



KNR Constructions Limited.

Dated 12<sup>th</sup> November 2016

Ref: KNRCL/SD/2016/144 & 145

To  
The Dept. of Corporate Services,  
BSE Limited  
P J Towers, Dalal Street,  
Fort, MUMBAI - 400001  
Fax: +91 - 22- 2272 2037 / 39 / 41  
+91 22 2272 3121 / 3719 / 1557

To  
National Stock Exchange of India Limited  
"Exchange Plaza",  
Bandra Kurla Complex,  
Bandra (E), MUMBAI - 400051  
Fax: +91- 22- 6641 8124 / 25 / 26  
+91 22 2659 8237 / 38 ,  
+91 22 2659 8347 / 48

**Sub: - Sale of Equity in two Road BOT Projects**

Ref: - KNR Constructions Limited

BSE Script Code: 532942, NSE Symbol: KNRCON

We refer to the captioned subject matter; Today KNR Constructions Limited ("KNR") & Patel Engineering Limited ("Patel") signed a share purchase agreement to sell entire equity stake in two Road BOT assets viz. Patel KNR Infrastructure Limited ("PKIL") and Patel KNR Heavy Infrastructure Limited ("PKHIL") to an Essel group company.

Both the assets are operational annuity based BOT assets awarded by NHAI. The enterprise value of both assets put together for this transaction is ~INR 850 Crores. The transaction is subject to certain conditions precedent including lenders and NHAI approvals, customary to transactions of this nature and parties anticipate closing of the transaction within next 2-3 months.

We request you to kindly take the above on record.

Thanking you

For KNR Constructions Limited

*M.V. Venkata Rao*  
M. V. VENKATA RAO  
Company Secretary





**PRESS RELEASE**

**FOR IMMEDIATE PUBLICATION**

## **KNRCL has signed a share purchase agreement to sell their equity stake in two Road BOT assets**

KNR Constructions Ltd, Hyderabad/ New Delhi, a premier infrastructure development company has today along with Patel Engineering Limited (“Patel”) signed a share purchase agreement to sell entire equity stake in two Road BOT assets viz. Patel KNR Infrastructure Limited (“PKIL”) and Patel KNR Heavy Infrastructure Limited (“PKHIL”) to an Essel group company. Equirus Capital acted as exclusive transaction advisors to the Sellers on this transaction.

Both the assets are operational annuity based BOT assets awarded by NHAI. The enterprise value of both assets put together for this transaction is ~INR 850 Crores. The transaction is subject to certain conditions precedent including lenders and NHAI approvals, customary to transactions of this nature and parties anticipate closing of the transaction within next 2-3 months.

Mr. K. Jalandhar Reddy, Executive Director of KNR informed that the BOT asset sale is part of KNR Group’s strategy to focus on their EPC business and demonstrates their ability to build and construct good quality assets coupled with timely and efficient churn of invested equity which can be utilized as growth capital.

Mr. Rupen Patel, Managing Director of Patel commented that sale of these assets is part of the Monetization plan to improve financial liquidity for ongoing operations. Company further intends to identify such quality assets and seek optimum value which would strengthen overall cash flow position and would help in strengthening the balance sheet.

Cyril Amarchand Mangaldas (Delhi) were the legal advisors to the Sellers whereas Luthra and Luthra law offices advised the buyers on this transaction. Mr. Ajay Garg, Managing Director of Equirus Capital quoted “The transaction is in line with the trend seen across the roads sector where institutional money is chasing operational cash-flows and helping in debt reduction of infrastructure conglomerates”.

### **About KNR Constructions Ltd. (KNRCL)**

KNR Constructions Limited is an infrastructure development company providing engineering, procurement and construction services across various fast growing sectors, namely, roads and highways, irrigation and urban water infrastructure management. The company’s project execution strength is in road transportation engineering projects, i.e. construction and maintenance of roads, highways, flyovers and bridges, wherever integral to the projects undertaken. The company’s strong project management skills help it in timely and successful completion of projects.