



PATEL ENGINEERING LTD.

CIN: L99999MH1949PLC007039

August 26, 2022

To,
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code No. 531120

The National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra Kurla Complex
Mumbai – 400 051
Company Code No. PATELENG/EQ

Dear Sir(s),

Sub: Compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the gist of the Proceedings of the 73rd Annual General Meeting of Patel Engineering Limited held on August 26, 2022.

Kindly take the same on record.

Thanking you,

Yours Faithfully,

For Patel Engineering Limited

Shobha Ranjit Shetty
Digitally signed
by Shobha Ranjit
Shetty
Date: 2022.08.26
13:02:36 +05'30'

Shobha Shetty
Company Secretary
Membership No.: F10047

Encl: As Above

REGD. OFFICE:

Patel Estate Road, Jogeshwari (W), Mumbai – 400 102. India
Phone +91 22 26767500, 26782916 Fax +91 22 26782455, 26781505
Email headoffice@pateleng.com Website: www.pateleng.com

Gist of the Proceedings of the 73rd Annual General Meeting of Patel Engineering Limited held on Friday, August 26, 2022

The 73rd Annual General Meeting ('AGM') of the Members of the Company was held on August 26, 2022 at 11.30 a.m. (IST) through Video Conferencing/ Other Audio Visual Means (VC/OAVM) in compliance with the Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India in this behalf from time to time ("the Circulars").

The Meeting was chaired by Mr. Rupen Patel, Chairman & Managing Director. All the members of the Board of Directors were present at the Meeting. The Statutory Auditors and the Secretarial Auditors of the Company were also present.

The requisite quorum being present, the Chairman called the meeting to order. The Chairman, gave a brief overview of the performance of the Company during the financial year ended March 31, 2022 and brief on the future outlook.

In term of the Notice dated July 28, 2022, the Chairman took up the following items of business transacted at the Meeting:

Ordinary Business

1. To adopt and consider:
 - a. *the audited Financial Statements of the Company for financial year ended March 31, 2022, together with the Reports of the Board and Auditors thereon.*
 - b. *the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of the Auditors thereon.*
2. To appoint Ms. Kavita Shirvaikar (DIN: 07737376) as Director who retires by rotation and, being eligible, offers herself for re-appointment.
3. Appointment of Statutory Auditors of the Company

Special Business

4. Ratification of Cost Auditor's Remuneration for FY 2021-2022.
5. Issue and allot upto 1,57,72,870 Equity Shares on Preferential Basis to Foreign Portfolio Investor (FPI)
6. Raising of Funds through issue of equity shares or other securities upto an amount of ₹ 500 crore.

The Chairman then invited the members to make their observations, if any, on the performance of the Company, which were suitably replied.

There being no other business, the Chairman declared the meeting as closed and extended vote of thanks to the members and the Board members for attending the meeting.

It was informed that the e-voting facility shall remain open till 15 minutes after the conclusion of the meeting and the results of the remote e-voting and the e-voting facility extended during the meeting hours shall be declared after receipt of the Scrutinizer's report and the same will be

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intimated to the stock exchanges, NSDL - the service provider and also be uploaded on the website of the Company. The meeting concluded at 12.25 p.m. (including the time for e-voting facility).

This should not be construed as the Minutes of the proceedings of the AGM.

Thanking you,

Yours Faithfully,

For Patel Engineering Limited

Shobha
Ranjit
Shetty

Digitally signed
by Shobha
Ranjit Shetty
Date: 2022.08.26
13:02:58 +05'30'

Shobha Shetty
Company Secretary
Membership No.: F10047

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PATEL ENGINEERING LIMITED

73rd Annual General Meeting

August 26, 2022

11.30 am to 12.25 pm

Welcome Address – Rupen Patel

Good Morning Shareholders. I extend a warm welcome to each one of them present through the virtual event of the 73rd Annual General Meeting of the Company. To begin with hope all of you and your families are well and keeping safe. Though it would have been a pleasure to meet you all in person, we believe that gathering virtually is a safe and efficient way of transacting our business in the prevailing environment and I look forward to your cooperation in this smooth conduct of today's meeting. Thank you.

Before we start the main proceeding of the meeting, let me introduce the Board members on the video conference.

Mr. K. Ramasubramanian (Independent Director and Chairman of Audit Committee and Nomination and Remuneration Committee), Ms. Kavita Shirvaikar, (Whole time Director & CFO), Mr. Sunil Sapre (Whole time Director), Dr. Barendra Kumar Bhoi (Independent Director) and Ms. Sunanda Rajendran (Independent Director).

Rupen Patel

Apart from them, we also have the key executives and senior management joining from their respective locations.

Mr. T.P. Ostwal, representing T. P. Ostwal & Associates LLP, the Statutory Auditor and Mr. Omkar Dindorkar, representing MMJB and Associates LLP, Secretarial Auditor of the Company, have also joined this meeting.

We have the requisite quorum present through video conference to conduct the proceeding of this meeting. Participation of members through video conference is being reckoned for the purpose of quorum as per the circulars by MCA and Section 103 of the Companies Act, 2013. The quorum being present, I call this meeting to order.

I now request Shobha Shetty, Company Secretary, to provide general instructions to the members regarding participation in this Meeting.

Shobha Shetty

Good Morning everyone! Members may note that this AGM is being held through Video conference in accordance with the provisions of Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI from time to time. The Statutory Registers/Documents, has been made available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send their requests to investors@pateleng.com.

As the AGM is being held through VC, the facility for appointment of proxies by the members was not applicable and hence the proxy register is not available for inspection.

The Company received requests from a few members to register them as speakers at the meeting. Accordingly, the floor will be open for these members to ask questions and answers.

The Company had provided the facility to cast the votes electronically, on all resolutions set forth in the Notice. Members who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL. Members can click on "Vote" tab on the video conference screen to avail this feature. Members are requested to refer to the Instructions provided in the notice for a seamless participation through video conference. In case members face any difficulty, they may reach out on the helpline numbers.

Thank you very much.

Rupen Patel addressing the shareholders:

Dear Shareholders,

"I thank you all for being present at this 73rd AGM of our esteemed company, M/s. Patel Engineering Ltd.

Let me brief you on the performance of the company in the last financial year ended March 31, 2022 and the overall market scenario post Covid-19 pandemic. The last financial year ended March 31, 2022 was a very challenging year as we had to recover from the impact of Covid-19 which had affected everyone in the previous year and also needed to grow at a good pace.

Given the commitment of the people of the organization and various initiatives taken by the govt. helped strengthening of the order book and resulted to improvement of financial performance and laid a foundation base for growth going forward.

On a consolidated basis -

Revenue from Operations for FY22 was Rs. 3,380.29 crore up 69.5% from Rs. 1,994.79 crore in FY 21. Net Profit for FY22 stood at Rs.54.75 crore against a loss of Rs. 298.22 crore in FY 21.

On a standalone basis -

Revenue from Operations for the year was Rs. 3,027.80 crore up 76.1% from Rs. 1,719.12 crore in FY21. Net Profit for the year stood at Rs. 52.49 crore up from a loss of Rs.138.39 crore in FY21.

The improvement in the financial performance is attributed to the overall growth of the company in terms of order book and execution across all existing projects.

With continuous focus on bidding for new projects which are self-sustaining, I am happy to inform everyone that our Order Book as on March 31, 2022 stands at 15,011 cr. Further in Q1 FY23 we received three major orders amounting to Rs. 3,300 crore and with this as of June 30, 2022 our order book stands at INR 17,824 crore – which is the highest for the Company in our history.

We work with mostly central PSUs and state government organizations, namely, NHPC, SJVNL, HPPCL, IRCON, CVPPL, NEEPCO, TANGENDCO etc.

We have almost doubled our workforce to more than 4,000 as on March 31, 2022 compared to the previous year. Our dedicated team has achieved some key milestones over the last year which make me immensely proud. Notable among them are:

- We achieved the fastest boring and maximum record progress of 653M in one month – January 2022 at our AMT-II Water Tunnel Project located in Mumbai.
- There was a record achievement of 775Mtr Arch Lining Progress in a single month at our T2 project.

We have also gained recognition from National Geographic Channel and our Subansiri Project has been documented by their team and aired on television recently.

The Company's focus continues to be in its core competency areas of Hydro Power, Irrigation and Tunnelling works apart from other segments like Urban Infrastructure and Roads.

As of March 31, 2022 - Around 61.5% of our order book comprised of Hydro power projects; 17.5% Irrigation projects, 11.2% Tunnel projects and rest from Roads, Urban Infrastructure and Others.

The sector wise revenue break-up on a standalone basis for FY 22 is – Hydro – 43%, Tunnel - 27%, Roads – 16%, Irrigation – 7%, Urban Infrastructure & Others – 7%.

Financial Position –

The company has successfully managed to reduce its debt over the last few years to current levels of around 2,000cr on a standalone basis, mainly by monetizing non-core assets being real estate and arbitration awards/claims. On a Consolidated basis, the debt position as on 31 March, 2022 was 2,262cr.

The debt equity ratio over the years has decreased considerably from a peak level of 2.80 levels in FY'16 to around 0.80 levels currently on standalone basis.

NCLT has recently approved merger of 14 subsidiaries with the parent, with this we are moving towards reducing various compliance and statutory costs and improving the financial position by consolidating assets on standalone balance sheet.

With constant focus on reduction of debt and undertaking execution of works across all project sites at a good pace given the strong order book position, the Company is looking forward to continue the momentum in FY 23.

Till now, in Q1 FY23 the Company has been able to show improved performance where consolidated revenue was Rs.973.91 crore up 46.2% from Rs. 666.25 crore YoY and Net Profit for Q1 FY23 stood at Rs.31.25 crore up from Rs.1.74 crore YoY.

With support from our lenders and stake holders and commitment of our employees and other people associated with the company we expect to build a strong organization and achieve great success in the future.

Rupen Patel

As the Notice is already circulated to all the members, I take the Notice convening the meeting as read. The auditor's report on the annual accounts does not contain any qualifications, observations or comments. The auditor's report be considered read at this meeting.

Before we proceed, I am pleased to bring to your notice that, as required under the Companies Act, 2013, the Company had provided you all the facility to cast your vote electronically, on all resolutions set forth in the Notice. Members who have not cast their vote electronically and who are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by NSDL. Members may please note that there will be no voting by show of hands.

We will open the floor for any questions by members after all the resolutions are tabled.

Resolutions:

1. **Item no.1** - To adopt and consider:
 - a. the audited Financial Statements of the Company for financial year ended March 31, 2022, together with the Reports of the Board and Auditors thereon.

- b. the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of the Auditors thereon.
2. **Item no. 2** - To appoint Ms. Kavita Shirvaikar (DIN: 07737376) as Director who retires by rotation and, being eligible, offers herself for re-appointment.
 3. **Item no. 3** - Appointment of Statutory Auditors of the Company.
 4. **Item no. 4** - Ratification of Cost Auditor's Remuneration for FY 2021-2022.
 5. **Item no. 5** - Issue and allot upto 1,57,72,870 Equity Shares on Preferential Basis to Foreign Portfolio Investor (FPI)
 6. **Item no. 6** - Raising of Funds through issue of equity shares or other securities upto an amount of ₹ 500 crore.

If any member desires to ask any question pertaining to any item on the Notice, he/she may do so now. Members are requested to keep their questions brief and specific.

Before we go live with the Q&A, here are some points to note for your convenience. Kindly turn on your video when you are projected on the broadcast screen, kindly unmute yourself, and proceed to ask the question. Please mention your name, Folio Number, and the location from where you are joining. Each shareholder will have three minutes for their questions. To avoid repetition, we will respond to all the questions at the end.

Now we request **speaker no. 1 Mr. Bharat Shah** to unmute himself and kindly proceed with the questions.

Shobha Shetty -

Ms. Smita Shah (speaker no. 2) you may speak:

Ms. Smita Shah

- Respected Chairman and other Directors, I take this opportunity to compliment the Chairman for the hard work put in by the management for taking the Company forward during difficult times and also for bagging good project awards. I wish good luck and pray that the company will progress and achieve new heights. All the best.
- Further, I require clarification on local CSR activities carried out by the Company and also about the future CSR activities.
- I have received the Annual Report which is simple sober and with good information for the shareholders and also congratulate Ms. Shobha for good investor services.
- Further, I request the Chairman to conduct the AGM physically.
- Conveyed Mr. Bharat Shah's (speaker no. 1) regards to the management for their efforts in putting in the efforts for tiding the Company through difficult times and conveyed his best wishes for future of the Company.

Shobha Shetty –

Thank you Ms. Smita Shah. Now, I directly move to Speaker no. 3 as Ms. Smita Shah was speaker no. 2 - **Mr. Binal Kumar Agarwal**

Mr. Bimal Kumar Agarwal

- Good morning to every one! I thank the Company Secretary and the management.

- What is the Impact of Crude rising, interest rate and dollar on our Company? And what is the future road map for the Company, kindly explain. That's all from me. Thank you very much.

Shobha Shetty –

Thank you Mr. Bimal. Our next speaker, speaker no. 4 - **Mr. Yusuf Rangwala,**

Mr. Yusuf Rangwala

- Good Morning Sir! I congratulate the Ms. Shobha for providing the direct link and for sending the physical copy of Annual Report. The Annual Report which consists of around 29 pages is made very elaborately and I commend the Chairman Speech provided in the Report.
- I would like to know how many new Road Projects will be coming up. And also about the Company's competitors.
- I request for a physical meeting in the next year and I request the Company Secretary to schedule a factory visit post this Diwali.

Shobha Shetty –

Thank you Mr. Rangwala. We can move to the next speaker, **Mr. Kotwani.**

Mr. Hiranand Kotwani

- Great Pleasure to join you! The Company's performance is good as compared to previous years. Hard work and sacrifice would give us results, I have gone through the balance sheet, now we are moving ahead.

Shobha Shetty –

Mr. Kotwani your voice is not clear.

Mr. Hiranand Kotwani

- Hello! Good wish to the Company, our company is doing better I know huge amount is held up in contracts, now our company is improving. Hard work and sacrifice will give us dividend in the years to come.

Shobha Shetty –

Thank you Mr. Kotwani. Our next speaker **Mr. Arun Kumar Boppana.**

Dr. Arun Kumar Boppana

- Good Morning to everybody. Rupen bhai and Kavita, I hope you are doing well. Kavita compliments to doing well. Mr. Ramasubramanian sir, regards. I am happy you turned profitable, now you are on the tip, you will explode. Rupen bhai, with this Modi Government, I am not happy with 17,000 crore. I think after L & T and Mega project from Hyderabad dominating.
- Kavita compliments to you, you have retired a lot of debt, and how much are you going to retire this year? When are you going to be zero debt? I think from now on we need to move north wards. Are you going to raise any funds from the shareholders, we are ready to give. Ms. Kavita Shirvaikar for reducing debt of the company and want to know about the plans of the Company in reduction of the further debt and when the Company would reach the zero debt position?

- Also want to know about the man power planning in the Company. Do you have good HR team. Thank you very much. Good bye.

Shobha Shetty –

Thank you Mr. Arun. Our next speaker is **Mr. Rajendra Sheth.**

Mr. Rajendra Sheth

- Management Team, Chairman and fellow Shareholders, I am Rajendra Sheth from Thane. I thank the Chairman and the management for the good financial performance of the Company. I also thank the secretarial team.
- I have only two questions, I require details about irrigation and road constructions projects and penetration of the Company in two tier and three tier cities under real estate sector. Thank you sir.

Shobha Shetty –

Thank you Mr. Sheth. Our next speaker is Mr. Mukesh Mohan. Mr. Mukesh Mohan is not there. We proceed with the next speaker. Mr. Goutam Nandy. Mr. Goutam Nandy is also not available. We proceed with **Ms. Vasudha Vikas.**

Ms. Vasudha Vikas Dakwe

- Very Good Morning, respected Chairman Sir, Board of Directors and my fellow shareholders. Myself Vasudha from Thane. I would like to congratulate the secretarial team for sending the soft copy Annual Report well in advance which itself is clear and transparent. Most of the questions were asked by the previous shareholders and I don't want to take much time only I would like to suggest please look into the matter of unpaid dividend, if any which is going to be transferred to the IEPF.
- My best wishes for the upcoming festivals of Ganpati, Dasshera and Diwali to all. Thank you very much.

Shobha Shetty –

Thank you Ms. Vasudha. We will proceed, our next speaker Mr. Kirit Shah. He is not there. Our last speaker is **Mr. Aspi Behsani**

Mr. Aspi Behsani

- I Aspi from Bombay. I am missing the physical meeting which we used to have every time. This is the 73rd year, so how do you propose to celebrate the 75th year which will be after two years. Sir, what are the Order in hand and when do you expect to complete them at least how many will you complete in the current year. Thank you very much and all the best for your future.

Rupen Patel

I thank the members for their good wishes and welcome all suggestions made by the members. I would like to provide the following responses:

1. Order book is ~ ₹ 17000 crore which is the highest that the Company has ever had. With the BJP Government, there is a lot of focus on our key areas i.e. Hydro, Power and irrigation. And also water sector because of the moto of the government being water to every village. The Road sector continues to be a very competitive sector, and the Company would continue its presence in this segment but not a large part of the order book would comprise of Roads. A major portion of the order book would come from hydro and power segment as they being high margin areas.

2. In so far as the growth is concerned, as the government emphasizes spending on the infrastructure building, the Company's order book will keep growing till March 2023. The Company anticipates on taking up larger projects. Further as the Company is back on track post the COVID, it would also focus on further debt reduction.
3. In so far as CSR activities are concerned, the details are provided in page 69 of the Annual Report and the CSR are being conducted in and around the project sites as most the project sites are in the remote and interior areas of the Country.

Kavita Shirvaikar (Whole time Director & CFO) added

1. The current debt position of the Company is around ₹ 2,000 crore, the Company has reduce its debt from ₹ 5,500 crore to ₹ 2,000 crore, which is a reduction of around ₹ 3,500 crore in the last five years. Going forward the Company proposes to reduce its debt by ₹ 500 to 600 crores through monetization of real estate and realization of arbitration claims in the next 2-3 years.
2. The order book of approx. ₹ 17,800 crore is spread across next 4-5 years, which is expected to provide a growth of around 10-15% in revenue.
3. As regards increase in the crude prices is concerned, all the projects of the Company are covered by escalation as per WPI Index and the Company has no foreign currency borrowings in the balance sheet, there is no impact on the increase in dollar rate.

Rupen Patel

Members may note that the voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, members who have not cast their vote yet are requested to do so. The Board of Directors has appointed M/s. Makarand Joshi & Co, Practicing Company Secretary, as the scrutinizer to supervise the e-voting process. Further, I hereby authorize Shobha Shetty, the Company Secretary, to declare the result of the voting and place the results on the website of the Company at the earliest. The resolutions, as set forth in the Notice, shall be deemed to be passed today subject to receipt of requisite number of votes.

Thank you all for attending the meeting and I hereby declare the proceedings as closed.

Thank you very much and see you next year.