



**KNR Constructions Limited.**

Dated 14<sup>th</sup> November 2016

Ref: KNRCL/SD/2016/148 & 149

To  
Dept. of Corporate Services,  
B S E Limited  
P J Towers, Dalal Street,  
Fort, MUMBAI - 400001

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

Fax: +91 - 22- 2272 2037 / 39 / 41  
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Fax: +91- 22- 6641 8124 / 25 / 26  
+91 22 2659 8237 / 38 ,  
+91 22 2659 8347 / 48

Sir,

Sub: - Proceedings of the Board Meeting

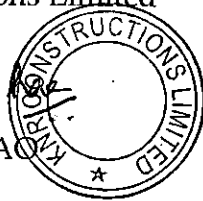
Ref:-KNR Constructions Limited, BSE Code: 532942,  
NSE Symbol: KNRCON

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) for the Quarter / Half Year ended 30<sup>th</sup> September 2016

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: L74210DL1995PLC238364

Regd. Office: C-125, Anand Niketan, New Delhi - 110021

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

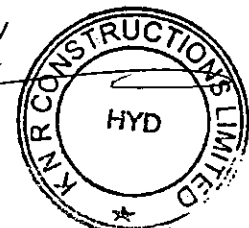
Ph: 040 -40268759 / 61 /62 Fax: 040-40268760; website: knrcl.com; E-mail: investors@knrcl.com

## FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2016

(Rupees In Lakhs, except per share data)

Sl. No.	PARTICULARS	STANDALONE				
		QUARTER ENDED			HALF-YEAR ENDED	
		September 30	June 30	September 30	September 30	September 30
		2016	2016	2015	2016	2015
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
<b>PART I</b>						
1.	<b>Income from Operations</b>					
	a) Gross sales / income from operations	37,113.19	31,740.22	23,497.33	68,853.41	41,694.76
	Less: Company's Share in Joint Ventures	789.23	1,376.35	2,230.76	2,165.58	2,964.95
	Net Sales/ Income From Operations	36,323.96	30,363.87	21,266.57	66,687.83	38,729.81
	b) Other Operating Income	1,025.94	(46.81)	427.52	979.13	85.29
	<b>Total income from Operations</b>	<b>37,349.90</b>	<b>30,317.06</b>	<b>21,694.09</b>	<b>67,666.96</b>	<b>38,815.10</b>
2.	<b>Expenses</b>					
	a) Changes in inventories of finished goods, Stock in Progress	-	-	-	-	-
	b) Cost of materials consumed	7,774.27	7,932.06	6,615.07	15,706.33	15,009.52
	c) Sub contract Expenses	11,656.37	9,556.45	5,070.67	21,212.82	6,640.13
	d) Spreading & Assortment Expenses	7,714.61	4,233.17	2,724.67	11,947.78	4,583.65
	e) Employee benefits expense	1,299.40	1,287.33	1,144.21	2,586.73	2,118.05
	f) Depreciation and amortization expense	1,463.38	1,316.80	1,056.15	2,780.18	2,088.29
	g) Other expenses	3,307.56	2,939.07	2,217.35	6,246.63	4,074.73
	<b>Total Expenses</b>	<b>33,215.59</b>	<b>27,264.88</b>	<b>18,828.12</b>	<b>60,480.47</b>	<b>34,514.37</b>
3.	Profit / (loss) from operations before other income, finance costs and exceptional items (1-2)	4,134.31	3,052.18	2,865.97	7,186.49	4,300.73
4.	Other Income	1,321.94	585.31	963.95	1,907.25	1,677.06
5.	Profit / (loss) from ordinary activities before finance costs and exceptional items (3+4)	5,456.25	3,637.49	3,829.92	9,093.74	5,977.79
6.	Finance Costs	556.19	427.72	362.30	983.91	634.59
7.	Profit / (loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	4,900.06	3,209.77	3,467.62	8,109.83	5,343.20
8.	Exceptional Items	-	-	-	-	-
9.	<b>Profit / (loss) from ordinary activities before tax (7 - 8)</b>	<b>4,900.06</b>	<b>3,209.77</b>	<b>3,467.62</b>	<b>8,109.83</b>	<b>5,343.20</b>
10.	Tax Expense					
	Current Tax	834.44	717.54	617.04	1,551.98	1,054.34
	MAT credit entitlement	(524.82)	(561.21)	(140.61)	(1,086.03)	(260.63)
	Prior Period Taxes	-	-	(2,553.91)	-	(2,553.91)
	Deferred Tax	197.53	31.97	(104.72)	229.50	(165.19)
11.	<b>Profit / (loss) from ordinary activities after tax (9-10) (PAT)</b>	<b>4,392.91</b>	<b>3,021.47</b>	<b>5,649.82</b>	<b>7,414.38</b>	<b>7,268.59</b>
12.	Other Comprehensive Income (OCI)	(9.99)	(9.99)	(9.99)	(19.98)	(19.98)
13.	<b>Total Income (including other comprehensive income) [11+12]</b>	<b>4,382.92</b>	<b>3,011.48</b>	<b>5,639.83</b>	<b>7,394.40</b>	<b>7,248.61</b>
14.	Paid up equity share capital (Face Value Rs.10 per share)	2,812.35	2,812.35	2,812.35	2,812.35	2,812.35
15.	Earnings Per Share (EPS) of Rs. 10 each (Not annualised):					
	a. Basic EPS Rs.	15.62*	10.74*	20.09*	26.36*	25.85*
	b. Diluted EPS Rs.	15.62*	10.74*	20.09*	26.36*	25.85*

*KNR Reddy*



**PART II**

A Particulars Of Shareholding						
1.	Public Shareholding					
	- Number of Shares	11,787,319	11,037,319	11,037,319	11,787,319	11,037,319
	- Percentage of Shareholding	41.91%	39.25%	39.25%	41.91%	39.25%
2.	Promoters and Promoter Group Shareholding					
a)	Pledged / Encumbered					
	- Number of Shares	-	-	-	-	-
	- Percentage of Shares (Total Shareholding of Promoter & Promoter Group)	-	-	-	-	-
	- Percentage of Shares (Total Share Capital of the Company)	-	-	-	-	-
b)	Non-Encumbered					
	- Number of Shares	16,336,141	17,086,141	17,086,141	16,336,141	17,086,141
	- Percentage of Shares (Total Shareholding of Promoter & Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (Total Share Capital of the Company)	58.09%	60.75%	60.75%	58.09%	60.75%

**PARTICULARS**

**3 months ended**

B Investor Complaints		
	Pending at the beginning of the quarter.	Nil
	Complaints received during the quarter.	1
	Disposed of during the quarter.	1
	Remaining unresolved at the end of the quarter.	Nil

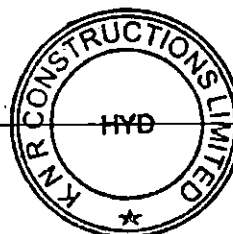
**Notes:**

- The Company has adopted Indian Accounting Standard ("Ind AS") from 1st April, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Further results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- Results for the quarter ended 30 September, 2016 are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, results for the quarter ended 30 September, 2015 have been restated to comply with Ind AS to make them comparable.
- The statutory auditors of the Company have carried out the Limited Review of the results for current quarter and half year ended 30 September, 2016. The Ind AS compliance financial results, pertaining to the corresponding quarter and half year ended 30 September, 2015 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- Statement of reconciliation of net PAT under Ind AS and net PAT reported under previous Indian GAAP(IGAAP) for the quarter and half year ended September 30, 2015

Sl. No.	Particulars	Amount in Lakhs	
		Quarter Ended 30-09-15	Half Year Ended 30-09-15
	Net Profit after Tax as per previous IGAAP	5,535.59	7,036.93
1	Interest income recognised on fair valuation of intercorporate loans	156.15	291.71
2	Gain/(Loss) on fair valuation of investments	(1.95)	(1.97)
3	Reclassification of net actuarial gain/(loss) on employee defined benefit obligations to OCI	9.99	19.98
4	Reversal of IPO Expenses	22.28	44.55
5	Deferred tax on above adjustments (net)	(72.24)	(122.61)
	<b>Net Profit after tax (before OCI) as per IND AS</b>	<b>5,649.82</b>	<b>7,268.59</b>

- The company's operations primarily consists of "Construction and Engineering activities" and there are no other reportable segments under Ind As 108 "Operating Segments".
- The Audit committee has reviewed the above results and the Board of Directors have approved the above results and its release at their respective meetings held on November 14, 2016 .
- There is a possibility that these quarterly financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending Mar 31, 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretation issued by MCA/ICAI or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101.
- The figures have been regrouped and/or rearranged wherever considered necessary.

Place: Hyderabad  
Date : 14-11-2016



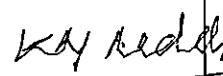
For KNR Constructions Ltd.,

*K.N. Reddy*  
K.Narasimha Reddy  
Managing Director

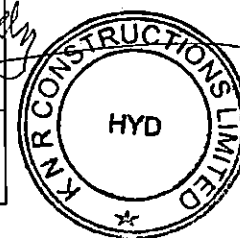
**KNR CONSTRUCTIONS LIMITED****STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS ON SEPTEMBER 30, 2016****(Rupees in Lakhs)**

PARTICULARS	As at
	September 30, 2016
<b>I ASSETS</b>	
<b>1) NON-CURRENT ASSETS</b>	
a) Property, plant and equipment	26,474.85
b) Capital work-in-progress	317.49
c) Investment property	-
d) Goodwill	-
e) Other Intangible assets	2.25
f) Intangible assets under development	-
g) Biological assets other than bearer plants	-
h) Financial Assets	
i) Investments	28,346.18
ii) Trade receivables	-
iii) Loans	22,382.64
iv) Other receivables	2,165.41
i) Deferred tax assets (net)	2,259.01
j) Other non-current assets	2,855.59
k) Income tax (net)	7,883.10
<b>Total non-current assets</b>	<b>92,686.52</b>
<b>2) CURRENT ASSETS</b>	
a) Inventories	4,228.42
b) Financial assets	
i) Investments	1,033.52
ii) Trade receivables	12,331.71
iii) Cash and cash equivalents	1,891.80
iv) Bank balances, other than (iii) above	109.04
v) Loans	925.66
vi) Other receivables	12,828.22
c) Income tax (net)	-
d) Other current assets	19,189.74
<b>Total current assets</b>	<b>52,538.11</b>
<b>TOTAL ASSETS</b>	<b>145,224.63</b>
<b>II EQUITY AND LIABILITIES</b>	
<b>EQUITY</b>	
a) Equity Share capital	2,812.35
b) Other equity	77,649.13
<b>Total equity</b>	<b>80,461.48</b>
<b>LIABILITIES</b>	
<b>1) NON - CURRENT LIABILITIES</b>	
a) Financial liabilities	
i) Borrowings	12,635.16
ii) Trade Payables	827.27
iii) Other financial liabilities	322.15
b) Provisions	283.09
c) Deferred tax liabilities (Net)	-
d) Other non-current liabilities	301.26
<b>Total non-current liabilities</b>	<b>14,368.93</b>
<b>2) CURRENT LIABILITIES</b>	
a) Financial liabilities	
i) Borrowings	1,213.80
ii) Trade Payables	10,647.16
iii) Other financial liabilities	21,880.08
b) Other current liabilities	15,429.12
c) Provisions	1,224.06
<b>Total current liabilities</b>	<b>50,394.22</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>145,224.63</b>

For KNR Constructions Ltd.,

  
 K.Narasimha Reddy  
 Managing Director
Place : Hyderabad  
Date : 14-11-2016

The disclosure is an extract of the unaudited Standalone Balance Sheet as at September 30, 2016 is prepared in compliance with the Indian Accounting Standards (Ind-AS).



# KNR CONSTRUCTIONS LIMITED

CIN: L74210DL1995PLC238364

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Corp. 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



## EXTRACT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

(Rupees In Lakhs, except per share data)

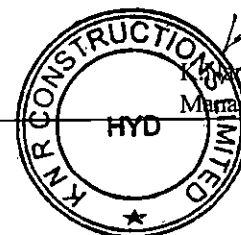
Sl. No.	PARTICULARS	QUARTER ENDED			HALF-YEAR ENDED	
		September 30	June 30	September 30	September 30	September 30
		2016	2016	2015	2016	2015
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
1.	Total income form operations (net)	37,349.90	30,317.06	21,694.09	67,666.96	38,815.10
2.	Net Profit / (Loss) for the period (before Tax, Exceptional items#)	4,900.06	3,209.77	3,467.62	8,109.83	5,343.20
3.	Net Profit / (Loss) for the period before tax (after Exceptional items#)	4,900.06	3,209.77	3,467.62	8,109.83	5,343.20
4.	Net Profit / (Loss) for the period after tax (after Exceptional items#)	4,392.91	3,021.47	5,649.82	7,414.38	7,268.59
5.	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	4,382.92	3,011.48	5,639.83	7,394.40	7,248.61
6.	Equity Share Capital	2,812.35	2,812.35	2,812.35	2,812.35	2,812.35
7.	Earnings Per Share (of Rs. 10/- each ) (for continuing and discontinued operations) -					
	1. Basic: (Rs.)	15.62*	10.74*	20.09*	26.36*	25.85*
	2. Diluted: (Rs.)	15.62*	10.74*	20.09*	26.36*	25.85*

\* Not Annualized

### Notes:

- The above is an extract of the detailed format of Quarterly /Half Year Financial Results filed with the Stock Exchange under Regulation 33 of SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly/Half Year Financial Results is available on the Stock Exchange website namely, BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)), and on the Company's website: [www.knrcl.com](http://www.knrcl.com)
- The statutory auditors of the Company have carried out the Limited Review of the results for current quarter ended 30 September, 2016. The Ind AS compliance financial results, pertaining to the corresponding quarter ended 30 September, 2015 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- The figures have been regrouped and/or rearranged wherever considered necessary.

For KNR Constructions Ltd.,



*K. Prasimha Reddy*  
Managing Director

Place : Hyderabad

Date : 14-11-2016

# Sukumar Babu & Co.

CHARTERED ACCOUNTANT

513, 'B' Block, Aditya Enclave,  
Ameerpet, Hyderabad – 500038  
Phone: +91 40 23731173

## INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERM FINANCIAL RESULTS

To The Board of Directors,  
KNR Constructions Limited


We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **KNR Constructions Limited** ("the Company") for the Quarter ended September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016. We have not performed a review or audit, as state in Note 3, of the figures relating to the corresponding quarter and six months ended September 20, 2015, including reconciliation of net profit for the quarter and half year ended September 30, 2015 between the previous GAAP and Indian Accounting Standard ("IND AS"), as reported in this statement.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("INDS 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 an opinion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 Statement is free of material misstatements. 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.

Based on our review conducted as stated above; nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards 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 modified by 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 Sukumar Babu & Co.,  
Chartered Accountants  
(Registration No. 004188S)

  
C SUKUMAR BABU  
(Partner)  
Membership No. 024293