

# M.K. DANDEKER & CO. LLP

Chartered Accountants

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## INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. PATEL KNR Heavy Infrastructures Limited

### Report on the Ind AS Financial Statements

#### Opinion

We have audited the Ind AS financial statements of **PATEL KNR Heavy Infrastructures Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes to the Ind AS financial statements, and a summary of significant accounting policies and other explanatory information for the year ended on that date.

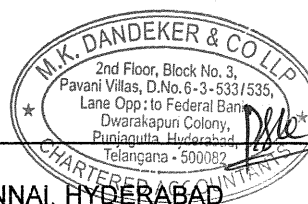
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and Loss, changes in equity and its cash flows for the year ended on that date.

#### 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. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard.



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### **Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Ind AS Financial Statements**

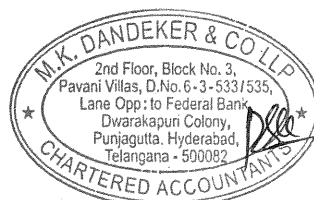
The Company's Board of Directors is responsible for the matters stated in section 134(5) the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements 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 Ind AS financial statements.



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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, 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 financial controls 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 system 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 management.
- Conclude on the appropriateness of management's 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 Company's ability 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 Ind AS financial statements 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

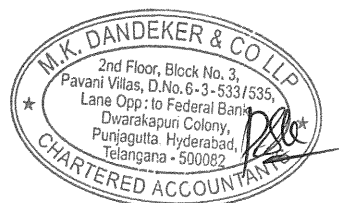
Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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.

#### **Report on Other Legal and Regulatory Requirements**

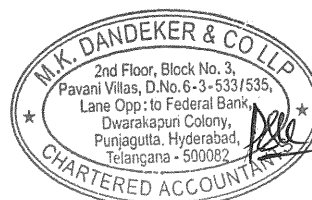
As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in



the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



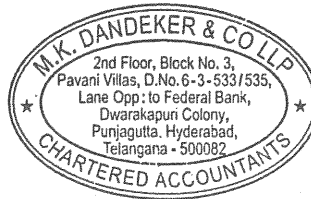
(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

UDIN : 24225208BKAVAN4435

Date: May 24, 2024  
Place: Hyderabad



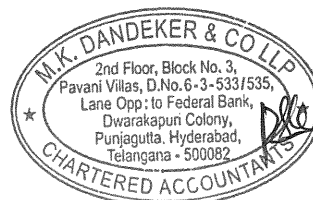
For M.K. Dandeker & Co. LLP  
Chartered Accountants  
(ICAI Reg. No. 000679S/S000103)

*Pedina Siva Kumar*  
**Siva Kumar Pedina**  
Partner  
Membership No. 225 208

**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in our Report of even date)**

1. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has no intangible assets and hence clause 3 (i)(a)(B) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties and hence clause 3 (i)(c) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) The Company is engaged in the business of infrastructure development and maintenance and hence clause 3 (ii)(a) of the Companies (Auditor's Report) Order 2020 relating to inventory is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year and hence clause 3 (ii)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.
3. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
4. The Company has not entered into any transaction in respect of loans, investments, guarantees and securities, which attracts provisions of section 185 and 186 of the Companies Act, 2013. Hence, the clause 3(iv) of the Companies (Auditor's Report) order 2020 is not applicable to the Company.
5. The Company has not accepted deposits or amounts which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the Company.



6. The Company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act in respect of services carried out by the Company.
7. a. The company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities though there has been a delay in remittance of tax deducted at source in two instances.
- b. According to the information and explanations given to us, there were no statutory dues pending in respect of income tax, GST, customs duty, cess and any other statutory dues which have not been deposited on account of dispute
8. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- 9.(a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any new Term loans during the year.
- (d) During the year, the Company has not raised any funds on short term basis and hence clause 3 (ix)(d) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence clause 3 (ix)(e) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence clause 3(ix)(f) of the Companies (Auditor's Report) Order 2020 is not applicable.
10. (a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including Debt instruments) during the year and hence clause 3(x)(a) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private

placement of shares or convertible debentures (fully, partially or optionally) during the year and hence clause 3(x)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.

11. (a) Based on the information and explanations given to us, no material fraud by the Company or any fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.  
(c) Based on the information and explanations given to us, there are no whistle-blower complaints received during the year by the Company.
12. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2020 is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
14. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.  
(b) We have considered the reports of the Internal Auditor for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence, clause 3(xv) of the Companies (Auditor's Report) Order 2020 is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence clause 3 (xvi) of the Companies (Auditor's Report) Order 2020 is not applicable.
17. The Company has incurred cash losses of Rs. 314.33 Lacs in the financial year and not incurred any cash losses in the immediately preceding financial year as per the financials prepared in conformity with the Indian Accounting Standards.
18. There has been no resignation of the statutory auditors during the year and hence clause 3 (xviii) of the Companies (Auditor's Report) Order 2020 is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements,

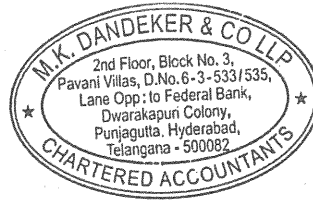


our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. Based on our examination of the records of the Company, the Company has no unspent amounts with regard to Corporate Social Responsibility Activities as per provisions of Section 135 of the Companies Act, 2013 as on March 31, 2024 and hence clause 3 (xx) of the Companies (Auditor's Report) Order 2020 is not applicable.
21. As the Company does not have any Subsidiaries, Associates or Joint Ventures, clause 3(xxi) of the Companies (Auditor's Report) Order 2020 is not applicable.

**UDIN : 24225208BKAVAN4435**

**Date: May 24, 2024**  
**Place: Hyderabad**



**For M.K. Dandeker & Co. LLP**  
Chartered Accountants  
(ICAI Reg. No. 000679S/S000103)

*Pedina Siva Kumar*  
**Siva Kumar Pedina**  
Partner  
Membership No. 225 208

**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in our Report of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **PATEL KNR Heavy Infrastructures Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

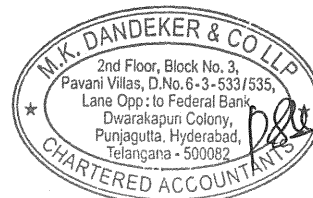
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

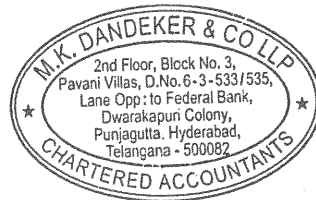
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**UDIN : 24225208BKAVAN4435**

**Date: May 24, 2024**

**Place: Hyderabad**



**For M.K. Dandeker & Co. LLP**  
Chartered Accountants  
(ICAI Reg. No. 000679S/S000103)

*Pedona Seva Kumar*  
**Siva Kumar Pedina**  
Partner  
Membership No. 225 208

**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
Balance Sheet as at March 31, 2024

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>I ASSETS</b>			
<b>1) NON-CURRENT ASSETS</b>			
a) Property, plant and equipment	4	14.01	19.52
b) Financial Assets			
i) Financial asset Receivables	5	13,813.01	19,692.32
c) Other non-current assets	6	72.59	-
		<b>13,899.61</b>	<b>19,711.84</b>
<b>2) CURRENT ASSETS</b>			
a) Financial assets			
i) Investments	7	7,837.84	7,783.60
ii) Financial asset Receivables	5	7,239.82	6,597.64
iii) Cash and cash equivalents	8	31.28	113.53
iv) Other Bank Balances	9	456.95	432.59
v) Other Financial Asset	10	1,265.47	1,387.73
b) Current tax asset (net)	11	398.93	545.41
c) Other current assets	12	27.95	34.19
		<b>17,258.24</b>	<b>16,894.69</b>
		<b>31,157.85</b>	<b>36,606.53</b>
<b>TOTAL ASSETS</b>			
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a) Equity Share capital	13	2,382.38	2,382.38
b) Instrument entirely equity in nature	13.4	4,104.22	4,104.22
c) Other equity	14	4,961.78	5,281.63
<b>Total Equity</b>		<b>11,448.38</b>	<b>11,768.23</b>
<b>LIABILITIES</b>			
<b>1) NON - CURRENT LIABILITIES</b>			
a) Financial liabilities			
i) Borrowings	15	12,020.00	17,590.00
b) Other non-current liabilities	17	51.81	69.08
		<b>12,071.81</b>	<b>17,659.08</b>
<b>2) CURRENT LIABILITIES</b>			
a) Financial liabilities			
i) Borrowings	15	5,570.00	5,121.43
ii) Trade Payables			
Dues to Micro & Small Enterprises	18	-	-
Due to other than Micro & Small Enterprises	18	94.83	60.47
iii) Other financial liabilities	16	8.46	50.66
b) Other current liabilities	19	53.02	683.84
c) Provisions	20	1,911.35	1,262.82
		<b>7,637.66</b>	<b>7,179.22</b>
<b>Total Liabilities(1+2)</b>		<b>19,709.47</b>	<b>24,838.30</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<b>31,157.85</b>	<b>36,606.53</b>

Corporate information and Significant accounting policies 1 to 3

Notes referred to above form an integral part of the financial statements

As per our report of even date attached

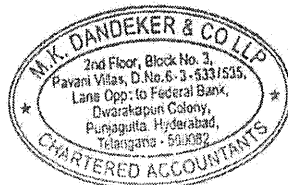
**For M.K. Dandekar & Co. LLP**

Chartered Accountants

(ICAI Reg. No. 000679S/S000103)

For and on behalf of the Board

*Pedina Siva Kumar*  
Siva Kumar Pedina  
Partner  
Membership No: 225208



*K.N Reddy*  
K.N Reddy  
(Director)  
DIN: 00382412

*Rahul Agarwal*  
Rahul Agarwal  
(Director)  
DIN: 08407819

Place: Hyderabad  
Date: 24-05-2024

*S. Vaikuntanathan*  
S. Vaikuntanathan  
(CFO)

*Mohit Agarwal*  
Mohit Agarwal  
(Company Secretary)

**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**

Statement of Profit And Loss For The year ended March 31, 2024

(Rs. in Lakhs)

PARTICULARS	Note No	Year ended	Year ended
		March 31, 2024	March 31, 2023
		Audited	Audited
<b>I</b> Revenue from Operations	21	3,811.80	4,371.94
<b>II</b> Other income	22	597.35	387.23
<b>III Total Revenue (I + II)</b>		<b>4,409.15</b>	<b>4,759.68</b>
<b>IV Expenses</b>			
Operating & Maintenance expenses	23	1,297.94	773.76
Employee benefits expenses	24	3.60	3.69
Finance costs	25	2,540.46	3,016.56
Depreciation	4	5.52	18.68
Other expenses	26	489.71	935.97
<b>Total expenses (IV)</b>		<b>4,337.23</b>	<b>4,748.66</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>71.92</b>	<b>11.01</b>
<b>VI Exceptional items</b>		<b>71.92</b>	<b>11.01</b>
<b>VII Profit/(Loss) before tax (V - VI)</b>			
<b>VIII Tax expense</b>			
1) Current tax	27	391.77	-
2) Prior Period Tax	27	-	-
3) MAT Credit	27	-	-
4) Deferred tax		-	-
		<b>391.77</b>	<b>0.00</b>
<b>IX Profit/(Loss) for the period (VII-VIII)</b>		<b>(319.85)</b>	<b>11.01</b>
<b>X Other Comprehensive Income</b>			
Actuarial gains and losses			-
<b>XI Total Comprehensive Income for the period (IX+X)</b>		<b>(319.85)</b>	<b>11.01</b>
<b>XII Basic Earnings per equity share</b>			
1) Basic	33	(1.34)	0.05
2) Diluted		(1.34)	0.05

Corporate Information and Significant accounting policies 1 to 3

Notes referred to above form an integral part of the financial statements

As per our report of even date attached

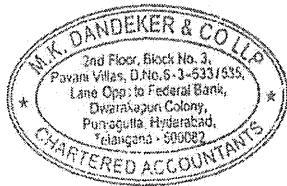
For M.K. Dandeker & Co. LLP

Chartered Accountants

(ICAI Reg. No. 0006795/S000103)

For and on behalf of the Board

*Pedina Siva Kumar*  
Siva Kumar Pedina  
Partner  
Membership No: 225208



Place: Hyderabad  
Date: 24-05-2024

*K.N Reddy*  
K.N Reddy  
(Director)  
DIN: 00382412

*Rahul Agarwal*  
Rahul Agarwal  
(Director)  
DIN: 08407819

*S. Vaikuntanathan*  
S. Vaikuntanathan  
(CFO)

*Mohit Agarwal*  
Mohit Agarwal  
(Company Secretary)

**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
Cashflow Statement for the year ended March 31, 2024

(Rs. In Lakhs)

PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	71.92	11.01
<b>Adjustments for</b>		
Depreciation	5.52	18.68
Interest Expenses	2,285.84	2,907.51
Derivative (Gain)/Loss on foreign currency derivatives & IRS	129.34	(11.13)
Provision for Periodic Maintenance	567.94	-
Unwinding Interest on Periodic Maintenance Expense	122.11	-
Modification Gain or Loss	174.92	175.44
Net (Gain)/Loss on FV of Mutual Fund Units	(430.30)	(252.19)
Unamortized Processing Fee-Expenses	15.07	13.77
Interest Income	(27.06)	(21.98)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,916.30</b>	<b>2,841.11</b>
(Increase)/Decrease in Trade and Other Receivables	5,113.12	5,097.28
Increase/(Decrease) in Trade Payables and Other Liabilities	(826.82)	567.60
<b>CASH GENERATED FROM OPERATIONS</b>	<b>7,207.60</b>	<b>8,505.99</b>
Taxes (paid) /Refund	(245.28)	341.32
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>6,962.32</b>	<b>8,847.31</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net Proceeds/(Realisation) From Current Investments	376.06	(1,282.02)
Interest Received	2.71	2.20
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>378.77</b>	<b>(1,279.82)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Funds Borrowed/(Repaid)	(5,137.50)	(4,632.50)
Interest Paid	(2,285.84)	(2,907.51)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(7,423.34)</b>	<b>(7,540.01)</b>
<b>Net change in Cash and Cash Equivalents (A+B+C)</b>	<b>(82.25)</b>	<b>27.48</b>
Cash and Cash Equivalents as at beginning of period	113.53	86.05
Cash and Cash Equivalents as at ending of period	<b>31.28</b>	<b>113.53</b>

**Notes:**

1 Components of Cash & Cash Equivalents

Bank Balance - Current Account	31.28	113.53
Cash in Hand		
Deposits with Bank		
Deposits with Bank		
	<b>31.28</b>	<b>113.53</b>

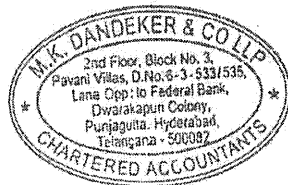
2 The Cash flow statement is prepared in accordance with the Ind-AS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.

3 Figures in brackets represent cash outflows.

Notes referred to above form an integral part of the financial statements  
As per our report of even date attached

For M.K. Dandekar & Co. LLP  
Chartered Accountants  
(ICAI Reg. No. 0006795/5000103)

*Pedina Siva Kumar*  
Siva Kumar Pedina  
Partner  
Membership No: 225208



Place: Hyderabad  
Date : 24-05-2024

For and on behalf of the Board

*K.N Reddy*  
K.N Reddy  
(Director)  
DIN: 00382412

*S. Vaikuntanathan*  
S. Vaikuntanathan  
(CFO)

*Rahul Agarwal*  
Rahul Agarwal  
(Director)  
DIN: 08407819

*Mohit Agarwal*  
Mohit Agarwal  
(Company Secretary)

**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
Statement of Changes in Equity For the Year ended March 31, 2024

**A - Equity Share Capital**

Particulars	No. of Shares in Lakhs	Amount in Rs. Lakhs
As at April 01, 2022	238.24	2,382.38
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the year	-	-
<b>As at March 31, 2023</b>	<b>238.24</b>	<b>2,382.38</b>
As at April 01, 2023	238.24	2,382.38
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the year	-	-
<b>At March 31, 2024</b>	<b>238.24</b>	<b>2,382.38</b>

**B - Instruments entirely equity in nature**

(Rs. In Lakhs)

Particulars	
Opening as on April 1, 2022	4,104.22
Addition during the year	-
<b>Closing as on March 31, 2023</b>	<b>4,104.22</b>
Opening as on April 1, 2023	4,104.22
Addition during the period	-
<b>Closing as on March 31, 2024</b>	<b>4,104.22</b>

**C - Other Equity**

(Rs. In Lakhs)

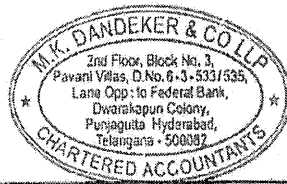
Particulars	Debenture Redemption Reserve	Retained Earning	Total
Balance as at 1st, April, 2022	2,442.00	2,828.62	5,270.62
Total Comprehensive Income for the Year	-	11.01	11.01
Transfer to Debenture Redemption Reserve	-	-	-
<b>Balance as at March 31, 2023</b>	<b>2,442.00</b>	<b>2,839.63</b>	<b>5,281.63</b>
Balance as at 1st, April, 2023	2,442.00	2,839.63	5,281.63
Total Comprehensive Income for the Year	-	(319.85)	(319.85)
Transfer to Debenture Redemption Reserve	-	-	-
<b>Balance as at March 31, 2024</b>	<b>2,442.00</b>	<b>2,519.78</b>	<b>4,961.78</b>

As per our report of even date attached  
For M.K. Dandeker & Co. LLP  
Chartered Accountants  
(ICAI Reg. No. 000679S/S000103)

For and on behalf of the Board

*Pedina Siva Kumar*

Siva Kumar Pedina  
Partner  
Membership No: 225208  
Place: Hyderabad  
Date: 24-05-2024



*K.N Reddy*  
K.N Reddy  
(Director)  
DIN: 00382412

*S. Vaikuntanathan*  
S. Vaikuntanathan  
(CFO)



*Rahul Agarwal*  
Rahul Agarwal  
(Director)  
DIN: 08407819

*Mohit Agarwal*  
Mohit Agarwal  
(Company Secretary)

**PATEL KNR Heavy Infrastructures Limited**  
Notes to the financial statements for the year ended March 31, 2024

**1. Reporting entity**

PATEL KNR Heavy Infrastructures Limited (the 'Company') is a company domiciled in India, with its registered office situated at KNR House, Phase I, Kavuri hills, Jubilee hills, Hyderabad, Telangana. The Company has been incorporated under the provisions of the Companies Act, 1956 as a Special Purpose Vehicle ("SPV") promoted by KNR Constructions Limited ('KNRCL') and Patel Engineering Infrastructures Ltd ('PEL').

The Company has entered into a Service Concession Arrangement ("SCA") with National Highway Authority of India ("NHAI") for the Design, Construction, Development, Finance, Operation, and Maintenance of Islam Nagar (KM 230.00) to Kadtal (KM 278.00) of Nagpur -Hyderabad Section on NH-7 in the State of Telangana, Under North-South Corridor (NHDP Phase -II) on BOT (Annuity) basis - Project Reference Number NS-2 /BOT/AP-07. The company achieved Provisional COD with effect from 11th June 2010.

**2. Basis of preparation**

**A. Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

**B. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest rupee, unless otherwise indicated.

**C. Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair value

**D. Current Assets and Current Liabilities**

**Current Assets:**

An asset shall be classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
  - It is held primarily for the purpose of being traded.
  - It is expected to be realized within twelve months after the reporting date, or
  - It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- All other assets shall be classified as non-current.

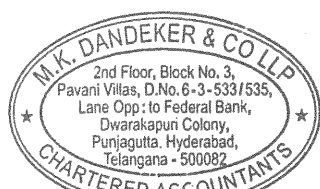
**Current Liabilities:**

A liability shall be classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the company's normal operating cycle;
  - It is held primarily for the purpose of being traded;
  - It is due to be settled within twelve months after the reporting date; or
  - The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- All other liabilities shall be classified as non-current.

**E. Use of estimates and judgment**

The preparation of these financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including





**PATEL KNR Heavy Infrastructures Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for resurfacing obligations, fair value measurement etc.

**F. Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**3. Significant accounting policies**

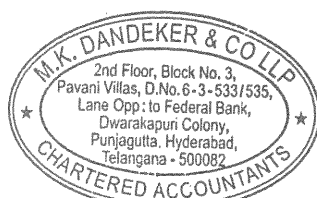
**a. Property, plant and equipment**

**i. Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.



**PATEL KNR Heavy Infrastructures Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

**ii. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**iii. Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment in the manner and as per the useful life prescribed under Schedule-II to the Act under the WDV method and is generally recognised in the statement of profit and loss. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of). The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**b. Rights under Service Concession Arrangements (Annuity Project)**

**i) Financial Asset under SCA**

Where Company has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as "Financial Assets", even though payments are contingent on Company ensuring that the infrastructure meets the specified quality or efficiency requirements. Such financial assets are classified as "Receivables against Service Concession Arrangements".

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is recognised and classified as "Financial Assets" as and when incurred.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of right under service Concession Arrangements are allocated and recognised and classified as "Financial Assets".

**c. Financial instruments**

**i. Recognition and initial measurement**

All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

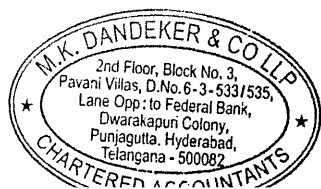
A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition of financial asset.

**ii. Classification and subsequent measurement**

**Non-Derivative Financial assets**

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI - debt investment;
- FVOCI - equity investment; or
- FVTPL



**PATEL KNR Heavy Infrastructures Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

***Financial liabilities: Classification, subsequent measurement and gains and losses***

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

***iii. De-recognition***

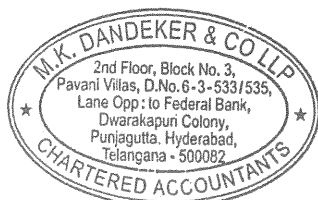
***Financial assets***

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

***Financial liabilities***

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.



**iv. Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**v. Non-derivative financial assets – service concession arrangements**

The Company recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition and classified as trade receivables. Subsequent to initial recognition, such financial assets are measured at amortized cost.

**d. Impairment**

**i. Impairment of financial instruments**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**Measurement of expected credit losses**

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

**Presentation of allowance for expected credit losses in the Balance Sheet**

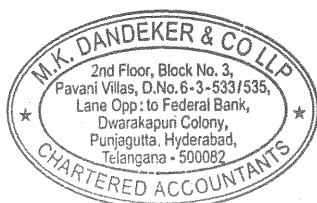
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**ii. Impairment of non-financial assets**

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.



**PATEL KNR Heavy Infrastructures Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

**e. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in Balance Sheet.

**f. Employee benefits**

**Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**g. Provisions (other than employee benefits)**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**h. Revenue recognition**

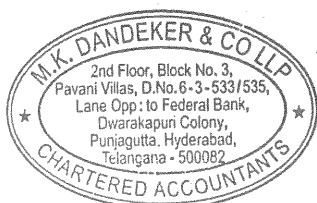
The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" with the date of initial application being April 1, 2018. Ind AS 115, revenue from contracts with customers, mandatory for reporting period beginning on or after April 1, 2018 replaced existing revenue recognition requirements i.e. Ind AS 18 Revenue Recognition and Ind AS 11 Construction Contracts. There were no significant adjustments required to the retained earnings as on April 1, 2018.

**Accordingly, the policy for Revenue is amended as under:**

To recognize revenue, the Company applies the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price
- (4) Allocate the transaction price to the performance obligation in the contract, and
- (5) Recognize revenue when a performance obligation is satisfied.

The Company recognize revenue when the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to NHAI.



**PATEL KNR Heavy Infrastructures Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

Under the terms of contractual arrangements, the Company acts as a service provider. The Company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. The Company shall recognise and measure revenue for the services it performs. The nature of the consideration determines its subsequent accounting treatment i.e. As financial assets. The Company will recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the NHAI for the construction services.

The Financial Asset due from the NHAI is accounted and measured at amortised cost. The interest calculated using the effective interest method is recognised in profit or loss. As per the Concession Arrangement, concession support received are accounted for as part of the transaction price.

**Other Income**

Interest income is accrued at applicable interest rate on time proportion basis.

Dividend income is accounted when the right to receive the same is established.

Other items of income are accounted for as and when the right to receive arises.

**i. FOREIGN CURRENCY TRANSACTIONS AND DERIVATIVES**

**Foreign Currency transaction and translation expenditure**

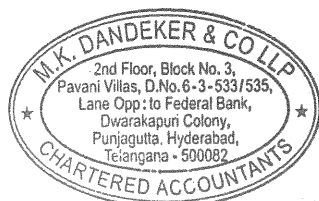
At each Balance Sheet date, foreign currency monetary items are reported using the closing rate or at amount likely to be realized from or required to disburse. Exchange differences that arise on settlement of Long Term monetary items or on reporting at each Balance sheet date, of Long Term Monetary items at the closing rate are charged to Profit and loss account.

**Forward Exchange Contract/Derivative accounting**

Exchange differences on such contracts are recognized in the statement of profit & loss in the reporting period in which the exchange rates changes.

The Derivatives are recognised at Fair value and the respective Income/ (Expenditure) has been charged to Profit & Loss Account.

- a) The functional reporting currency of the Company is Indian Rupee.
- b) Foreign Currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate on the date of the transaction.
- c) At each Balance Sheet date, foreign currency monetary items are reported using the closing rate or at amount likely to be realized from or required to disburse. Exchange differences, that arise on settlement of Long Term monetary items or on reporting at each Balance sheet date, of Long Term Monetary items at the closing rate or realizable rate are adjusted in carrying value of the related fixed assets whereas for short term monetary items the same is recognized as income or expense.
- d) Forward Exchange Contract: Exchange differences on such contracts are recognized in the statement of profit & loss in the reporting period in which the exchange rates changes. Any profit or loss arising on the cancellation of such forward contract is recognized as income or expense for the period.
- e) Under Ind AS, foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealized net gain or loss is recognised in profit and loss statement. Derivative assets and derivative liabilities are presented on gross basis.



**j. Recognition of interest income or expense**

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset or to the amortised cost of the liability.

**k. Income tax**

Income tax comprises of current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

**i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**ii. Deferred tax**

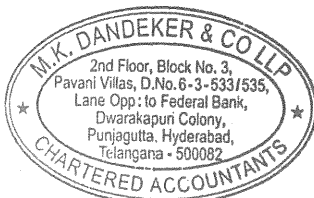
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.



**PATEL KNR Heavy Infrastructures Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

**l. Borrowing cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**m. Segment reporting**

The Board of Directors assess the financial performance of the Company and make strategic decisions and has been identified as being the Chief Operating Decision Maker (CODM). Based on the internal reporting provided to the CODM, the Company has only one reportable segment i.e. the BOT road project and hence no separate disclosures are required under Ind AS 108.

**n. Earnings per share**

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

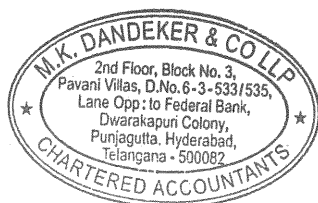
**o. Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets have to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually, and no such benefits were found for the current financial year.

**p. Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.





**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
**Notes to the financial statements for the year ended March 31, 2024**

**4 - PROPERTY, PLANT AND EQUIPMENT**

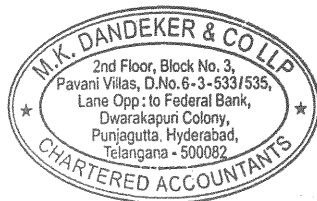
(Rs. In Lakhs)

Particulars	Tangible Assets			
	Buildings*	Vehicles	Office Equipment	Total
<b>Cost</b>				
As at March 31, 2023	28.78	28.68	0.29	<b>57.76</b>
Additions	-	-	-	-
Disposals/Adjustments	-	-	-	-
<b>As at March, 2024</b>	<b>28.78</b>	<b>28.68</b>	<b>0.29</b>	<b>57.76</b>
<b>Depreciation</b>				
As at March 31, 2023	24.26	13.68	0.29	<b>38.23</b>
Charge for the period	0.82	4.70	-	<b>5.52</b>
Disposals/Adjustments	-	-	-	-
<b>As at March, 2024</b>	<b>25.08</b>	<b>18.38</b>	<b>0.29</b>	<b>43.75</b>
<b>Net block</b>				
<b>As at March, 2024</b>	<b>3.70</b>	<b>10.30</b>	<b>0.00</b>	<b>14.01</b>
As at March 31, 2023	4.52	15.00	0.00	<b>19.53</b>

\* The flat is mortgaged to Debenture Trustee

(Rs. In Lakhs)

Particulars	Tangible Assets			
	Buildings*	Vehicles	Office Equipment	Total
<b>Cost</b>				
As at April 1, 2022	28.78	28.68	0.29	<b>57.76</b>
Additions	-	-	-	-
Disposals/Adjustments	-	-	-	-
<b>As at March 31, 2023</b>	<b>28.78</b>	<b>28.68</b>	<b>0.29</b>	<b>57.76</b>
<b>Depreciation</b>				
As at April 1, 2022	12.41	6.85	0.29	<b>19.55</b>
Charge for the period	11.85	6.83	-	<b>18.68</b>
Disposals/Adjustments	-	-	-	-
<b>As at March 31, 2023</b>	<b>24.26</b>	<b>13.68</b>	<b>0.29</b>	<b>38.23</b>
<b>Net block</b>				
<b>As at March 31, 2023</b>	<b>4.52</b>	<b>15.00</b>	<b>0.00</b>	<b>19.53</b>
As at March 31, 2022	16.37	21.83	0.00	<b>38.21</b>



**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
Notes to the financial statements for the year ended March 31, 2024

**5 - FINANCIAL ASSET RECEIVABLE**

PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
<b>NON - CURRENT</b>		
Financial Asset Receivable	13,813.01	19,692.32
<b>CURRENT</b>	13,813.01	19,692.32
Financial Asset Receivable	7,239.82	6,597.64
<b>Total Current Receivables</b>	7,239.82	6,597.64
<b>Total</b>	<b>21,052.83</b>	<b>26,289.96</b>

**6 - OTHER NON-CURRENT ASSETS**

PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
GST Input credit	72.59	-
<b>Total</b>	<b>72.59</b>	<b>-</b>

**7 - INVESTMENTS**

PARTICULARS	(Rs. In Lakhs)			
	As at		As at	
	No. of Units	March 31, 2024	No. of Units	March 31, 2023
<b>CURRENT</b>				
<b>Investment in Mutual Funds(Quoted)</b>				
-ICICI Prudential Corporate Bond Fund - Growth	39,16,157	1,055.27	80,62,606	2,013.41
-HSBC Corporate Bond Fund - Regular Growth	69,66,822	4,597.59	69,66,822	4,287.60
-HSBC Short Duration Fund - Regular Growth	-	-	59,29,471	1,328.66
-ICICI Pru Savings Fund - Growth	-	-	33,647	153.93
ICICI Prudential Floating Interest Rate Fund	5,68,054	2,184.98	-	-
<b>Total Current Investments</b>	<b>1,14,51,033</b>	<b>7,837.84</b>	<b>2,09,92,546</b>	<b>7,783.60</b>
<b>Total</b>		<b>7,837.84</b>		<b>7,783.60</b>

**Note:**

The Company has recognised the investments at Fair Value(Market Value), along with the no.of units as on that date.

**8 - CASH AND CASH EQUIVALENTS**

PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
Balances with banks: in current accounts	31.28	113.53
<b>Total</b>	<b>31.28</b>	<b>113.53</b>

**9 - Other Bank Balances**

PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
Fixed deposits	456.95	432.59
<b>Total</b>	<b>456.95</b>	<b>432.59</b>

**10 - OTHER FINANCIAL ASSETS**

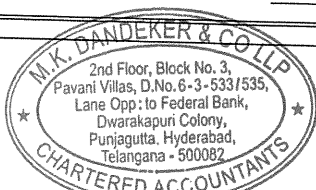
PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
<b>CURRENT</b>		
<b>From related party</b>		
Amounts Recoverable from Patel Engineering Ltd(Refer Note:35)	912.93	912.93
Amounts Recoverable from KNR Constructions Ltd(ReferNote:35)	10.24	-
Amount withheld - NHAI	297.01	297.01
Amount Recoverable from NHAI	42.62	42.62
Derivative Asset on Forex (Refer Note No : 37)	-	132.50
Other advances	2.67	2.67
<b>Total Current Financial Asset</b>	<b>1,265.47</b>	<b>1,387.73</b>
<b>Total</b>	<b>1,265.47</b>	<b>1,387.73</b>

**11 - CURRENT TAX ASSET(Net)**

PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
TDS Receivable	398.70	545.18
TCS Receivable	0.23	0.23
<b>Total</b>	<b>398.93</b>	<b>545.41</b>

**12- OTHER CURRENT ASSETS**

PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
Prepaid Expenses	27.95	34.19
<b>Total</b>	<b>27.95</b>	<b>34.19</b>



**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
Notes to the financial statements for the year ended March 31, 2024

**13 - EQUITY CAPITAL**

PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
<b>EQUITY SHARE CAPITAL</b>		
Authorised Share capital		
Equity Shares of Rs. 10/- each	3,000.00	3,000.00
Issued, subscribed & fully paid share capital		
Equity Shares of Rs. 10/- each	2,382.38	2,382.38
<b>Total</b>	<b>2,382.38</b>	<b>2,382.38</b>

**13.1 Terms/ Rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/-per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any proposed, by the board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the Year ended March 31, 2024, no dividend is declared by Board of Directors. (Previous year - Nil)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders

**13.2 The reconciliation of the number of shares outstanding at the end of the year**

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
Number of Equity Shares at the beginning	238.24	2,382.38	238.24	2,382.38
Add: - Number of Shares Issued	-	-	-	-
Less: Number of Shares Brought Back	-	-	-	-
Number of Equity Shares at the end of the year	<b>238.24</b>	<b>2,382.38</b>	<b>238.24</b>	<b>2,382.38</b>

**The details of shareholder holding more than 5% shares as at March 31, 2023 & March 31, 2024 is set out below:**

Name of the shareholder	March 31, 2024		March 31, 2023	
	No. of Shares in Lakhs	% held	No. of Shares in Lakhs	% held
Patel Engineering Infrastructures Ltd & its Nominees	100.06	42.00	100.06	42.00
KNR Constructions Ltd & its Nominees	95.30	40.00	95.30	40.00
Fornido Developers Ltd (earlier known as "ENPRO Ltd")	42.88	18.00	42.88	18.00
	<b>238.24</b>	<b>100.00</b>	<b>238.24</b>	<b>100.00</b>

**13.3 The shareholding pattern of promoters at the end of year**

Name of the shareholder	March 31, 2024			March 31, 2023		
	No. of Shares	% Of Total Shares	% Change during the year	No. of Shares	% Of Total Shares	% Change during the year
Patel Engineering Infrastructures Ltd & its Nom	100.06	42.00	-	100.06	42.00	-
KNR Constructions Ltd & its Nominees	95.30	40.00	-	95.30	40.00	-
Fornido Developers Ltd (earlier known as "ENP	42.88	18.00	-	42.88	18.00	-
	<b>238.24</b>	<b>100.00</b>	<b>-</b>	<b>238.24</b>	<b>100.00</b>	<b>-</b>

**13.4 - Instrument entirely equity in Nature**

PARTICULARS	(Rs. In Lakhs)	
	As at	
	March 31, 2024	March 31, 2023
Loan from Promotor Companies	4,104.22	4,104.22
<b>Balance at the end of the period</b>	<b>4,104.22</b>	<b>4,104.22</b>

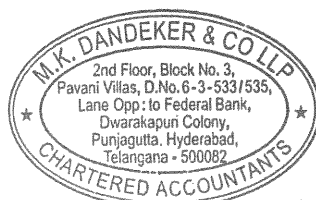
**Foot Note :** Loans from KNR Constructions Limited, Patel Engineering Infrastructure Limited & Patel KNR JV are in the nature of Sub-debt were recognised as a form of equity contribution from the respective, and the same is repayable at the option of the Company after satisfaction of senior Debt.

**13.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the balance sheet date:**

No shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the

**14 - OTHER EQUITY**

Particulars	(Rs. In Lakhs)		
	Debenture Redemption Reserve	Retained Earning	Total
Balance as at 1st, April, 2022			
Total Comprehensive Income for the Year	2,442.00	2,828.63	5,270.63
Transfer to Debenture Redemption Reserve	-	11.01	11.01
<b>Balance as at March 31, 2023</b>	<b>2,442.00</b>	<b>2,839.64</b>	<b>5,281.63</b>
Balance as at 1st, April, 2023			
Total Comprehensive Income for the Year	2,442.00	2,839.64	5,281.63
Transfer to Debenture Redemption Reserve	-	(319.85)	(319.85)
<b>Balance as at March 31, 2024</b>	<b>2,442.00</b>	<b>2,519.79</b>	<b>4,961.78</b>



**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
**Notes to the financial statements for the year ended March 31, 2024**  
**15 - BORROWINGS**

PARTICULARS	(Rs. In Lakhs)	
	As at March 31, 2024	March 31, 2023
<b>Financial Liabilities</b>		
<b>NON - CURRENT</b>		
<b>Secured loans</b>		
<b>Debentures</b>		
Rated, Listed, Redeemable Non Convertible debentures	12,020.00	17,590.00
<b>Total non-current borrowings</b>	<b>12,020.00</b>	<b>17,590.00</b>
<b>CURRENT</b>		
<b>Secured loans</b>		
<b>Debentures</b>		
Rated, Listed, Redeemable Non Convertible debentures	5,570.00	4,210.00
<b>From banks</b>		
Foreign Currency Loan	-	911.43
<b>Current borrowings</b>	<b>5,570.00</b>	<b>5,121.43</b>
<b>Total</b>	<b>17,590.00</b>	<b>22,711.43</b>

**Foot Note i**

**Terms of Security**

**A first pari passu charge, save and except project assets.**

- By way of mortgage over all immovable properties, both present and future.
- By way of hypothecation over all tangible movable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, both present and future
- Charge over all accounts including the DSRA, Escrow Account and the Sub-Accounts.
- By way of Hypothecation on all intangible assets of the company including but not limited to the goodwill and undertaking both present and future.
- Pledge of 100% of the share capital of the Company
- Charge over /assignment of the rights, titles, benefits, interests, claims and demand of the Company in the project documents

**Terms of Repayment**

	Series A	Series B	Series C	Series D	Series E	Series F	Total
<b>Rupees in lakhs</b>	18,000.00	2,320.00	920.00	1,630.00	3,190.00	13,940.00	40,000.00
<b>Coupon Rate</b>	10.34%	9.80%	10.05%	10.05%	10.30%	10.65%	
<b>Redemption Schedule</b>							
30-Sep-22	-	-	-	-	-	-	-
31-Mar-23	-	-	-	-	-	-	-
30-Sep-23	-	-	-	-	-	-	-
31-Mar-24	-	-	-	-	-	-	-
30-Sep-24	1,480.00	-	-	-	-	1,305.00	2,785.00
31-Mar-25	1,480.00	-	-	-	-	1,305.00	2,785.00
30-Sep-25	2,890.00	-	-	-	-	-	2,890.00
31-Mar-26	-	-	-	-	-	3,040.00	3,040.00
30-Sep-26	-	-	-	-	-	3,045.00	3,045.00
31-Mar-27	-	-	-	-	-	3,045.00	3,045.00
<b>Total</b>	<b>5,850.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,740.00</b>	<b>17,590.00</b>

The Company has issued 40,000 Non-Convertible Debentures of face value of Rs.1.00 lakh each amounting to Rs.40,000 lakhs on 3rd Sep-2013. These Debentures were subsequently listed on 25th Sep, 2013 on BSE. The said debentures are redeemable half yearly with the redemption starting from Sep-2013 and ending on March-2027. Interest due on debentures during the year have been paid fully without delay. The said funds have been utilized in repayment of rupee loan, repayment of promoter's unsecured loan, issue expenses and maintenance of DSRA.

During the FY 2018-19 the Rating of the company has been downgraded by one notch i.e AAA (SO) to AA+(SO), Hence the company is paying an additional interest on the outstanding NCD @0.30% p.a per each notch downgraded as per NCD Agreement.

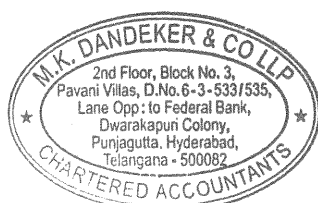
**Foot Note - ii**

**Terms of Security**

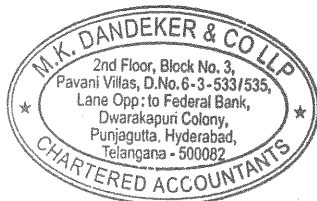
- Mortgage /charge over the company's immovable and movable properties (other than project assets but including all receivables) both present and future.
- Charge/assignment of revenue receivables (including annuity payments received from NHAI).
- Charge over /assignment of the rights, titles and interests of the company in, to and in respect of all project agreements (in accordance with concession agreement).
- Assignment of insurance policies, contractor guarantees, contractor performance bonds and liquidated damages.
- Pledge of 100% share capital of the Company
- Charge over all bank accounts including the Escrow account, all sub- accounts in relation thereto and the Debt Service Reserve account.
- The aforesaid charge will rank pari-passu with the mortgages and charges created/to be created in favor of participating institutions/banks including the swap providers.

**16 - OTHER FINANCIAL LIABILITIES**

PARTICULARS	(Rs. In Lakhs)	
	As at March 31, 2024	March 31, 2023
<b>CURRENT</b>		
Amount payable to Related Parties (Refer Note : 35)		
- Patel Engineering Ltd	0.09	0.09
- KNR Constructions Limited	-	27.48
- Patel KNR Jv	0.67	0.67
Derivative Liability on Interest Rate Swap (Refer Note:37)		3.16
Outstanding Expenses	7.70	19.26
<b>Total current other financial liabilities</b>	<b>8.46</b>	<b>50.66</b>
<b>Total</b>	<b>8.46</b>	<b>50.66</b>



PATEL KNR HEAVY INFRASTRUCTURES LIMITED					
Notes to the financial statements for the year ended March 31, 2024					
17 - OTHER NON - CURRENT LIABILITIES					
					(Rs. In Lakhs)
PARTICULARS		As at			
		March 31, 2024	March 31, 2023		
Labour Cess Payable		51.81	69.08		
<b>Total</b>		<b>51.81</b>	<b>69.08</b>		
18 - TRADE PAYABLES					
					(Rs. In Lakhs)
PARTICULARS		As at			
		March 31, 2024	March 31, 2023		
<b>CURRENT</b>					
Bills Payable -KNRCL (Refer Note : 35)		94.83	60.47		
<b>Total current trade payables</b>		<b>94.83</b>	<b>60.47</b>		
<b>Total</b>		<b>94.83</b>	<b>60.47</b>		
18.1 Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises					
a)	Principal amount remaining unpaid	-	-	-	-
b)	Interest due thereon	-	-	-	-
c)	Interest paid by the Company in terms of Section 16 of	-	-	-	-
d)	Interest due and payable for the period of delay in making	-	-	-	-
e)	Interest accrued and remaining unpaid at the end of	-	-	-	-
f)	Further interest remaining due and payable even in the	-	-	-	-
18.2: Ageing for trade payables from the due date of payment					
As at March 31, 2024					(Rs. in Lakhs)
Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	94.83	-	-	-	94.83
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
As at March 31, 2023					
Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	60.47	-	-	-	60.47
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
19 - OTHER CURRENT LIABILITIES					
					(Rs. In Lakhs)
PARTICULARS		As at			
		March 31, 2024	March 31, 2023		
Labour Welfare Cess Payable		17.27	17.27		
<b>Statutory Dues</b>					
TDS		35.75	20.76		
GST		-	645.81		
<b>Total</b>		<b>53.02</b>	<b>683.84</b>		
20 - PROVISIONS					
					(Rs. In Lakhs)
PARTICULARS		As at			
		March 31, 2024	March 31, 2023		
Provision for MMR		1,911.35	1,262.82		
<b>Total</b>		<b>1,911.35</b>	<b>1,262.82</b>		



**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
**Notes to the financial statements for the year ended March 31, 2024**

**21 - REVENUE FROM OPERATIONS**

(Rs. In Lakhs)		
PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
Finance Income on Annuity	3,049.15	3,645.97
Operation & maintenance Income	762.65	725.97
<b>Total</b>	<b>3,811.80</b>	<b>4,371.94</b>

**22 - OTHER INCOME**

(Rs. In Lakhs)		
PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
Interest on ICICI FDR	27.06	21.98
Net Gain/(loss) on FV of Mutual Fund Units	430.30	49.05
Net Gain on sale of Mutual Fund Units	123.95	203.14
Interest on Income Tax Refund	12.59	7.15
Derivative gain on FV of Interest rate swaps	3.16	106.41
Other Income	0.29	-
<b>Total</b>	<b>597.35</b>	<b>387.73</b>

**23 - OPERATING & MAINTENANCE EXPENSES**

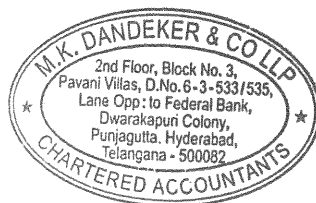
(Rs. In Lakhs)		
PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
Carriageway repairs & maintenances		
- Routine Maintenance	730.00	756.39
- Provision for Periodic Maintenance	567.94	-
COS Expenses	-	17.37
<b>Total</b>	<b>1,297.94</b>	<b>773.76</b>

**24 - EMPLOYEE BENEFITS EXPENSES**

(Rs. In Lakhs)		
PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, Wages and Other Benefits	3.60	3.69
<b>Total</b>	<b>3.60</b>	<b>3.69</b>

**25 - FINANCE COSTS**

(Rs. In Lakhs)		
PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
<b>Interest Expense on</b>		
Interest on Debentures	2,191.82	2,499.94
Interest on ECB Loan	53.19	209.28
<b>Other Borrowing Costs</b>		
Other Financial Charges	17.03	14.83
Hedging Expenses	23.81	197.23
Un Winding Interest on Periodic Maintenance Exp	122.11	-
Derivative loss on FV of Forex options	132.50	95.28
<b>Total</b>	<b>2,540.46</b>	<b>3,016.56</b>



**26 - OTHER EXPENSES****(Rs. In Lakhs)**

PARTICULARS	Year ended	Year ended
	March 31, 2024	March 31, 2023
Agency Fee	-	24.81
Rating fee	9.50	11.21
Consultancy Fee	0.15	0.18
Advertising & Publication	1.08	0.95
Interest on Statutory Dues	0.09	0.88
Independent Engineer Fee	46.92	47.78
Listing Fee	0.99	1.21
CSR Expenses (Refer note:26.1)	30.26	42.30
Arbitrator Fee	-	17.71
Rates & Taxes	0.27	1.62
Insurance Premium	63.76	69.79
Interest on Income Tax	-	18.19
Audit Fee	5.88	6.63
Legal & Professional Charges	2.79	5.30
Modification loss on Financial Asset	174.92	175.44
Annual Custody fee	0.75	0.89
Repair and Maintenance	0.29	2.80
GST Expenses	146.76	501.34
Other Expenses	0.30	1.04
Trustee Fee	5.00	5.90
<b>Total</b>	<b>489.71</b>	<b>935.97</b>

26.1 As per Section 135 of Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

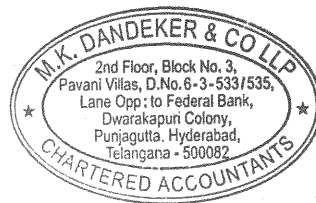
A CSR committee has been formed by the company as per the act. The funds were primarily allocated to the corpus and utilized through out the year on these

- a) Gross amount required to be spent by the company during the year Rs. 30.23 Lakhs (P.Y Rs. 42.30 lakhs)  
b) Amount spent during the year on :

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
	1. Construction/ acquisition of any assets	30.26	-	42.30
2. On Purposes other than (1) above	-	-	-	-

**27 - TAX EXPENSES**

PARTICULARS	Year ended	Year ended
	March 31, 2024	March 31, 2023
Tax Expenses	391.77	-
<b>Total</b>	<b>391.77</b>	<b>-</b>



**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**

**Notes to the financial statements for the year ended March 31, 2024**

**28. Capital management**

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders or issue of new shares.

The Company's adjusted net debt to equity ratio at 31 March 2024 and 31 March 2023 was as follows

	(Rs. In Lakhs)	
	March 31, 2024	March 31, 2023
Total Debts	17,590.00	22,711.43
Less: cash and cash equivalents & Other Bank Balances	(488.23)	(546.12)
<b>Adjusted net debt</b>	<b>17,101.77</b>	<b>22,165.31</b>
Total equity	11,448.38	11,768.23
<b>Adjusted equity</b>	<b>11,448.38</b>	<b>11,768.23</b>
<b>Adjusted net debt to adjusted equity ratio</b>	<b>1.49</b>	<b>1.88</b>

Foot Note : Debt includes Long Term Borrowings (Including Current Maturities) and Interest accrued there on.

**29. Financial instruments - Fair values and risk management**

**A. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**March 31, 2024**

	(Rs. In Lakhs)			(Rs. In Lakhs)			
	Carrying amount			Fair Value			
	FVTPL	Amortised Cost	Total carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>							
Financial asset Receivables	-	21,052.84	21,052.84	-	-	21,052.84	21,052.84
Investments	7,837.84	-	7,837.84	7,837.84	-	-	7,837.84
Cash and cash equivalents & Other Bank Balances	-	488.22	488.22	-	-	-	-
Other financial Assets	-	1,265.47	1,265.47	-	-	1,265.47	1,265.47
	<b>7,837.84</b>	<b>22,806.53</b>	<b>30,644.37</b>	<b>7,837.84</b>	<b>-</b>	<b>22,318.31</b>	<b>30,156.14</b>
<b>Financial liabilities</b>							
Non-Convertible Debentures	-	17,590.00	17,590.00	-	-	17,590.00	17,590.00
Trade payables	-	94.83	94.83	-	-	94.83	94.83
Other financial liabilities	-	8.46	8.46	-	-	8.46	8.46
	<b>-</b>	<b>17,693.29</b>	<b>17,693.29</b>	<b>-</b>	<b>-</b>	<b>17,693.29</b>	<b>17,693.29</b>

i) The carrying amount of financial asset and liability is measured at amortized cost are considered to be the same as there fair values due to their short term nature.

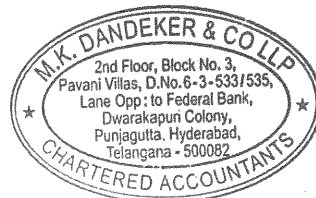
ii) The Carrying value of term loans are at approximate fair value as the instruments are at prevailing market rate

**March 31, 2023**

	(Rs. In Lakhs)			(Rs. In Lakhs)			
	Carrying amount			Fair Value			
	FVTPL	Amortised Cost	Total carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>							
Financial asset Receivables	-	26,289.96	26,289.96	-	-	26,289.96	26,289.96
Investments	7,783.60	-	7,783.60	7,783.60	-	-	7,783.60
Cash and cash equivalents & Other Bank Balances	-	546.12	546.12	-	-	-	-
Other financial Assets	-	1,387.73	1,387.73	-	-	1,387.73	1,387.73
	<b>7,783.60</b>	<b>28,223.81</b>	<b>36,007.41</b>	<b>7,783.60</b>	<b>-</b>	<b>27,677.69</b>	<b>35,461.29</b>
<b>Financial liabilities</b>							
Non-Convertible Debentures	-	21,800.00	21,800.00	-	-	21,800.00	21,800.00
Secured bank loans	-	911.43	911.43	-	-	911.43	911.43
Trade payables	-	60.47	60.47	-	-	60.47	60.47
Other financial liabilities	-	50.66	50.66	-	-	50.66	50.66
	<b>-</b>	<b>22,822.56</b>	<b>22,822.56</b>	<b>-</b>	<b>-</b>	<b>22,822.56</b>	<b>22,822.56</b>

i) The carrying amount of financial asset and liability is measured at amortized cost are considered to be the same as there fair values due to their short term nature.

ii) The Carrying value of term loans are at approximate fair value as the instruments are at prevailing market rate





**29. Financial instruments - Fair values and risk management**

....(contd.)

**Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- a) credit risk
- b) liquidity risk
- c) market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit risk exposure.

**Financial asset receivable**

The Company has a financial asset receivable, which will be recovered on the fixed payments from the authority(NHAI) in the form of annuity throughout the concession period. The Management believes that the credit risk is negligible since its main receivable is from the grantor of the Concession which is Government authority.

**b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

**Exposure to liquidity risk**

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

**March 31, 2024**

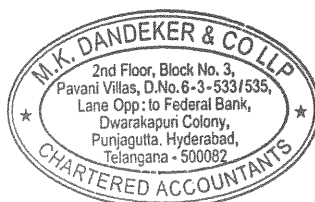
(Rs. In Lakhs)

	Carrying Amount	Contractual Cashflows		
		Upto 1 year	2 to 3 Years	More than 3 years
<b>Non-derivative financial liabilities</b>				
Non-Convertible Debentures	17,590.00	5,570.00	12,020.00	-
Secured bank loans	-	-	-	-
Trade payables	94.83	94.83	-	-
Other financial liabilities	8.46	8.46	-	-
	<b>17,693.29</b>	<b>5,673.29</b>	<b>12,020.00</b>	<b>-</b>

**March 31, 2023**

(Rs. In Lakhs)

	Carrying Amount	Contractual Cashflows		
		Upto 1 year	2 to 3 Years	More than 3 years
<b>Non-derivative financial liabilities</b>				
Non-Convertible Debentures	21,800.00	4,210.00	11,500.00	6,090.00
Secured bank loans	911.43	911.43	-	-
Trade payables	60.47	60.47	-	-
Other financial liabilities	50.66	50.66	-	-
	<b>22,822.56</b>	<b>5,232.56</b>	<b>11,500.00</b>	<b>6,090.00</b>



**PATEL KNR Heavy Infrastructures Limited****Notes to the financial statements for the year ended March 31, 2024**

The following table details the company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

**March 31, 2024**

	Carrying Amount	Contractual Cashflows		
		Upto 1 year	2 to 3 Years	More than 3 years
<b>Financial Assets</b>				
Financial asset Receivables	21,052.84	7,239.82	6,341.84	7,471.18
Investments	7,837.84	7,837.84	-	-
Cash and Cash equivalents	488.22	488.22	-	-
Other financial Assets	1,265.47	1,265.47	-	-
	<b>30,644.37</b>	<b>16,831.35</b>	<b>6,341.84</b>	<b>7,471.18</b>

**March 31, 2023**

	Carrying Amount	Contractual Cashflows		
		Upto 1 year	2 to 3 Years	More than 3 years
Financial asset Receivables	26,289.96	6,597.64	5,697.69	13,994.64
Investments	7,783.60	7,783.60	-	-
Cash and Cash equivalents	546.12	546.12	-	-
Other financial Assets	1,387.73	1,387.73	-	-
	<b>36,007.42</b>	<b>16,315.09</b>	<b>5,697.69</b>	<b>13,994.64</b>

**c) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**Foreign Currency Risk**

Foreign Currency risk is the risk that fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company is not exposed to foreign currency risk as it has borrowings and options to payable in foreign currency which were fully repaid on 30th september 2023 & outstanding Balance as on 31st March 2024 is Nil

The company's exposure to foreign currency rate risk due to borrowings is as follows:

Particulars	Note No.	(Rs. In Lakhs)	
		March 31, 2024	March 31, 2023
Foreign currency Borrowings-Non Current	15	-	-
Foreign currency Borrowings - Current maturities	15	-	911.43

(USD. In Lakhs)	
Foreign currency Borrowings outstanding in USD	13.25

**Sensitivity analysis****(Rs. In Lakhs)**

Foreign Currency Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2023-24	FY 2022-23
Increase or decrease in foreign currency by Rs.1	-	27.63

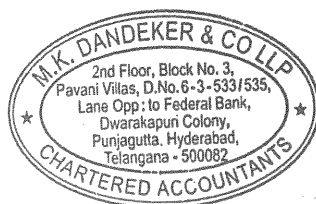
Note : In case of Decrease in Foreign currency rate, Profit will increase and vice versa

**Interest rate risk**

Interest rate risk is the risk that fair value of future cashflow of a financial instrument will fluctuate because of changes in market interest rates.

The interest risk arises to the company mainly from long term borrowings with variable rates. The Company measures risk through sensitivity analysis.

The Company is not exposed to Interest rate risk as it is not having any variable interest rate borrowings.



**PATEL KNR Heavy Infrastructures Limited****Notes to the financial statements for the year ended March 31, 2024****Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The company measures risk through sensitivity analysis.

The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

**The company's exposure to price risk due to investments in mutual fund is as follows:**

Particulars	Note No.	(Rs. In Lakhs)	
		March 31, 2024	March 31, 2023
Investments in Mutual Funds	7	7,837.84	7,783.60

**Sensitivity analysis**

(Rs. In Lakhs)

Price Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2023-24	FY 2022-23
	Increase or decrease in NAV by 2%	156.21

Note : In case of Decease in NAV, Profit will reduce and vice versa

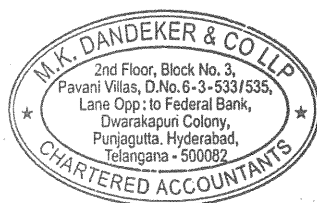
**30. Service concession arrangement**

The Company has entered into a Service Concession Arrangement("SCA") with National Highway Authority of India ("NHAI") for the Design, Construction, Development, Finance, Operation, and Maintenance of Islam Nagar (KM 230.00) to Kadtal (KM 278.00) of Nagpur -Hyderabad Section on NH-7 in the State of Telangana, Under North-South Corridor (NHDP Phase -II) on BOT (Annuity) basis - Project Reference Number NS-2 /BOT/AP-07 for a period of Twenty (20) years from commencement date i.e. 02-Mar-2008 including construction period and The company achieved PCOD with effect from 11th June 2010 and final COD on 27th December 2016.

The Company has right to receive an annuity payment of INR 8,874.00 Lakhs from the grantor/authority. Accordingly, the Company has recognised its financial asset. At the end of the concession period the toll road will become the property of the grantor and the Company will have no further involvement in its operation or maintenance.

During the year, the Company has recorded revenue of Rs. 3,811.80 Lakhs, consisting of Rs. 3,049.15 Lakhs as a Income on financial asset, Rs.762.65 Lakhs as a income on operation & maintenance.

The Company has a financial asset receivable of Rs. 21,052.84 Lakhs as on March 31, 2024



**PATEL KNR Heavy Infrastructures Limited**

Notes to the financial statements for the year ended March 31, 2024

**31 Contingent Liability and Commitments and Contingent Assets**

Particulars	(Rs. in Lakhs)	
	2023-24	2022-23
<b>a) Contingent Liability</b>		
Arbitral award passed in the favour of SPV to be passed on to EPC Contractor.	8,908.73	8,908.73
<b>b) Contingent Assets</b>		
Arbitral award passed in the favour of SPV	8,908.73	8,908.73

**Note:** The Above Arbitration claims are excluding of interest @SBI PLR+2% p.a

**32 Remuneration paid to the Statutory Auditors excluding Taxes**

Audit and Other Fees	(Rs. in Lakhs)	
	2023-24	2022-23
Statutory Audit Fees	4.25	4.25
Tax Audit	0.50	0.50
Other Services	1.13	0.95

**33 Disclosure pursuant to Ind AS 33 "Earnings Per Share(EPS)"**

Particulars	(Rs. in Lakhs)	
	2023-24	2022-23
i. Profit (loss) attributable to equity shareholders(basic)	(319.85)	11.01
ii. Weighted average number of equity shares (basic)	238.24	238.24
<b>Basic EPS</b>	<b>(1.34)</b>	<b>0.05</b>
i. Profit (loss) attributable to equity shareholders(diluted)	(319.85)	11.01
ii. Weighted average number of equity shares (diluted)	238.24	238.24
<b>Diluted EPS</b>	<b>(1.34)</b>	<b>0.05</b>

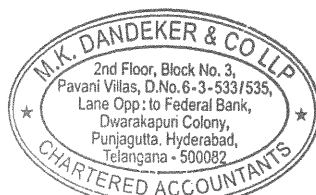
**34 Employee Benefits**

Actuarial valuation for gratuity to the company is not applicable during the year because the numbers of Employees are less than ten. So, the disclosure is pursuant to the requirements of Ind AS - 19 is not required.

**35 Related Party Transactions:**

**List of related parties and nature of relationship**

S. No.	Name of the related party	Nature of relationship
1	KNR Constructions Limited	Share Holder
2	PATEL Engineering Infrastructure Limited	Share Holder
3	Patel - KNR JV	Fellow Associate Entity
4	Patel KNR Infra Limited	Fellow Subsidiary
<b>KEY MANAGEMENT PERSONNEL</b>		
4	Mr. B.S. Reddy	Director
5	Mr. K.N. Reddy	Director
6	Mr. Kavita Sanjiv Shirvaikar	Director
7	Mr. Rahul Agarwal	Director
8	Ms. Venkata Padma Daruvuri	Director
9	Ms. Radhika Bajentri Singanamala	Director
10	S. Vaikuntanathan	CFO
11	Mohit Agarwal	Company Secretary



**PATEL KNR Heavy Infrastructures Limited**

Notes to the financial statements for the year ended March 31, 2024

**Transactions during the year**

(Rs. In Lakhs)

S. No.	Name of the related party	Nature of transactions	March 31, 2024	March 31, 2023
1	KNR Constructions Limited	Operation & Maintenance Expenditure	730.00	756.39
		Reimbursement of Expenditure	2,284.20	22.48
		Major Maintenance Expense	48.17	-
2	Patel - KNR JV	Sub Contract Expenses	-	17.37
3	Company Secretary - KMP	Remuneration	3.60	3.60

**Balances outstanding**

(Rs. In lakhs)

S. No.	Name of the related party	Nature of transactions	March 31, 2024	March 31, 2023
1	KNR Constructions Limited	Share Capital	952.95	952.95
		Instrument entirely equity in nature	1033.69	1033.69
		Operation & maintenance expenses payable	94.83	59.85
		Major Maintenance payable	-	0.63
		Reimbursement of Expenditure	(10.24)	27.48
2	PATEL Engineering Infrastructure Limited	Share Capital	1000.60	1000.60
		Instrument entirely equity in nature*	1550.53	1550.53
		Advance Recoverable*	912.93	912.93
		Reimbursement of Expenditure	0.09	0.09
3	Patel - KNR JV	Instrument entirely equity in nature*	1520.00	1520.00
		With-hold amount payable	0.67	0.67

\*Confirmation not obtained

**36 Foreign Currency Transactions:**

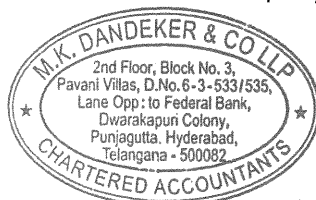
(Rs. In Lakhs)

S. No.	Particulars	2023-24	2022-23
1	Foreign exchange outgo(Principal + Expenses)	1004.50	2,420.31
2	Expenditure in Foreign Currency		
	i) Agency Fee	-	22.23
	ii) Interest payment	53.19	188.35
	iii) Hedging premium Expense	23.81	197.23
3	Earnings in Foreign Currency	Nil	Nil

**37 Derivative Instruments – Foreign Exchange Forward contracts**

Under Ind AS, foreign exchange forward contracts are mark-to-market as at each Balance Sheet date and unrealized net gain or loss is recognized. Derivative assets and derivative liabilities are presented on gross basis.

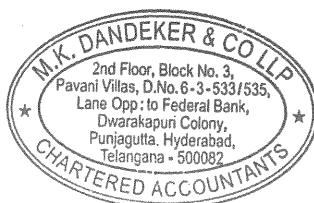
**38** There are no Title Deeds of Immovable Property not held in the name of the Company.



## PATEL KNR Heavy Infrastructures Limited

### Notes to the financial statements for the year ended March 31, 2024

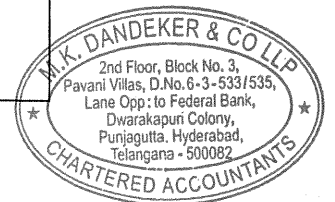
- 39** The Company has no Loans or Advances in the nature of Loans to specified persons that are Repayable on Demand or without specifying any terms or period of repayment.
- 40** No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.
- 41** The Company has no Borrowings from Banks or Financial Institutions on the basis of security of only Current Assets. All the assets of the Company are pledged against the borrowings as mentioned in the Note-15. And quarterly returns or statements of current assets filed by the Company with Banks or Financial Institutions are in agreement with the books of accounts.
- 42** The Company has not been declared as willful defaulter by any bank or financial institution or other lender during the year.
- 43** The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
- 44** The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period during the year.
- 45** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year
- 46** During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.
- 47** During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 48** During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 49** The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961.
- 50** The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.



**PATEL KNR HEAVY INFRASTRUCTURES LIMITED**  
Notes to the financial statements for the year ended March 31, 2024  
53.Key financial ratios:

(Rs. In Lakhs)

Ratio	Numerator	Denominator	As at March 31, 2024			As at March 31, 2023			Variation	Reason for variance
			Numerator's Value	Denominator's Value	Ratio	Numerator's Value	Denominator's Value	Ratio		
<b>Current ratio</b>	Current Assets	Current Liabilities	17,258.24	7,637.66	2.26	16,894.69	7,179.22	2.35	-3.98%	N.A
<b>Debt- Equity Ratio</b>	Total Debt	Net Worth	17,590.00	11,448.38	1.54	22,727.50	11,768.23	1.93	-20.44%	N.A
<b>Debt Service Coverage ratio</b>	Earnings available for debt service	Debt Service	2,794.07	7,677.96	0.36	3,046.25	7,649.06	0.40	-8.62%	N.A
<b>Return on Equity ratio</b>	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	(319.85)	11,608.30	-0.03	11.01	11,762.73	0.00	-3044.49%	Due to Income tax provision for current F.Y, Variation has come
<b>Inventory Turnover ratio</b>	Cost of goods sold OR sales	Average Inventory	-	-	-	-	-	-	0.00%	N.A
<b>Trade Receivable Turnover Ratio</b>	Net Credit Sales	Average Trade Receivable	-	-	-	-	-	-	0.00%	N.A
<b>Trade Payable Turnover Ratio</b>	Net Sales	Average Trade Payables	-	-	-	-	-	-	0.00%	N.A
<b>Net Capital Turnover Ratio</b>	Net Sales	Working Capital	3,811.80	9,620.58	0.40	4,371.94	9,715.47	0.45	-11.95%	N.A
<b>Net Profit ratio</b>	Net Profit	Net sales	(319.85)	3,811.80	-0.08	11.01	4,371.94	0.00	-3432.84%	Due to Income tax provision for current F.Y, Variation has come
<b>Return on Capital Employed</b>	Earnings before interest and taxes	Capital Employed	2,612.38	29,038.38	0.09	3,027.57	34,479.66	0.09	2.45%	N.A
<b>Return on Investment</b>	Income generated from investments	Average value of investments	581.32	8,255.49	0.07	274.17	7,439.19	0.04	91.06%	Company has invested more surplus funds in mutual funds this year and Return from mutual funds is higher as compared to previous year



PATEL KNR Heavy Infrastructures Limited

Notes to the financial statements for the year ended March 31, 2024

51 Due to Micro, Small and Medium Enterprises

There has been no claimed transaction during the period with MICRO, Small and Medium Enterprises covered under the MICRO, Small and Medium Enterprises Development Act. (MSMED Act, 2006) Hence, reporting details of principal and interest does not arise

52 Reconciliation between the Opening and Closing balances in the financial statement for Liabilities and Financial Assets arising from Financial Activities (Ind AS - 7)

Particulars	Long Term Borrowings	Instrument entirely equity in Nature	Finance Cost
Opening Balance	22,711.43	4,104.22	-
Interest Accrued during the year			2,285.85
<b>Cash flows</b>			
Received			
Repayment	(5,137.50)		
Interest paid			(2,285.85)
<b>Non Cash items</b>			
Foreign Exchange			
Impact of EIR	16.07		
<b>Closing Balance</b>	<b>17,590.00</b>	<b>4,104.22</b>	<b>-</b>

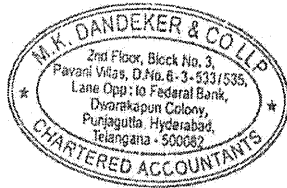
54 Segment Information

The Company is into the business of developing the Infrastructure facility on BOT basis, and there are no separate reportable operating segments hence no separate disclosures are required under Ind AS 108.

55 Previous year's figures have been regrouped/reclassified/rearranged wherever considered necessary.

For M.K. Dandekar & Co. LLP  
Chartered Accountants  
(ICAI Reg. No. 000679S/S000103)

*Pedina Siva Kumar*  
Siva Kumar Pedina  
Partner  
M.No. 225208



Place: Hyderabad  
Date: 24-05-2024

For and on behalf of the Board

*K. N. Reddy*  
K. N. Reddy  
(Director)  
DIN:00382412

*Rahul Agarwal*  
Rahul Agarwal  
(Director)  
DIN:08407819

*S. Vaikuntanathan*  
S. Vaikuntanathan  
(CFO)

*Mohit Agarwal*  
Mohit Agarwal  
(Company Secretary)