

# MKPS & ASSOCIATES

(Formerly DASS MAULIK MAHENDRA K. AGRAWAL & CO.)

**CHARTERED ACCOUNTANTS**

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Above Maruti Showroom,  
Erragada, Hyderabad-500038.  
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## INDEPENDENT AUDITOR'S REPORT

To

The Board of Directors of  
PATEL KNR Infrastructures Ltd

Report on the audit of the financial results

### Opinion

We have audited the accompanying Financial Results of **PATEL KNR Infrastructures Ltd** ("the Company") for the quarter ended March 31, 2022 and year ended March 31, 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of information and according to the explanations given to us, the aforesaid Financial Results:

- (i) are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for Audit of the Financial Results" section of our report. We are Independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these



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requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

### **Management's Responsibility for the Financial Results**

These Financial Results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these Financial Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company, in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Financial Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statement.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**Other Matters**

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us, as required under the Listing Regulations.

Our opinion on the Statement is not modified in respect of this matter.

For MKPS & Associates  
Chartered Accountants  
Firm Registration No. 302014E

*V. Vikash Modi*

Vikash Modi  
Partner

Membership Number: 216468

UDIN: 22216468AJA00P6402

Place: Hyderabad

Date: May 16, 2022



PATEL KNR INFRASTRUCTURES LTD.

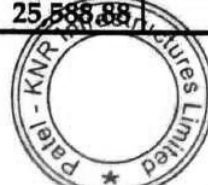
Statement of Assets and Liabilities as at March 31, 2022

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
	Audited	Audited
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
a) Property, Plant and Equipment	89.86	67.22
b) Financial Assets		
Lease Receivable	11,092.72	13,607.89
Investments	-	-
c) Other Non-Current Assets		
Deposits	2.30	2.30
	11,184.88	13,677.41
<b>(2) Current assets</b>		
a) Financial Assets		
i) Lease Receivable	6,588.00	6,588.00
ii) Trade receivables	-	-
iii) Investments	1,648.92	-
iv) Cash and cash equivalents	5,281.51	7,518.95
b) Current Tax Assets (net)	753.64	705.48
c) Other current assets	131.93	70.80
	14,404.00	14,883.23
<b>TOTAL</b>	<b>25,588.88</b>	<b>28,560.64</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) EQUITY</b>		
a) Equity Share capital	3,700.00	3,700.00
b) Other Equity	1,338.33	1,539.21
	5,038.33	5,239.21
<b>LIABILITIES</b>		
<b>(2) Non-current liabilities</b>		
a) Financial liabilities		
Borrowings	15,634.00	18,164.00
b) Provisions	-	-
	15,634.00	18,164.00
<b>(3) Current liabilities</b>		
a) Financial liabilities		
i) Borrowings	2,532.62	2,376.54
ii) Trade payables	382.91	1,140.75
iii) Other Financial Liabilities	804.85	910.05
b) Other current liabilities	49.65	69.36
c) Provisions	1,146.52	660.73
	4,916.55	5,157.43
<b>Total Equity and Liabilities</b>	<b>25,588.88</b>	<b>28,560.64</b>



B. Sudar Chandrasekhar



K. K. Reddy

PATEL KNR INFRASTRUCTURES LTD.

CIN:U45201MH2006PLC162856

Regd Office:PATEL ESTATE ROAD ,JOGESWARI ,MUMBAI-400102

Statement of Audited Financial Results For The Quarter and Year Ended 31st March, 2022

(Rs. Lakhs)

Particulars	For the Quarter ended			For the Year ended	
	31.03.2022	31.03.2021	31.12.2021	31.03.2022	31.03.2021
	Un-audited	Un-audited	Un-audited	Audited	Audited
<b>1. REVENUE FROM OPERATIONS</b>					
(a) Income from Sales and Services	926.21	897.30	865.15	4072.83	3442.46
(b) Other Income	34.41	35.12	85.54	235.30	299.13
<b>Total Income (a+b)</b>	<b>960.62</b>	<b>932.42</b>	<b>950.69</b>	<b>4,308.13</b>	<b>3,741.59</b>
<b>2. EXPENDITURE</b>					
a. Operating Expenses	549.00	183.16	398.07	2,405.98	723.70
b. Employees Benefit Expenses	0.75	0.75	0.75	3.00	3.00
c. Depreciation	3.72	2.70	3.72	14.53	10.11
d. Finance Cost	428.62	484.64	442.20	1,803.55	2,024.00
e. Other Expenditure	40.17	67.36	140.24	276.19	230.29
<b>Total Expenditure (a+b+c+d+e)</b>	<b>1,022.26</b>	<b>738.61</b>	<b>984.98</b>	<b>4,503.25</b>	<b>2,991.10</b>
<b>3. PROFIT/(LOSS) BEFORE TAX (1-2)</b>	<b>(61.64)</b>	<b>193.81</b>	<b>(34.29)</b>	<b>(195.12)</b>	<b>750.49</b>
4. Tax expense	9.52	53.08	27.83	37.35	183.59
<b>5. NET PROFIT/(LOSS) AFTER TAX (3-4)</b>	<b>(71.16)</b>	<b>140.73</b>	<b>(62.12)</b>	<b>(232.47)</b>	<b>566.90</b>
6. Other Comprehensive Income(OCI) (Net of Tax)	13.51	-	5.04	31.59	(86.99)
<b>7. TOTAL COMPREHENSIVE INCOME (5+6)</b>	<b>(57.65)</b>	<b>140.73</b>	<b>(57.08)</b>	<b>(200.88)</b>	<b>479.91</b>
8. Paid up Equity Share Capital (Face Value of Rs 10 each)	3,700.00	3,700.00	3,700.00	3,700.00	3,700.00
9. Paid up Debt Capital	18,164.00	20,538.00	18,164.00	18,164.00	20,538.00
10. Reserves including Revaluation Reserves as per balance sheet of the previous accounting year including DRR	1,338.33	1,539.21	1,395.97	1,338.33	1,539.21
11. Debentures Redemption Reserve (DRR)	510.60	510.60	510.60	510.60	510.60
12. Earnings per Share (EPS) Basic & Diluted	-0.19*	0.38*	-0.17*	-0.63	1.53
13. Debt Equity Ratio	3.61*	3.92*	3.56*	3.61	3.92
14. Debt Service Coverage Ratio#	0.23	0.42	0.26	0.39	0.66
15. Interest Service Coverage Ratio	0.86	1.40	0.92	0.89	1.37
16. Net Worth	4,986.46	5,186.96	5,086.32	4,986.46	5,186.96

\* Not Annualized

# The Debt Service Coverage ratio has been below one due to IND-AS impacts.

**Notes:**

1. The above financial results were reviewed and approved and taken on record by the Board in their meeting held on 16<sup>th</sup> May, 2022. The statutory auditors have performed audit of the above financial statements.

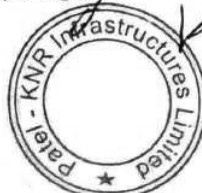
2. These audited financial result have been prepared in accordance with Indian Accounting Standard (Ind-AS) prescribed under section 133 of the Companies Act, 2013 read with the relevant rules there under.

3. The Company has only one reportable business segment namely "execution of BOT (Annuity) road projects", as per Ind AS-108 "Segment Reporting", issued by the Institute of Chartered Accountants of India. Hence, segmental reporting is not required.

4. Previous financial year's figures have been regrouped / re-arranged wherever necessary to make them comparable.

**5. Effect of COVID 19 Global Health Pandemic:**

After evaluating the cash flows on its Financial assets during the year and future annuities, the company has not experienced or identified any significant impact of the current economic conditions on the carrying values thereof.



*B. S. Sudeep Chartered Accountant*  
*K. N. Reddy*

6. Disclosure in compliance with regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, for the Perriod ended March 31, 2022:

Particulars	Ratio
Outstanding Redeemable Preference Share Capital	NA
Current Ratio	2.93
Long Term Debt to Working Capital Ratio	1.65
Bad Debts to Accounts Receivable Ratio	0.00
Current Liability Ratio	0.24
Total Debts to Total Assets Ratio	0.71
Debtors Turnover Ratio	4.34
Inventory Turnover Ratio	-
Operating Margin (%)	0.46
Net Profit Margin (%)	(0.05)
Sector Specific Equivalent ratios as applicaple	-

7.

1. Debt Equity Ratio= Total Debt( Debt Securities + Borrowings (other than deb Securities) + Subordinate Liabilities/ Networkth
2. DSCR= Profit before Interest and tax / ( Interest expense+Principal repayment in next Six months)
3. ISCR = Profit before Interest and tax /Interest Expense
4. Net worth= Share Capital + share application money pending allotment + Reserves and Surplus-Deferred revenue Expenses
5. Total Debt to Total Assets= Total Debts(Debt Securities + Borrowings (other than debt securities) + Subordinate Liabilities/Total
6. Net Profit Margin(%)= Net Profit after tax/Revenue from Operations

For Patel KNR Infrastructures Ltd

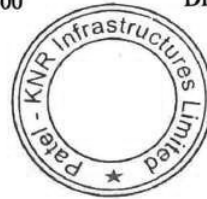
*B. S. Reddy*

(B.S.Reddy)  
Director  
DIN :01675600

*K.N.Reddy*

(K.N.Reddy)  
Director  
DIN :00382412

Date : 16th May, 2022  
Place : Hyderabad





PATEL KNR INFRASTRUCTURES LTD.  
Cash Flow Statement For the Year ended March 31, 2022

S. No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
		₹ Lakhs	₹ Lakhs
A	Net profit / (loss) before tax and extraordinary items	(195.12)	750.49
	Adjustment for		
	Depreciation and amortisation expense	14.53	10.11
	Interest expense	1,803.55	2,024.00
	Interest income	(235.30)	(299.13)
	<b>Operating profit before working capital changes</b>	<b>1,387.66</b>	<b>2,485.47</b>
	Adjustments for:		
	Increase / (Decrease) in Non Current Liabilities	-	-
	Increase / (Decrease) in trade payables	(757.85)	635.20
	Increase / (Decrease) in other current liabilities	136.37	216.07
	Increase / (Decrease) in other current financial liabilities	(105.19)	(101.16)
	Increase / (Decrease) in short term provisions	448.44	(2,447.98)
	(Increase) / Decrease in loan term loans and advances	2,515.17	3,145.54
	(Increase) / Decrease in other current assets	(61.14)	59.19
(Increase) / Decrease in Current Tax	(48.16)	29.35	
(Increase) / Decrease in short term Mutual funds	(1,648.92)	998.41	
<b>Net cash generated from/(used in) operating activities</b>	<b>1,866.38</b>	<b>5,020.09</b>	
Direct taxes paid (net of refunds)	-	-	
<b>Net Cash(used in)/generated from Operating Activities</b>	<b>1,866.38</b>	<b>5,020.09</b>	
B	<b>Cash flow from investing activities</b>		
	Purchase of fixed assets	(37.17)	(31.25)
	Interest received	266.89	212.14
	Intercompany/Other deposits (placed)/refunded (net)	-	(2.05)
<b>Net cash (used in)/generated from investing activities</b>	<b>229.72</b>	<b>178.84</b>	
C	<b>Cash flow from financing activities</b>		
	Repayment of long term borrowings	(2,530.00)	(2,376.45)
	Interest paid	(1,803.55)	(2,024.00)
	<b>Net cash (used in)/generated from financing activities</b>	<b>(4,333.55)</b>	<b>(4,400.45)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(2,237.45)</b>	<b>798.49</b>	
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>7,518.96</b>	<b>6,720.47</b>	
<b>Cash and cash equivalents as at the end of the year</b>	<b>5,281.51</b>	<b>7,518.96</b>	

**DISCLOSURE REQUIRED BY IND AS 7**

Particulars	Short term borrowings	Long term borrowings
Balance at 31st March, 2020	2,211.00	20,540.45
Cash Flow	163.00	(2,376.45)
Non - Cash Changes (Others)	2.54	-
Balance at 31st March, 2021	2,376.54	18,164.00
Cash Flow	156.09	(2,530.00)
Non - Cash Changes (Others)	-	-
Balance at 31st March, 2022	2,532.62	15,634.00

**Notes:**

- Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
- Cash and cash equivalents represent cash and bank balances.
- Previous year's figures have been regrouped/reclassified wherever applicable.

For and on behalf of the Board

*K.N.Reddy*, *B. Sudaschander Reddy*

K.N.Reddy

B.Sudaschander Reddy

Director

Director

Din - 00382412

Din - 01675600

Place: Hyderabad  
Date: 16 May, 2022





## **PATEL KNR INFRASTRUCTURES LTD.**

Plot No. 76, H.No. 8-2-293/82/A/76, Road No.9A, Jubilee Hills  
Hyderabad - 500 033, Phone: 040-44604999, 040-44604888  
Email : pateleng.hydr@gmail.com

### **Extent and Nature of Security created with respect to the NCDs, as per regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

- 1) First charge in favour of the Debenture Trustee over the Mortgaged Property save and except Project Assets;
- 2) First charge in favour of the Debenture Trustee on all the immovable assets, present and future of the company excluding the Project Assets;
- 3) First charge on all the Issuer's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present future save and except the Project Assets;
- 4) First charge on all the intangible assets of the Issuer including but not limited to intellectual property rights, including all patents, patent applications, trademarks, permits, service marks, trade names, trade secrets, proprietary information and knowledge, technology, computer programs, databases, copyrights, licenses, franchises and formulas, or rights with respect thereto, all goodwill of the Company, undertakings and uncalled capital, both present and future save and except the project assets;
- 5) First charge on the revenues and receivables of the company including the annuities both present and future;
- 6) First Charge on the bank accounts of the Company, including the Escrow Account, the Sub-Accounts, the Debt Service Reserve Account, and/or any replacement of any of the said accounts, together with any investments made from the amounts available in the said accounts.
- 7) Assignment of all the contracts, project documents and insurance policies as regards the road project on NH-7 on annuity.

For Patel KNR Infrastructures Ltd.

*B. Sudias Chander Reddy*

(B. Sudias Chander Reddy)  
Director and CEO  
Date: 16<sup>th</sup> May, 2022

