



KNR Constructions Limited.

Dated 14th November 2019

Ref: KNRCL/SD/2019/184 & 185

To
BSE Limited
P J Towers, Dalal Street,
Fort, MUMBAI - 400001

BSE Code: 532942

To
National Stock Exchange of India Limited
"Exchange Plaza",
Bandra Kurla Complex,
Bandra (E), MUMBAI - 400051

NSE Symbol: KNRCON

Sir,

Sub: - Proceedings of the Board Meeting as per Regulation 33

With reference to the above, we wish to inform you that in the just concluded Meeting of the Board of Directors of the Company, inter-alia considered and approved the Un-audited Financial Results (Standalone & Consolidated) for the Quarter / Half Year ended 30th September 2019, duly reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company, at its meeting held today.

We also enclosed a copy of the Limited Review Report of the Auditors of the Company on the Unaudited Financial Results (Standalone & Consolidated) of the Company for the Quarter / Half Year ended 30th September 2019, as required under Regulation 33 of the Listing Regulations.

We hereby declare that the Unaudited Report in respect of Standalone and Consolidated Financial Statements for Quarter / Half Year Ended 30th September 2019 is unmodified.

This is for your information and records.

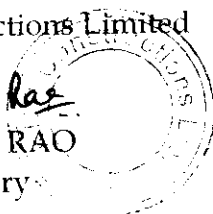
Yours sincerely,

for KNR Constructions Limited

M.V. Venkata Rao

M. V. VENKATA RAO

Company Secretary



KNR CONSTRUCTIONS LIMITED

CIN: L74210TG1995PLC130199

Regd. Office: KNR House, 3rd & 4th Floor, Plot No: 114, Phase-I, Kavuri Hills, Hyderabad - 500 033

Ph: 040-40268759 /61 /62 Fax: 040-40268760; website: knrcl.com; E-mail: investors@knrcl.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

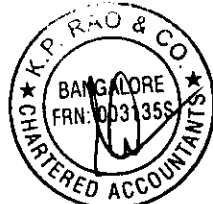
(Rupees in Lakhs, except share data)

Sl. No.	PARTICULARS	Quarter ended			Half Year ended		Year ended
		September 30	June 30	September 30	September 30	September 30	March 31
		2019	2019	2018	2019	2018	2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Revenue from Operations (Refer note : 7)	54,619.65	46,460.28	41,628.94	101,079.93	97,264.83	213,725.62
2.	Other Income (Refer note : 7)	2,556.12	1,677.57	881.20	4,233.69	2,657.53	6,338.58
3.	Total income (1+2)	57,175.77	48,137.85	42,510.14	105,313.62	99,922.36	220,064.20
4.	Expenses						
	a) Cost of materials consumed	17,208.33	18,598.63	16,522.01	35,806.96	30,220.48	64,320.14
	b) Sub contract Expenses	1,218.32	4,143.27	3,935.97	5,361.59	7,923.22	17,550.87
	c) Spreading & Assortment Expenses	13,143.18	7,790.16	5,841.95	20,933.34	24,008.17	56,938.65
	d) Employee benefits expense	3,628.45	2,714.02	2,492.63	6,342.47	4,451.86	9,285.73
	e) Finance Costs	976.18	903.82	742.38	1,880.00	1,461.79	2,910.25
	f) Depreciation and amortization expense	4,751.88	3,887.40	3,926.36	8,639.28	7,526.60	16,810.65
	g) Other expenses	6,843.73	4,212.08	4,522.13	11,055.81	11,361.07	22,933.77
	Total Expenses (a to g)	47,770.07	42,249.38	37,983.43	90,019.45	86,953.19	190,750.06
5.	Profit / (loss) before exceptional items and tax (3 - 4)	9,405.70	5,888.47	4,526.71	15,294.17	12,969.17	29,314.14
6.	Exceptional Items (Refer note: 5 & 6)	400.61	-	-	400.61	-	254.96
7.	Profit / (loss) before tax (5 - 6)	9,005.09	5,888.47	4,526.71	14,893.56	12,969.17	29,059.18
8.	Tax Expense						
	Current Tax	2,484.69	1,400.59	995.59	3,885.28	2,773.99	6,046.55
	Tax relating to earlier years	0.61	-	-	0.61	-	49.58
	MAT credit entitlement	-	-	(101.92)	-	(302.63)	(591.11)
	Deferred Tax	(489.49)	(283.87)	(867.25)	(773.36)	(1,402.77)	(2,772.34)
	Total Tax Expense	1,995.81	1,116.72	26.42	3,112.53	1,068.59	2,732.68
9.	Net Profit/(Loss) after tax (7 - 8)	7,009.28	4,771.75	4,500.29	11,781.03	11,900.58	26,326.50
10.	Other Comprehensive Income (OCI) [Net of tax]	(0.19)	(0.20)	(31.63)	(0.39)	(63.27)	(0.77)
11.	Total Comprehensive Income (9+10)	7,009.09	4,771.55	4,468.66	11,780.64	11,837.31	26,325.73
12.	Paid up equity share capital (Face Value Rs.2/- per share)	2,812.35	2,812.35	2,812.35	2,812.35	2,812.35	2,812.35
13.	Other Equity						138,618.54
14.	Earnings Per Share (EPS)						
	a. Basic EPS Rs.	4.98*	3.39*	3.20*	8.38*	8.46*	18.72
	b. Diluted EPS Rs.	4.98*	3.39*	3.20*	8.38*	8.46*	18.72

* Not annualised

Notes:

- The above Standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on November 14, 2019.
- The above results are in compliance with the Indian Accounting Standards (IND AS) specified under the section 133 of the Companies Act, 2013 read with SEBI circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016 & amendments thereto and were subjected to limited review by the Statutory Auditor of the Company.
- The Statutory Auditors have carried out limited review of the unaudited standalone financials results for quarter and half year ended September 30, 2019.
- The Standalone figures for the quarter ended September 30, 2019 are the balancing figures between the un audited figures for the half year ended September 30, 2019 and unaudited published standalone figures up to quarter ended June 30, 2019.
- For the quarter and half year ended September 30, 2019, One of the wholly owned subsidiary i.e. KNR Chidambaram Infra Pvt Ltd., (KCIPL), has been notified by NHAI that the Concession Agreement of the KCIPL is deemed terminated w.e.f., 11th April, 2019 "as per clause 4.5 of the Concession Agreement". The company has written off its investments in KCIPL amounting to Rs. 835.00 lakhs and written back its liabilities to the tune of Rs. 434.39 lakhs, accordingly the net impact of Rs. 400.61 lakhs was shown as exceptional items in the Statement of Profit and Loss, accordingly the EPC Contract has also been deemed terminated.
- For the year ended March 31, 2019, the company has written off its investments in two foreign subsidiary companies which is amounting to Rs. 254.96 lakhs, which is reflected as exceptional items in the Statement of Profit and Loss.
- During the quarter and half year ended September 30, 2019 the Company has received an Arbitration claim in one of the project for an amount of Rs. 5,714.84 lakhs (includes interest of Rs. 2,175.17 lakhs), with respect to the above claim an amount Rs. 1,216.36 lakhs has been adjusted against existing Company Receivables and an amount of Rs. 510.89 lakhs has been accounted towards expenditure.
- The Company has adopted Ind AS 116 'Leases' from April 1, 2019 and applied the standard to all lease contracts existing on the date of initial application i.e. April 1, 2019. The Company has used the modified retrospective approach for transitioning to Ind AS116 with right-of-use asset recognized at an amount equal to the lease liability. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted, and the impact of the same on the statement of profit or loss for the quarter and half year ended September 30, 2019 is not material.
- The company is primarily engaged in "Construction and Engineering activities" and there are no other reportable segments under Ind As 108 "Operating Segments".
- The Company has entered into Share Purchase Agreements (the "SPAs") with Cube Highways and Infrastructure III Pte. Ltd. (the "Investor") for the following 3 wholly owned subsidiaries (the "SPVs") of HAM Projects - 1) KNR Srirangam Infra Private Limited on 28-01-2019, 2) KNR Tirumala Infra Private Limited on 11-02-2019, 3) KNR Shankarapet Projects Private Limited on 16-08-2019. Pursuant to SPAs, the Company will, in a phased manner, sell to the Investor its entire shareholding in the SPVs, subject to the shareholding transfer restrictions set out in the concession agreement (s) executed between National Highway Authority of India and the respective SPVs and subject to various regulatory and lenders' approvals.
- Figures for the previous year/period have been regrouped/re-classified to confirm to the figures of the current period.



For KNR Constructions Ltd.

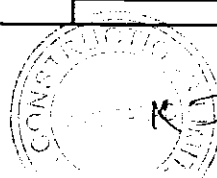
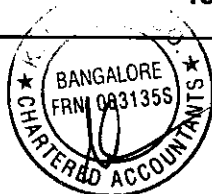
K. Jalandhar Reddy
 Executive Director
 DIN: 00434911

Place : Hyderabad
 Date : 14-Nov-2019

STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2019

(Rs. In Lakhs)

PARTICULARS	As at	
	September 30, 2019 (Unaudited)	March 31, 2019 (Audited)
I ASSETS		
1) NON-CURRENT ASSETS		
a) Property, plant and equipment	42,570.01	37,091.68
b) Capital work-in-progress	560.10	0.99
c) Right of Use Asset	180.20	-
d) Investment property	6,587.97	6,299.84
e) Other Intangible assets	19.29	10.95
f) Financial Assets		
i) Investments	18,695.71	11,916.71
ii) Other Investments	51,239.33	50,084.33
iii) Loans	271.79	260.57
iv) Other financial assets	122.57	254.98
g) Deferred tax assets (net)	16,869.66	17,390.76
h) Non current tax assets (Net)	1,993.43	1,378.28
i) Other non-current assets	11,509.00	11,833.43
Total non-current assets	150,619.06	136,522.52
2) CURRENT ASSETS		
a) Inventories	10,524.11	9,509.32
b) Financial assets		
i) Investments	-	9.99
ii) Trade receivables	29,240.51	23,440.67
iii) Cash and cash equivalents	599.12	582.83
iv) Bank balances, other than (iii) above	1,230.31	718.92
v) Loans	374.45	394.18
vi) Other financials assets	18,182.44	20,709.31
c) Current tax assets (Net)	1,800.89	-
d) Other current assets	48,307.12	35,144.35
Total current assets	110,258.95	90,509.57
TOTAL ASSETS	260,878.01	227,032.09
II EQUITY AND LIABILITIES		
EQUITY		
a) Equity Share capital	2,812.35	2,812.35
b) Other equity	149,721.09	138,618.54
Total Equity	152,533.44	141,430.89
LIABILITIES		
1) NON - CURRENT LIABILITIES		
a) Financial liabilities		
i) Borrowings	21,230.24	22,124.33
ii) Lease Liability	75.45	-
iii) Other financial liabilities	15.36	15.36
b) Provisions	587.82	466.85
c) Other non-current liabilities	1,302.09	1,324.53
Total non-current liabilities	23,210.96	23,931.07
2) CURRENT LIABILITIES		
a) Financial liabilities		
i) Borrowings	7,795.24	1,694.14
ii) Trade Payables :		
Dues to MSME enterprises	626.68	550.23
Dues to other than MSME enterprises	22,048.70	21,810.41
iii) Other financial liabilities	16,090.84	16,662.99
b) Provisions	439.20	1,175.94
c) Other current liabilities	37,738.11	19,382.42
d) Current tax liabilities (Net)	394.84	394.00
Total current liabilities	85,133.61	61,670.13
TOTAL EQUITY AND LIABILITIES	260,878.01	227,032.09



K. Subudhal Reddy

UNAUDITED STANDALONE CASHFLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2019
(Rs. In Lakhs)

PARTICULARS	Half Year Ended	
	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)
A) Cash flow from Operating Activities		
Profit before tax	14,893.56	12,969.17
Adjustments for:		
Depreciation and Amortisation	8,639.28	7,526.60
Loss/(Profit) on sale of Property, Plant and Equipment, Investment Property(Net)	(228.25)	(59.48)
Liabilities no longer required Written Back	(381.77)	(42.86)
Provision for Doubtful Advances written back	-	(620.53)
Bad Debts / Advances Written Off	149.12	0.70
(Gain) / Loss on Mutual Funds	-	(200.27)
Un winding Interest on Fair Value of Financial Instruments	(11.22)	(5.80)
Investment Written off	400.61	-
Dividend received on current investments	(0.03)	(128.51)
Finance cost	1,880.00	1,461.79
Interest Income	(2,814.34)	(238.71)
Operating profit before working capital changes	22,526.96	20,662.10
Changes in working capital:		
(Increase)/Decrease in Trade and Other Receivables and prepayments	(16,625.43)	10,195.34
(Increase)/Decrease in Inventories	(1,014.79)	(1,295.83)
Increase/(Decrease) in Trade and other Payables	17,884.99	(3,669.55)
Cash generated/ (used) from Operations	22,771.73	25,892.06
Income Taxes (paid) / Refund	(4,981.01)	(2,423.99)
Net Cash flows from / (used in) Operating Activities- (A)	17,790.72	23,468.07
B) Cash flow from Investing Activities		
Proceeds from sale of property, plant and equipment	322.93	197.26
Purchase of property, plant and equipment and Capital Work-in-Progress	(14,606.41)	(9,320.82)
Interest Received	2,670.07	168.46
Bank Balances not considered as cash and cash equivalents	(511.39)	0.16
Loans/Advances to Subsidiaries/Associates and others	19.73	929.69
Investments in Subsidiaries, Associates and Others	(8,759.01)	(14,581.13)
Dividend received on current investments	0.03	128.51
TDS on Interest Received	(25.41)	(13.70)
Net Cash flows from / (used in) Investing Activities- (B)	(20,889.46)	(22,491.57)
C) Cash flow from Financing Activities		
Proceeds from borrowings	921.00	3,350.58
Repayment of borrowings	(1,793.63)	(1,335.85)
Increase / (decrease) in short term borrowings	6,101.10	-
Finance cost paid	(2,113.44)	(1,622.26)
Net Cash Flows from / (used in) Financing Activities- (C)	3,115.03	392.47
Net increase/(decrease) in cash and cash equivalents - (A+B+C)	16.29	1,368.97
Cash & Cash Equivalents at the beginning of the year	582.83	3,706.45
Cash & Cash Equivalents at end of the year (Refer Note)	599.12	5,075.42
Note:		
Cash & Cash equivalents		
Cash on hand	54.88	38.33
Bank Balance - Current Account	544.24	5,037.09
Total Cash & Cash equivalents	599.12	5,075.42



K. J. Sankhal Reddy

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H.N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Ph.: 040-23322310
E Mail : info.hyderabad@kprao.co.in

Limited review report on the Quarterly and Year to date Unaudited Standalone Financial Results of KNR Constructions Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**TO THE BOARD OF DIRECTORS OF
KNR CONSTRUCTIONS LIMITED**

1. We have reviewed the accompanying Statement of standalone unaudited financial results ("the Statement") of KNR Constructions Limited (the 'Company') for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the figures for net cash inflows for the corresponding period from April 1, 2018 to September 30, 2018 as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard for Interim Financial Reporting Ind AS 34, prescribed under section 133 of Companies Act, 2013 read with relevant rules issued thereunder, other accounting principles generally accepted in India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

2. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Head Office

Bangalore : 'Poornima', 11nd Floor, 25, State Bank Road, Bangalore - 560 001. Ph.:080-25587385/ 25586814

Branches

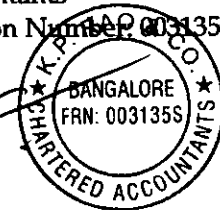
Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971

Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044-24903137 / 45511564

3. Based on our review, nothing has come to our attention that causes us to believe that the accompanying Statements prepared in accordance with the applicable Indian Accounting Standards and the recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with SEBI Circular no CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For K.P. Rao & Co.,
Chartered Accountants
Firm's Registration Number: 003135S


Mohan R Lavi
Partner



Place: Hyderabad
Date: November 14, 2019

Membership Number: 029340
UDIN: 19029340AAAABP4850

KNR CONSTRUCTIONS LIMITED

CIN: L74210TG1995PLC130199

Regd. Office: KNR House, 3rd & 4th Floor, Plot No: 114, Phase-I, Kavuri Hills, Hyderabad - 500 033
Ph: 040-40268759 /61 /62 Fax: 040-40268760; website: knrcl.com; E-mail: investors@knrcl.com

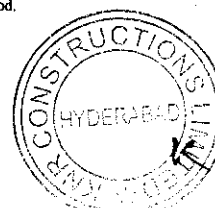
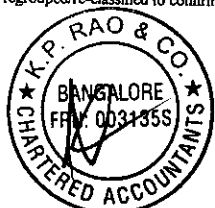
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

Sl. No.	PARTICULARS	(Rupees In Lakhs, except share data)					
		Quarter ended			Half Year ended		Year ended
		September 30	June 30	September 30	September 30	September 30	March 31
		2019	2019	2018	2019	2018	2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1.	Revenue from Operations (Refer note : 7)	58,707.30	53,071.57	45,042.04	111,778.87	104,230.06	229,150.32
2.	Other Income (Refer note : 7)	2,732.62	1,873.80	962.81	4,606.42	3,107.06	7,434.40
3.	Total income (1+2)	61,439.92	54,945.37	46,004.85	116,385.29	107,337.12	236,584.72
4.	Expenses						
	a) Cost of materials consumed	17,208.33	18,598.64	16,523.47	35,806.97	30,226.52	64,378.29
	b) Sub contract Expenses	1,218.32	4,143.27	4,413.04	5,361.59	8,749.01	18,401.27
	c) Construction cost	196.24	3,381.75	-	3,577.99	-	446.59
	d) Spreading & Assortment Expenses	13,171.79	7,811.20	6,052.17	20,982.99	24,259.28	57,418.23
	e) Changes in inventories of finished goods and work in progress	-	-	-	-	40.00	(130.75)
	f) Employee benefits expense	3,672.77	2,754.11	2,539.39	6,426.88	4,543.81	9,477.35
	g) Finance Costs	2,378.80	2,367.80	2,288.74	4,746.60	4,593.26	8,906.55
	h) Depreciation and amortization expense	6,308.44	5,443.62	5,411.79	11,752.06	10,497.57	23,013.23
	i) Other expenses	7,415.41	4,800.27	5,181.72	12,215.68	12,563.36	25,491.77
	Total Expenses (a to i)	51,570.10	49,300.66	42,410.32	100,870.76	95,472.81	207,402.53
5.	Profit / (loss) before exceptional items and tax (3 - 4)	9,869.82	5,644.71	3,594.53	15,514.53	11,864.31	29,182.19
6.	Exceptional Items (Refer note : 5 & 6)	400.61	-	-	400.61	-	254.96
7.	Profit / (loss) before tax (5 - 6)	9,469.21	5,644.71	3,594.53	15,113.92	11,864.31	28,927.23
8.	Tax Expense						
	Current Tax	2,483.27	1,405.74	1,001.24	3,889.01	2,786.30	6,067.59
	Tax relating to earlier years	0.61	(3.39)	-	(2.78)	-	52.38
	MAT credit entitlement	-	-	(101.92)	-	(302.63)	(591.11)
	Deferred Tax	(478.87)	(283.88)	(867.25)	(762.75)	(1,402.77)	(2,782.25)
	Total Tax Expense	2,005.01	1,118.47	32.07	3,123.48	1,080.90	2,746.61
9.	Net Profit/(Loss) after tax (7 - 8)	7,464.20	4,526.24	3,562.46	11,990.44	10,783.41	26,180.62
10.	Share of profit / (loss) of associates and joint Controlled Entity	842.37	(72.09)	(1.47)	770.28	14.38	308.60
11.	Net Profit/(Loss) after tax and share of profit / (loss) of associates and joint controlled entity (9 + 10)	8,306.57	4,454.15	3,560.99	12,760.72	10,797.79	26,489.22
	Attributable to:						
	Shareholders of the Company	8,590.49	4,289.42	3,884.35	12,879.91	11,124.22	27,051.12
	Non-Controlling Interest	(283.92)	164.73	(323.36)	(119.19)	(326.43)	(561.90)
12.	Other Comprehensive Income (OCI) [Net of tax]	(0.24)	0.03	(31.91)	(0.21)	(63.27)	0.16
13.	Total Comprehensive Income (11+12)	8,306.33	4,454.18	3,529.08	12,760.51	10,734.52	26,489.38
	Attributable to:						
	Shareholders of the Company	8,590.25	4,289.45	3,852.44	12,879.70	11,060.95	27,051.28
	Non-Controlling Interest	(283.92)	164.73	(323.36)	(119.19)	(326.43)	(561.90)
14.	Paid up equity share capital (Face Value Rs.2/- per share)	2,812.35	2,812.35	2,812.35	2,812.35	2,812.35	2,812.35
15.	Other Equity						127,420.26
16.	Earnings Per Share (EPS)						
	a. Basic EPS Rs.	6.11*	3.05*	2.76*	9.16*	7.91*	19.24
	b. Diluted EPS Rs.	6.11*	3.05*	2.76*	9.16*	7.91*	19.24

* Not annualised

Notes:

- The above Consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on November 14, 2019.
- The above results are in compliance with the Indian Accounting Standards (IND AS) specified under the section 133 of the Companies Act, 2013 read with SEBI circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016 & amendments thereto and were subjected to limited review by the Statutory Auditor of the company.
- The Statutory Auditors have carried out limited review of the unaudited Consolidated financials results for quarter and half year ended September 30, 2019, and the unaudited Consolidated financial results for the quarter and half year ended September 30, 2018 are not subjected to limited review by the Statutory Auditor.
- The Consolidated figures for the quarter ended September 30, 2019 are the balancing figures between the un audited figures for the half year ended September 30, 2019 and unaudited published Consolidated figures up to quarter ended June 30, 2019.
- For the quarter and half year ended September 30, 2019, One of the wholly owned subsidiary i.e. KNR Chidambaram Infra Pvt Ltd., (KCIPL), has been notified by NHA that the Concession Agreement of the KCIPL is deemed terminated w.e.f, 11th April, 2019 "as per clause 4.5 of the Concession Agreement". Accordingly the net impact of Rs. 400.61 lakhs was shown as exceptional items in the statement of Profit and Loss, and the EPC Contract has also been deemed terminated.
- For the year ended March 31, 2019, the company has written off its investments in two foreign subsidiary companies which is amounting to Rs. 254.96 lakhs, which is reflected as exceptional items in the statement of Profit and Loss.
- During the quarter and half year ended September 30, 2019 the Company has received an Arbitration claim in one of the project for an amount of Rs. 5,714.84 lakhs (includes Interest of Rs. 2,175.17 lakhs), with respect to the above claim an amount Rs. 1,216.36 lakhs has been adjusted against existing Company Receivables and an amount of Rs. 510.89 lakhs has been accounted towards expenditure.
- The Company has adopted Ind AS 116 'Leases' from April 1, 2019 and applied the standard to all lease contracts existing on the date of initial application i.e. April 1, 2019. The Company has used the modified retrospective approach for transitioning to Ind AS116 with right-of-use asset recognized at an amount equal to the lease liability. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted, and the impact of the same on the Consolidated statement of profit or loss for the quarter and half year ended September 30, 2019 is not material.
- The company is primarily engaged in "Construction and Engineering activities" and there are no other reportable segments under Ind As 108 "Operating Segments".
- The Company has entered into Share Purchase Agreements (the "SPAs") with Cube Highways and Infrastructure III Pre. Ltd. (the "Investor") for the following 3 wholly owned subsidiaries (the "SPVs") of HAM Projects - 1) KNR Srirangam Infra Private Limited on 28-01-2019, 2) KNR Tirumala Infra Private Limited on 11-02-2019, 3) KNR Shankarampet Projects Private Limited on 16-08-2019. Pursuant to SPAs, the Company will, in a phased manner, sell to the Investor its entire shareholding in the SPVs, subject to the shareholding transfer restrictions set out in the concession agreement (s) executed between National Highway Authority of India and the respective SPVs and subject to various regulatory and lenders' approvals.
- Figures for the previous year/period have been regrouped/re-classified to confirm to the figures of the current period.



For KNR Constructions Ltd.,

K. Jalandhar Reddy

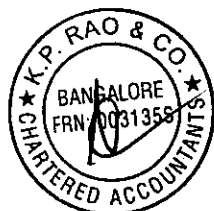
K. Jalandhar Reddy
Executive Director
DIN: 00434911

Place : Hyderabad
Date : 14-Nov-2019

STATEMENT OF UNAUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2019

(Rs. In Lakhs)

PARTICULARS	September 30, 2019 (Un-Audited)	March 31, 2019 (Audited)
I ASSETS		
1) NON-CURRENT ASSETS		
a) Property, plant and equipment	42,901.52	37,459.68
b) Capital work-in-progress	560.10	0.99
c) Right of Use Asset	180.20	-
d) Investment property	7,245.29	6,516.41
e) Other Intangible assets	84,983.32	88,075.44
f) Financial Assets		
i) Investments	4,067.46	3,297.18
ii) Other financial assets	41,410.99	14,167.51
g) Deferred tax assets (net)	16,869.66	17,476.91
h) Non current tax assets (Net)	3,171.20	1,904.76
i) Other non-current assets	17,057.49	16,017.92
Total non-current assets	218,447.23	184,916.80
2) CURRENT ASSETS		
a) Inventories	10,524.10	10,118.55
b) Financial assets		
i) Investments	2,322.04	1,896.24
ii) Trade receivables	8,936.13	9,680.10
iii) Cash and cash equivalents	1,774.53	990.11
iv) Bank balances, other than (iii) above	2,585.41	1,757.33
v) Loans	374.45	394.18
vi) Other financials assets	18,495.81	17,420.03
c) Current tax assets (Net)	2,029.56	1,351.87
d) Other current assets	51,823.63	44,380.28
Total current assets	98,865.66	87,988.69
TOTAL ASSETS	317,312.89	272,905.49
II EQUITY AND LIABILITIES		
EQUITY		
a) Equity Share capital	2,812.35	2,812.35
b) Instruments entirely equity in nature	850.00	850.00
c) Other equity	139,621.87	127,420.26
Equity attributable to share holders of the company	143,284.22	131,082.61
Non-Controlling interests	4,157.41	4,276.60
Total Equity	147,441.63	135,359.21
LIABILITIES		
1) NON - CURRENT LIABILITIES		
a) Financial liabilities		
i) Borrowings	65,282.07	68,991.99
ii) Lease Liability	75.45	-
iii) Other financial liabilities	163.70	177.90
b) Provisions	3,604.73	2,844.31
c) Other non-current liabilities	1,302.10	1,324.53
Total non-current liabilities	70,428.05	73,338.73
2) CURRENT LIABILITIES		
a) Financial liabilities		
i) Borrowings	7,795.24	1,694.14
ii) Trade Payables		
Dues to MSM enterprises	626.68	550.23
Dues to other than MSM enterprises	23,160.54	22,509.77
iii) Other financial liabilities	19,684.11	20,067.92
b) Provisions	1,180.81	1,917.55
c) Other current liabilities	46,600.99	17,071.47
d) Current tax liabilities (Net)	394.84	396.47
Total current liabilities	99,443.21	64,207.55
TOTAL EQUITY AND LIABILITIES	317,312.89	272,905.49

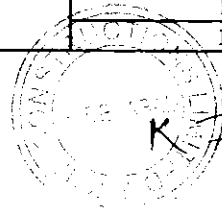
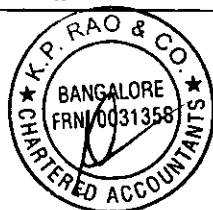


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UNAUDITED CONSOLIDATED CASHFLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2019

(Rs. In Lakhs)

PARTICULARS	HALF YEAR ENDED	
	September 30, 2019 (Un-Audited)	September 30, 2018 (Un-Audited)
A) Cash Flow from operating Activities		
Profit before tax	15,884.20	11,878.69
Adjustments for :		
Depreciation and Amortisation expense	11,752.06	10,497.57
Liabilities no longer required written back	(381.77)	(42.86)
Provision for Doubtful Advances written back	-	(620.53)
Bad debts/advances written off	149.13	0.71
(Gain)/Loss on sale of property, plant and equipment	(228.25)	(80.39)
(Gain) / Loss on Fair value of Financial instruments	(75.02)	(239.19)
Investments written off (Exceptional Item)	400.61	-
Finance Income on Financial Assets	(1,437.80)	-
Provision for Periodic maintenance	515.26	443.02
Dividend received on current investments	(0.03)	(128.51)
Un Winding Interest on Deferment of NHAI Premium	233.09	221.56
Un Winding Interest on Provision for MMR	123.20	66.75
Un Amortized Processing fee	9.19	24.31
Finance costs	4,381.12	4,280.64
Interest Income	(2,887.56)	(239.81)
	12,553.23	14,183.27
operating profit/(loss) before working capital changes	28,437.43	26,061.96
Working capital adjustments:		
(Increase)/Decrease in Trade and Other Receivables and prepayments	(35,474.58)	13,334.01
(Increase)/Decrease in Inventories	(405.55)	(1,295.83)
Increase/(Decrease) in Trade and other Payables	28,454.57	(8,436.53)
Cash generated / (Used in) From Operations	21,011.87	29,663.61
Share of profit/(loss) of an associate and a joint venture	(770.28)	(14.38)
Income Taxes (paid) / Refunds	(4,434.75)	(2,575.47)
Net Cash Flows from/(used in) Operating Activities - (A)	15,806.84	27,073.76
B) Cash Flow from Investing Activities		
Proceeds from sale of property, plant and equipment	372.82	299.28
Purchase of property, plant and equipment and Capital Work-in-Progress	(14,874.36)	(9,323.71)
Purchase/(Sale) of investments	(350.78)	(10,256.53)
Interest Received	2,752.42	168.47
Bank Balances not considered as cash and cash equivalents	(828.08)	0.31
Loans to Joint Venture Partners	19.73	898.47
Dividend received on current investments	0.03	128.51
TDS on Interest Received	(25.41)	(13.70)
Net Cash Flow from/ (used in) Investing Activities - (B)	(12,933.63)	(18,098.90)
C) Cash Flow from Financing Activities		
Proceeds from long term borrowings	921.00	9,554.25
Increase/(Decrease) from Short term borrowings	6,101.10	-
Repayment of borrowings	(3,425.08)	(12,226.42)
Deferred Payment of Liability	(1,071.25)	-
Finance cost paid	(4,614.56)	(4,316.65)
Net Cash Flow / (used in) Financing Activities - (C)	(2,088.79)	(6,988.82)
Net increase/ (decrease) in Cash and Cash Equivalents - (A+B+C)	784.42	1,986.04
Cash & Cash Equivalents at the beginning of the year	990.11	4,498.73
Cash & Cash Equivalents as at the end of the year (Refer Note)	1,774.53	6,484.77
Notes:		
Cash & Cash equivalents Includes:		
Cash in Hand	161.92	138.13
Bank Balance - current account	1,612.61	6,346.64
Total Cash & Cash equivalents	1,774.53	6,484.77



K. Jalandhar Reddy

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H.N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

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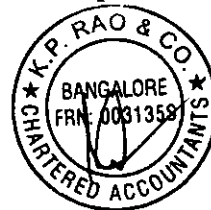
Limited review report on the Quarterly and Year to date Unaudited Consolidated Quarterly Financial Results of KNR Constructions Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**TO THE BOARD OF DIRECTORS OF
KNR CONSTRUCTIONS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of KNR Constructions Limited (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), and its share of the net profit/(loss) after tax and total comprehensive income / loss of its associates and joint venture for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the quarter and six months ended September 30, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review since the requirement of submission of quarterly consolidated financial results has become mandatory only from 1 April 2019 and the figures for net cash inflows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.

This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

2. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Head Office

Bangalore : 'Poornima', IInd Floor, 25, State Bank Road, Bangalor - 560 001. Ph.:080-25587385/ 25586814

Branches

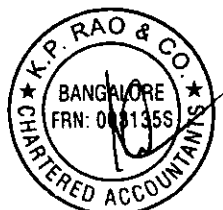
Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971

Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044-24903137 / 45511564

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

3. The Statement includes the results of the entities listed in the attached Annexure A.
4. Based on our review conducted and procedures performed as stated in paragraph 2 above and based on the consideration of the review reports of other auditors as referred in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation .33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the interim financial information of 10 joint operations included in the Standalone unaudited interim financial results whose financial information reflect total assets of ₹ 17,110.37 lakhs as at September 30, 2019 and total revenue of ₹ 8,098.69 lakhs and ₹ 15,650.89 lakhs, total profit after tax (net) of ₹ 228.73 lakhs and ₹ 487.96 lakhs total comprehensive income(net) of ₹ nil and ₹ nil for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 respectively considered in the standalone unaudited interim results. The interim financial information of these joint operations have been reviewed by the other auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on the report of such other auditors and the procedures performed by us as stated in paragraph 2 above.

We did not review the interim financial information of 11 subsidiaries (including one consolidated subsidiary) included in the consolidated unaudited financial information, whose interim financial information reflect total assets of ₹ 1,64,989.21 lakhs as at September 30, 2019 and total revenues of ₹ 34,336.31 lakhs and ₹ 61,576.03 lakhs, total profit after tax (net) of ₹ (379.81) lakhs and ₹ 655.45 lakhs, total comprehensive income (net) of ₹ (0.05) lakhs and ₹ 0.18 lakhs, for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 respectively, and net cash inflow ₹ 851.19 lakhs of as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of total profit after tax (net) of ₹ 842.37 lakhs and ₹ 770.28 lakhs for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 respectively considered in the consolidated unaudited financial results, in respect of 2 associates, whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates is based solely on



the reports of the other auditors and the procedures performed by us as stated in paragraph 2 above.

Our conclusion on the Statement is not modified in respect the above matter.

6. We did not review the interim financial information of 4 joint operations included in the Standalone unaudited interim financial results whose financial information reflect total assets of ₹ 11,550.95 lakhs as at September 30, 2019 and total revenue of ₹ 265.87 lakhs and ₹ 265.87 lakhs, total profit after tax (net) of ₹ 8.63 lakhs and ₹ 7.94 lakhs total comprehensive income(net) of ₹ nil and ₹ nil for the quarter ended September 30, 2019, and for the period from April 1, 2019 to September 30, 2019 respectively considered in the Standalone unaudited interim financial results. The interim financial information of these joint operations have not been reviewed by their auditors whose financial information have been furnished to us by the Management of the Company, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such interim financial information certified by the Management of the Company. According to the information and explanations given to us by the Management, these interim financial information are not material to the Company.

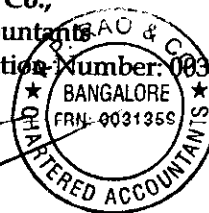
Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

7. The consolidated unaudited financial results also includes the Group's share of net profit after tax (net) of ₹ nil and ₹ nil total net comprehensive income (net) of ₹ nil and ₹ nil for the quarter ended September 30, 2019, and April 1, 2019 to September 30, 2019 respectively as considered in the consolidated unaudited financial results, in respect of one joint venture located in outside India, based on their interim financial information which have not been reviewed by us and whose financial information has been furnished to us by the Parent's Management. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the management.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For K.P. Rao & Co.,
Chartered Accountants
Firm's Registration Number: 003135S


Mohan R Lavi
Partner



Membership Number: 029340
UDIN: 19029340AAAABO6491

Place: Hyderabad
Date: November 14, 2019

Annexure A

Subsidiaries

SI No.	Company Name
1	KNR Agrotech And Beverages Private Limited
2	KNR Infrastructure Projects Private Limited
3	KNR Energy Limited
4	KNR Walayar Tollways Private Limited
5	KNRC Holdings and Investments Private Limited
6	KNR Chidambaram Infra Private Limited
7	KNR Srirangam Infra Private Limited
8	KNR Somwarpet Infra Projects Private Limited
9	KNR Palani Infra Private Limited
10	KNR Tirumala Infra Private Limited
11	KNR Shankarampet Projects Private Limited

Associates

1	Patel KNR Heavy Infrastructures Limited
2	Patel KNR Infrastructures Limited

Joint Operations

Sr. No.	Name of the Joint Operations
1	KNR - Patel JV
2	Patel - KNR JV
3	KNR - SLEC JV
4	KNR - BPL JV
5	KNR - GVR JV
6	KNR - JKM JV
7	KNR - SLMI JV
8	KNR - TBCPL-JV
9	KNR - PBEPL-JV
10	KNR - SEW - GVR-JV
11	PSK - KNR - GVR - JV
12	BSCPL - KNR - JV
13	KNR - HES - ACPL - JV
14	KNR - JKM - KAMALA - JV

Joint Venture

1	SEL - KNR - JV (Bangladesh)
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