality (I) Ltd.	69.06	-
- Reimbursement of expenses from	Patel Engineering (Singapore) Pte Ltd.	6.26	2.96
	PEL Power Pvt. Ltd	3.29	2.93
	Patel Michigan JV	5.64	1.67
	CICO PATEL JV	2.64	0.33
	Patel Reality (I) Ltd.	0.03	2.52
	Patel Leena JV	1.04	-
- Consultancy Fees paid	ASI RCC Inc	-	7.74
- Rent Income	Patel Realty India Ltd. (HO)	1.41	1.41

(₹ in Million)

Particular	Name of the Company	2014-15	2013-14
- Rent paid	PEL Power Pvt. Ltd	4.07	4.07
	Patel Engineering USA Inc	0.56	0.51
- Interest Income	Patel Energy Resources Ltd	558.7	383.32
- Interest Expenses	Patel Reality (I) Pvt. Ltd	5.70	1.06
- Sundry Balances Written Off	Patel KNR JV	-	1.05
	KNR Patel JV	-	1.00
	Terra Land Developers Ltd.	412.90	-
- Issue of Shares	Praham India LLP	-	150.49
	Patel Corporation LLP	32.32	219.06
Sales Return	Patel Reality (I) Pvt. Ltd	68.00	-

E. Details of Transactions relating to persons referred in item (B) above.

(₹ In Million)

Particular	2014-15	2013-14
Managerial Remuneration	37.50	27.20
Salary and contribution to provident fund	2.15	3.02
Rent Income	-	0.92
Deposit	-	0.40
Director's Seating fees	-	0.10
Other Expenses	-	0.15
Outstanding Balance Payable	27.67	22.70
Sale of Assets	0.10	-

30 The Company has main reportable business segment namely "Civil Construction".

31 Income consisting of Construction income of ₹ Nil (P.Y. ₹ 50.69 Million) and Other Income of ₹60.66 Million (P.Y. ₹ 13.35 Million) and Expenses consisting of Piece Rate Expenses ₹33.38 millions (P.Y. ₹ 10.37 Million), Store material purchases ₹ 14.67 millions and Other Expenses ₹ 189.58 Million (P.Y. ₹ 213.80 Million) pertaining to prior periods credited and debited respectively to Profit and Loss Accounts under various heads of accounts.

32 In accordance with "The Companies (Accounting Standards) Amendment Rules 2009, where in the provisions pertaining to AS-11 relating to "The Effects of the changes in Foreign Exchange Rates", vide notification dated March 31, 2009 and further amended on May 13, 2011 and further amended on December 29, 2011, the Company has carried over exchange (gain)/loss of ₹ 3.89 million (P.Y. ₹ 104.73 million) through "Foreign Currency Monetary Items Translation Difference Account", to be amortized over the balance period of the long term asset/liability, in respect of which such exchange gain/loss has arisen, but not beyond March 31, 2020. Further exchange loss (net) of ₹ Nil (P.Y. ₹ 22.38 million) has been added to the cost of the respective fixed asset.

33 In terms of Provisions of Section 135 of the companies Act 2013 and rules thereunder, the company is required to spend an amount of ₹ 8.90 Million during the financial year on Corporate Social Responsibility (CSR). However, the company has not spent the requisite amount during this financial year.

34 The Company is engaged in providing infrastructural facilities as hence, as per Section 186(11) of Companies Act, 2013, nothing in Section 186 shall apply to the Company except sub-section (1) of Section 186. Accordingly, a separate disclosure has not been given in the financial statements as required under Section 186(4) with regard to particulars of loan given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security.

35 Confirmation letters have been sent in respect of Sundry Debtors / Loans and Advances / Sundry Creditors of which certain confirmations have been received which are accordingly accounted and reconciled. The remaining balances have been shown as per books of accounts and are subject to reconciliation adjustments, if any. In the opinion of the Management, the realizable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

36 Additional information pursuant to the provision of paragraph 3, 4C and 4D of Part II of Schedule VI to the Companies Act, (wherever applicable).

(₹ in Million)

a) **Value of Imports on CIF basis:**

	2014-15	2013-14
Stores materials	-	9.29
Components and Spare Parts	0.22	0.37
Capital Goods	32.18	76.66
	32.41	**86.32**

b) **Expenditure in Foreign Currency:**

	2014-15	2013-14
At USA Office	1.97	0.77
Interest Paid	33.05	76.06
Consultancy fees	-	35.57
Travelling Expenses	1.09	6.71
Subscription and Other Expenses	0.01	0.09
Bank Charges	0.02	0.06
WCT and Cess	1.36	0.80
Mauritius Office	0.24	1.10
	37.74	**121.16**

c) **Earnings in Foreign Exchange:**

	2014-15	2013-14
Contract Receipts	136.46	93.62
Interest Income	1.47	-
At USA Office	0.00	0.00
	137.93	**93.62**

d) **Value of imported and indigenous Stores material, Spare Parts and Components Consumed:**

	2014-15		2013-14	
	₹ in Million	%	₹ in Million	%
Imported	24.91	1.24%	69.81	1.86%
Indigenous	1,990.83	98.76%	3,678.88	98.14%
	2,015.74	**100.00%**	**3,748.69**	**100.00%**

37 **Contracts executed by the following Joint Ventures / Consortiums are accounted for as per the Accounting Policy No. (i).**

Name of the Joint Venture / Consortium	Name of the J.V / Consortium Member	Patel's Share
LGE&C-PATEL J.V.	L.G. Engineering and Construction, Korea	100% (25%+75%)
PATEL –KNR J.V.	KNR Constructions Ltd.	50%
KNR – PATEL J.V.	KNR Constructions Ltd.	49%
PATEL – SOMA J.V	Soma Enterprises Ltd	50%
PATEL – MICHIGAN JV	Michigan Engineers Pvt. Ltd	10%
PATEL-SA JV	Sandeep Associates	75%
Patel Sew JV	Sew Constructions Ltd	60%
Era Patel Advance JV	Era Infra Engineering Ltd, Advance Construction Company Pvt. Ltd.	30%
Era Patel Advance Kiran JV	Era Infra Engineering Ltd, Advance Construction Company Pvt. Ltd, Kiran Udhyog	47.06%
Patel – Siddhivinayak JV	Siddhivinayak Constructions	51%
Patel – V Arks JV	V Arks Engineers Pvt.Ltd.	65%
Navyuga – Patel – BHEL	Navyuga Engineering Co.Ltd.	42.23%
Patel – Avantika – Deepika – BHEL	Avantika Contractors India Pvt.Ltd.	52.83%
Patel – V Arks - Precision	V Arks Engineers Pvt.Ltd.	60%
CICO-Patel JV	Chongqing International Construction Corporation	49%
Patel APCO JV	APCO Infratech Ltd.	50%

38 Disclosure required in accordance with Accounting Standard – 7 (Revised). In respect of contracts entered into on or after 1st April 2003, contract revenue recognized as gross construction ₹ 21,581.62 Million (P.Y. ₹ 24,724.63 Million) contract costs incurred and recognized profit (less recognized losses) ₹ 111,450.01 Million (P.Y. ₹ 109,818.75 Million) advance received ₹ 838.63 Million (P.Y. ₹ 1373.33 Million) retention deposit ₹ 2,026.18 million (P.Y. ₹ 2,005.99 Million) and gross amount due from clients for contract works included under current assets ₹ 19,950.36 Million (P.Y. ₹ 14,246.76 Million).

39 a) Unbilled Work in Progress includes stock of land under development (including held in the name of directors/relatives of directors/employees, as nominees of the company).

b) Turnover includes, construction of multi purpose projects, water supply projects, Irrigation projects, building projects, road and railway projects, on item rate or EPC basis and sale of development rights (net of rebate / cancellation of ₹ 1068.00 Million). It also includes duty drawback and entitlement etc but excludes VAT, Service Tax etc.

c) During the Financial year 2010-11, two of Company's hydropower projects in Loharinagpala, in the state of Uttarakhand, awarded by NTPC, were prematurely terminated by Government of India. NTPC has sought details of expenditure incurred, committed costs, anticipated expenditure on safety and stabilization measures, other recurring site expenses and interest costs, as well as other claims of various packages of contractors / vendors for further submission to the government after compiling all the details of expenses incurred by various contractors working for the project. Management expects that all these cost as well as claims will be recovered in full and hence the cost incurred on the project up to March 31, 2015 ₹ 1849.70 Million (P.Y. ₹ 1,865.38 Million) (including hedging cost of ₹ 458.71 millions (P.Y. ₹ 458.71 Millions)) are considered recoverable and billable to the client and hence included under work in progress.

d) Arbitration awards received in favour of the Company amounting to ₹ 783.56 million (P.Y. ₹ 61.71 million) is accounted for as construction Receipts.

40 **Derivative transactions :**

a. For Interest Rate Related Risks:

Nominal amounts of interest rate swaps entered into by the company and outstanding as on 31st March 2015 amounts to ₹ Nil (P.Y. ₹554.24 Million).

b. Foreign Currency Exposure that are not hedged by derivative instruments as on March 31, 2015 amounting to ₹ -330.54 Million (P.Y ₹ 1,160.83 Million).

	Foreign currency exposure outstanding at ₹ in Million	
	March 31, 2015	March 31, 2014
Currency		
USD	(94.26)	897.35
EURO	(510.75)	58.07
SGD	62.86	46.63
JPY	18.93	-
MUR	180.94	152.94
LKR	11.74	5.85

41 Contingent Liabilities

(a) Commitment for capital expenditure is ₹ 169.72 Million (P.Y. ₹ 204.21 Million), advance paid ₹ 36.47 Million (P.Y. ₹ 7.81 Million).

(b) Counter indemnities given to Banks and others in respect of secured guarantees, etc. on behalf of subsidiaries and others given by them in respect of contractual commitments in the ordinary course of business is ₹ 6,670.47 Million (P.Y. ₹ 7,203.70 Million) including Customs ₹ 120.64 Million (P.Y. ₹ 305.81 Million) Entry Tax ₹ 67.57 Million (P.Y. ₹ 37.57 Million) for the current year includes guarantees given in US$ 10 Million (P.Y. US$ 10.00 Million). Corporate guarantees / Letter of Credit on behalf of subsidiaries and others is ₹ 11,135.34 Million (P.Y. ₹ 14,034.69 Million) against which the Company has obtained counter indemnities for ₹ 4,821.06 Million (P.Y. ₹ 4802.69 Million) and towards Custom Duty ₹ 71.62 Million (P.Y. ₹ 71.62 Million).

(c) The Company has received an amount of ₹ 12.74 Million in 1997 against arbitration award in its favour. The client has preferred an appeal against above award claiming an amount of ₹ 213.32 Million (P.Y. ₹ 213.32 Million) before the Hon'ble appeal court. However the management feels that the likelihood of outflow of resources is remote.

(d) Service tax liability that may arise on matters in appeal ₹ 1085.92 Million (P.Y. ₹ 654.55 Million) and advance paid ₹ 20.00 Million (P.Y. ₹ 2.68 Million). However, this amount is contractually recoverable from the Clients.

(e) Sales tax ₹ 99.56 Million (P.Y. ₹ 88.00 Million) (Advance paid ₹ 17.09 Million (P.Y. ₹ 18.51 Million)), Cess ₹ 78.55 Million (P.Y. ₹ 53.70 Million), Custom Duty ₹ 17.62 Million (P.Y. Nil) (Advance paid ₹ 8.46 Million (P.Y. Nil)).

(f) Income tax liability that may arise on matters in appeal ₹ 2,819.73 Million (P.Y. ₹ 981.31 Million).

(g) Trade Receivables/ Client Retention to the extent of ₹ 179.47 Million (P.Y. ₹ Nil) have been discounted with Bank on Recourse Basis.

(h) Allowances due to employees in remote areas (North East) may accrue in future maximum to the extent of ₹0.37 million (₹ 4.56 Million). The same will be paid to the employees who continue to be on the payrolls upto July 1, 2014 (previously October, 1).

(i) Provident Fund liability that may arise on matter in appeal ₹ 9.52 Million (P.Y. ₹ 9.52 Million) and advance Paid ₹ 2.38 Millions (P.Y. 2.38 Millions)

(j) Claims not acknowledged as debt ₹ 485 Million (any liability herein shall be borne by the Principal Contractor).

(k) Entry Tax liabilities on purchase of goods of ₹ 11.35 Millions (against which amount of ₹ 3.78 Millions have been paid and for the balance amount of ₹ 7.60 Millions bank guarantee has been furnished) for A.Y. 2010 - 11 which has been stayed by Hon'ble High Court of H.P. The Company has not provided any further liability from the relevant assessement year as the amount for same is not ascertainable.

42 Disclosures as required under Clause 32 of listing agreements:

Loans and Advances in the nature of loans given to Subsidiaries and Associates:

(₹ in Million)

Name of Companies / Associates	As at March 31, 2015	As at March 31, 2014	Maximum Amount outstanding (2014 – 15)	Maximum Amount outstanding (2013 – 14)
Subsidiaries				
1 Michigan Engineers Pvt. Ltd.	7.40	19.94	19.94	19.94
2 Patel Patron Pvt. Ltd.	39.31	34.52	39.31	34.52
3 PEL Power Ltd.	472.30	374.93	472.30	374.93
4 Patel Realty (India) Ltd.	-	125.15	46.35	944.13
5 Patel Energy Ltd.	385.77	327.78	385.77	327.78
6 Patel Engineering (Mauritius) Ltd.	16.56	10.59	16.56	10.59
7 Patel Eng. Infrastructure Ltd.	80.60	25.65	80.60	464.05
8 PAN Realtors Pvt. Ltd.	0.26	0.23	6.21	0.23
9 Phedra Projects Pvt. Ltd.	7.31	6.42	7.31	6.42
10 Vismaya Constructions Pvt. Ltd.	27.37	24.15	27.37	24.15
11 Shashvat Land Projects Pvt. Ltd.	196.96	172.71	196.96	172.71
12 Bhooma Realtors Pvt. Ltd.	231.61	203.12	231.61	203.12
13 Pandora Infra Pvt. Ltd.	283.03	248.23	283.03	248.23
14 Patel Eng. (Singapore) Pte. Ltd.	69.96	46.63	69.96	46.63
15 Dirang Energy Pvt. Ltd.	13.15	9.75	13.15	29.23
16 Patel Mining Divn. Lda,	9.42	6.64	9.42	6.64
17 Patel Energy Resources Ltd.	4,678.21	3,765.78	4,678.21	3,765.78
18 Patel Mining (Mauritius) Ltd.	164.38	142.35	164.38	142.35
19 Energy Design Pvt. Ltd.	68.17	59.76	68.17	59.76
20 PT Patel Surya Minerals	7.04	5.90	7.04	5.90
21 ASI Constructors Inc.		-		-
22 Patel Lands Ltd.	28.20	24.73	28.20	24.98
23 Patel Hydro Powers Pvt. Ltd.	1.25	0.24	1.25	1.22
24 Patel Engineering (Lanka Pvt. Ltd.)	11.74	5.85	11.74	5.85
25 Patel Engineers Pvt. Ltd.	1.65	1.45	1.65	1.45
26 Patel Concrete and Quarries Pvt. Ltd.	85.80	75.26	85.80	76.01
27 Zeus Minerals Trading Pvt. Ltd.	85.09	74.64	85.09	74.94
28 Nirman Construction Pvt. Ltd.		-		2.20
29 Naulo Nepal Hydroelectric Pvt. Ltd.	0.15	0.13	0.15	0.13
30 Shreeanant Constructions Pvt. Ltd.	13.00	-	13.00	-
31 Laksha Infra Projects Pvt. Ltd.	0.00	-	0.00	-

(₹ in Million)

Name of Companies / Associates	As at March 31, 2015	As at March 31, 2014	Maximum Amount outstanding (2014 – 15)	Maximum Amount outstanding (2013 – 14)
Associates				
32 Raichur Solapur Transmission Co. Ltd.	0.28	0.26	0.28	0.26
33 PATEL-KNR Infrastructure Pvt. Ltd.	0.41	1.52	1.52	1.52
34 PATEL-KNR Heavy Infrastructure Pvt. Ltd.	25.01	25.01	25.01	25.01
35 ACP Tollways Pvt. Ltd.	1.71	1.68	1.71	1.69
36 Terra Land Developers Pvt. Ltd.	-	787.61	815.33	787.61
Total	**7,013.11**	**6,608.59**	**7,894.39**	**7,889.95**

43 Previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

As per our attached report of even date

For **Vatsaraj & Co**
Chartered Accountants
Firm Regn No:111327W

CA Mayur Kisnadwala
Partner
Membership No. 33994

Place : Mumbai
Date : June 15, 2015

For and on behalf of Board

(Rupen Patel)
Managing Director
(DIN:00029583)

(Pravin Patel)
Director
(DIN:00029453)

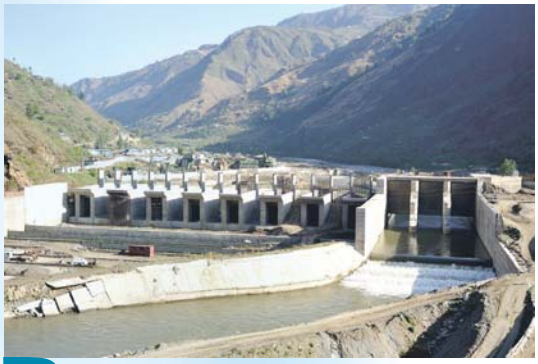
(Kavita Shirvaikar)
Chief Financial Officer

(Shobha Shetty)
Company Secretary

Notes

Notes

180 km Tunnels



84 Dams

800 km Roads

120 km Microtunnels

8000 MW Power

Patel
Since 1949

Patel Engineering Ltd.
Patel Estate, Jogeshwari (W)
Mumbai 400 102
Maharashtra, India

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