

PATEL KNR HEAVY INFRASTRUCTURES LIMITED

Regd.off:KNR House,4th Floor, Plot No.114, Phase-1, Kavuri Hills,Hyderabad-500 033

Phone:+91-40-40268761/ 62 Fax.:+91-40-40268760

CIN :U70102AP2006PLC049949

Dated 22nd May 2015

To
Dept. of Corporate Services,
Bombay Stock Exchange Limited
P J Towers, Dalal Street,
Fort, MUMBAI - 400001

Fax: +91 - 22- 2272 2037 / 39 / 41
+91 22 2272 3121 / 3719 / 1557

Sir,

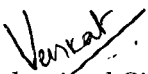
Sub: - Half Yearly Financial Results for the period ended 31.03.2015 along with
Auditors Report

Ref:- Patel KNR Heavy Infrastructures Limited, Clause 29 of Debt Listing
Agreement

With reference to the above, please find attached the half yearly financial results for the
period ended 31st March 2015 of the company along with Audit Report issued by the
statutory auditors of the company as per clause 29 of Debt Listing Agreement.

This is for your information and records.

Yours sincerely,
for Patel KNR Heavy Infrastructures Limited


Authorised Signatory

Enclosed - As above

PATEL KNR HEAVY INFRASTRUCTURES LIMITED

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FINANCIAL RESULTS FOR THE YEAR ENDED 31.03.2015

(Rs. In Lacs)

Particulars	For the Current Half year ended March 31,2015	For the Corresponding Half year ended March 31,2014	For the Year to Current Period ended March 31, 2015	For the Previous Year ended March 31, 2014
	Audited	Audited	Audited	Audited
1. INCOME FROM OPERATIONS				
(a) Income from Sales and Services	4,437.00	4,437.00	8,874.00	8,874.00
(b) Other Operating Income	-	-	-	-
Total Income (a+b)	4,437.00	4,437.00	8,874.00	8,874.00
2. EXPENDITURE				
a. Operating Expenses	475.74	394.30	945.04	900.87
b. Employees Benefit Expenses	1.40	-	1.40	-
c. Depreciation	1,744.65	1,700.19	3,489.51	3,408.68
d. Other Expenditure	75.18	140.59	112.57	610.38
Total Expenditure (a+b+c+d)	2,296.97	2,235.08	4,548.52	4,920.93
3. PROFIT FROM OPERATIONS BEFORE OTHER INCOME, INTEREST AND EXCEPTIONAL ITEMS (1-2)	2,140.03	2,201.92	4,325.48	3,945.07
4. Other Income	311.70	217.21	533.43	323.74
5. PROFIT BEFORE INTEREST AND EXCEPTIONAL ITEMS (3+4)	2,451.73	2,419.13	4,858.91	4,268.81
6. Financial Expenses	2,670.09	2,791.37	5,416.35	5,381.64
7. Exceptional items	-	-	-	-
8. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX (5- 6-7)	(218.36)	(372.24)	(557.44)	(1,112.83)
9. Tax expense	-	-	-	-
10. NET PROFIT FROM ORDINARY ACTIVITIES AFTER TAX (8-9)	(218.36)	(372.24)	(557.44)	(1,112.83)
11. Extra Ordinary Items (Net of Tax Expense)	-	-	-	-
12. NET PROFIT/(LOSS) FOR THE PERIOD (10-11)	(218.36)	(372.24)	(557.44)	(1,112.83)
13. Paid up Equity Share Capital (Face Value of Rs 10 each)	2,382.38	2,382.38	2,382.38	2,382.38
14. Paid up Debt Capital (Including Quasi Equity)	51,052.63	53,079.52	51,052.63	53,079.52
15. Reserves including Revaluation Reserves as per balance sheet of the previous accounting year	(85.59)	471.85	(85.59)	471.85
16. Debentures Redemption Reserve	-	-	-	-
17. Earnings per Share (EPS)	-0.92*	-1.56*	-2.34	-4.67
18. Debt Equity Ratio	22.23	18.60	22.23	18.60
19. Debt Service Coverage Ratio	1.07	1.06	1.06	1.02
20. Interest Service Coverage Ratio	0.92	0.87	0.90	0.79

* Not Annualized

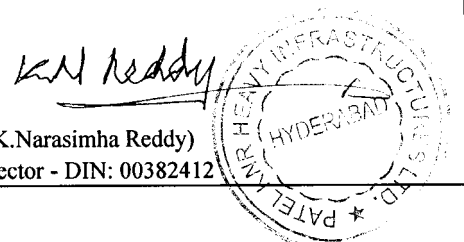
Notes:

- The above financial results were reviewed and approved and taken on record by the Board in their meeting held on 22th May 2015. The statutory auditors have performed Audit of the above financial statements.
- The Company has only one reportable business segment namely "execution of BOT (Annuity) road projects", as per AS-17 "Segment Reporting", issued by the Institute of Chartered Accountants of India. Hence, segmental reporting is not required.
- Previous financial year's figures have been regrouped / re-arranged wherever necessary to make them comparable.

For Patel KNR Heavy Infrastructures Ltd

Date : 22.05.2015
Place : Hyderabad

(K.Narasimha Reddy)
Director - DIN: 00382412



INDEPENDENT AUDITOR'S REPORT

To the members of PATEL KNR HEAVY INFRASTRUCTURES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **PATEL KNR HEAVY INFRASTRUCTURES LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, 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

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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the Assets of the company and for preventing and detecting 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 adequate internal financial controls, 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.

Auditor's Responsibility

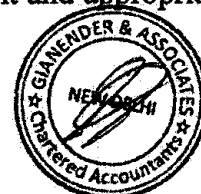
Our responsibility is to express an opinion on these financial statements based on our audit.

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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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 financial 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March 2015 and its loss and its cash flows for the year ended on that date.

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, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with this Report are in agreement with the books of account;
 - 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 31st March 2015 taken on record by the Board of Directors, none of the directors 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 and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. There are no pending litigations which would impact financial position of the company are as follows:
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GIANENDER & ASSOCIATES

Chartered Accountants

Regn. No. 04661N

By the hand of



Shashank Agrawal

Partner

M. No. 536670

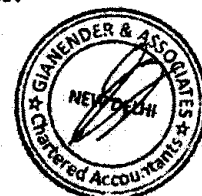
Place : DELHI

Date : 22/5/2015

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: PATEL KNR HEAVY INFRASTRUCTURES LIMITED

- i. a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) Fixed assets have been physically verified by management at the end of the year which, in our opinion, is reasonable having regard to the size of the Company and nature of its asset and no serious discrepancies have been noticed on such verification.
- ii. There are no inventories as company is engaged in the business of infrastructure development and maintenance and hence Para 3 clauses (ii)(a),(ii)(b) and (ii)(c) of the Companies (Auditor's Report) Order 2015 relating to inventory are not applicable.
- iii. The Company has not granted secured / unsecured loans to parties covered in the register maintained under section 189 of the Act. Accordingly, sub-clause (a) and (b) are not applicable
- iv. In our opinion and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and for annuity collection. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls system.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company.
- vi. According to the information and explanations given to us, we are of the opinion that prima facie, cost records prescribed, pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, are made and maintained.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is generally regular in depositing undisputed statutory dues relating to provident fund, income tax deducted at source, service tax, value added tax and other statutory dues during the year with the appropriate authorities. We are informed that the provisions of employees' sate insurance, wealth tax, duty of customs, duty of excise, cess are not applicable to the company. Undisputed Labour welfare cess of Rs.224.50 lakhs was accrued but not due as on 31st March, 2015. As on 31st March 2015, there are no other undisputed statutory dues payable for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us, there are no statutory dues pending in respect of income tax, sales tax, value added tax, service tax, duty of customs, wealth tax, duty of excise, cess on account of any dispute.
c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.



- viii. In our opinion, the accumulated losses of the company are not more than fifty percent of its net-worth. Further, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- ix. According to the information and explanations given to us the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. According to the information and explanations given to us the Company, the loans taken by the company were applied for the purpose for which the loans were obtained.
- xii. According to information and explanations given to us, which have been relied by us, no fraud on or by the Company has been noticed or reported during the year.

For GIANENDER & ASSOCIATES

Chartered Accountants

Regn. No. 04661N

By the hand of



[Handwritten signature]

Shashank Agrawal

Partner

M. No. 536670

Place : DELHI

Date : 22/5/2015