KNR Constructions Limited

Delivering Growth through Disciplined Approach

Annual Report 2014-15

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KNR Constructions at a Glance

KNR Constructions Limited (KNRCL) is a multi-domain infrastructure project development company. We are among the leading providers of integrated engineering, procurement and construction (EPC) services for road and highway networks of the nation. Leveraging our domain experience and expertise in the EPC segment, we also undertake projects in the important sectors of irrigation, water management and urban water infrastructure.

With our resources, which include approximately 530 talented employees and a diversified fleet of latest, speciality construction equipment, we have completed complex and high value projects in 12 states across the country since our inception. These operations conducted across a range of geographies, on different and challenging terrains, has enabled us to amass a full range of skills and capabilities.

KNRCL is renowned for extensive knowledge and experience, technological advancements, exemplary execution records, superior safety and commitment to deliver. The trust and belief reposed in us by our clients can be gauged by the 'Repeat Orders' we have secured over the years. Further, our excellent performance has also entrenched our reputation as a reliable and trusted joint-venture partner for large value infrastructure projects.

An ISO 9001:2000 certified company; KNRCL has been in service of the nation since 1995.

Delivering Growth through Disciplined Approach

What you do know about KNR Constructions Limited is that we are a multi-domain infrastructure development organisation delivering technically complex and high value projects. Simplistically put, with our cranes, tractors and excavators, we are lifting, moving, assembling and building critical infrastructure to take the nation on the faster road to growth.

What you don't know is that while carrying out these highly complex projects, we bring a strong differentiating factor, which clearly elevates our performance from the rest in the industry.

We call it a disciplined approach.

Whether you look at our robust engineering expertise or rigorous procurement capabilities; or the way we have acquired and built our state-of-the-art machinery repository or the way we have demonstrated exceptional project execution and management or maintained a solid balance sheet.

A rock solid disciplined approach underpins everything we undertake and everything we deliver.

And we are undeniably very proud of it. And for good reasons too.

For it is that which has enabled us to complete engineering marvels on time or even in many cases, ahead of schedule. It is this driving force that has enabled us to win the admiration of our clients, secure big-ticket and repeat orders and deeply entrench our reputation as a leading provider of infrastructure construction services.

Today, our disciplined approach is providing us more confidence and conviction to bid for larger projects and increase our geographic presence. And while we are doing all of this, it is taking us resolutely on the trajectory of higher growth.

Adaptation and evolving to the external environment is necessary for long-term success. However, at the same time, there are selected things which must remain unaltered. For us, we have found the constant success factor in our disciplined approach. That attitude, we assure you, will not change.

Inspiring

Our Disciplined Approach

Vision

To develop KNRCL as a centre of excellence in the field of infrastructure services.

To leverage new opportunities of growth by diversifying into the fields of mining, laying of pipelines and railways.

Mission

To emerge as the most competent builder of projects across a broad spectrum of work by delivering complete client satisfaction.

Values

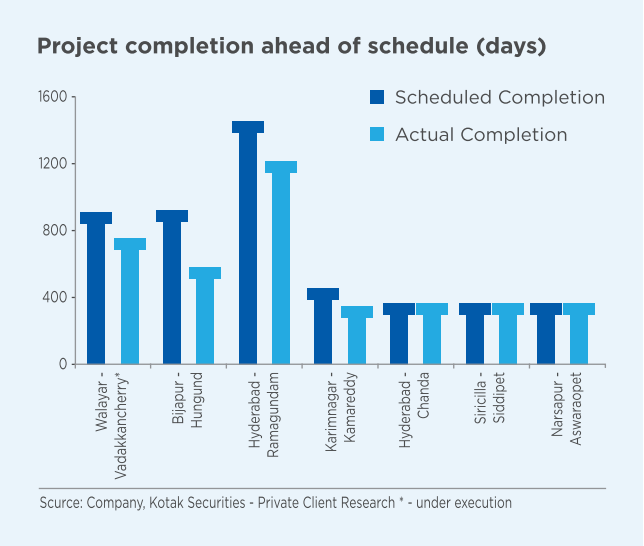
In our pursuit of excellence, we are guided by the values of honesty, integrity, fairness, accountability and reliability. They have been and will continue to be vital to our success.

Reflecting

Our Disciplined Approach

Excellent Execution Record

Through our disciplined approach in project execution, we have been able to achieve an exemplary and unblemished track record of completing projects on time and in many cases, even ahead of schedule. Unbelievable in an industry where delays are considered inevitable and correspondingly increased project cost an obvious occurrence. Completing projects ahead of scheduled date has enabled us to earn early or timely completion bonus which drive up the Internal Rate of Return (IRR) for the project.



Presently, KNRCL is on the closing stage of Walayar - Tollways roadway project in Kerala. The project with 95% work completed as of June 2015 is progressing well-ahead of scheduled date of completion of November 2015, despite adverse weather conditions and many other challenges.

Unparalleled Engineering and Construction

Through the high involvement of management at every stage of project execution and our rich resource pool of talented and professional employees, we have been able to construct engineering landmarks. Further, maximum use of Company owned assets and minimum sub-contracting enables us to straddle the entire value chain and facilitate seamless and reliable project execution.

A glimpse into some of the road and highway projects that KNRCL is associated with and which showcases our supreme and unquestionable expertise in the field.

Right Selection of Projects

To de-risk our operations as far as possible, we have evolved a scientific bidding and execution methodology, instead of an aggressive bidding approach, which reinforces our confidence in succeeding in this business.

For instance, as a part of our long-term commitment to enhance shareholder value, we are highly focussed towards projects on the EPC model where risk exposure is substantially lower. In the Build-Operate-Transfer (BOT) space, which is more capital intensive, projects are bid for only when they offer a high IRR. Further, as a strategic decision, the Company bids for projects only when legal and environmental clearances are complete or are not going to be a hurdle.

Completed Projects

NHDP Project — **3500.00** Value of contract in ₹ Millions

Design, Construction, Development, Finance, Operation and Maintenance of Km 463.6 (AP/ Karnataka border) to Km 524.0 (Avathi Village) and Improvement, Operation and Maintenance of Km 524 (Avathi Village) to Km 527 (Nandi Hills Crossing) and Km 535 (Devanhalli Village) to Km 539 (Meenukunte Village) on NH-7 in the State of Karnataka under North-South Corridor (NHDP Phase II) on BOT (Annuity)

NHDP Project — **5920.00** Value of contract in ₹ Millions

Design, Construction, Development, Finance, Operation and Maintenance of Km 230/000 (Islam Nagar) to Km 278/000 (Kadtal) on NH-7 in the state of Andhra Pradesh under North-South Corridor (NHDP Phase II) on BOT (Annuity)

NHDP Project — **9000.67** Value of contract in ₹ Millions

4-laning of Bijapur-Hungund Section of NH-13 from Km 102.000 to Km 202.000 in the state of Karnataka under NHDP Phase-III on Design, Build, Finance, Operate and Transfer (DBFOT) Toll Basis, KNR as EPC Contractor

MPSRP-III Project — **2214.80** Value of contract in ₹ Millions

Widening and Reconstruction of Pichhore - Chandri - Mungawali - Onder - Kurwai Road Package No. 3 under MPSRP-III

Being Asset Wise

We have invested in creating a repository of specialised and sophisticated construction equipment, reducing our dependence on external factors. Our disciplined approach in acquiring and owning most of the assets required in our business as against leasing the same has enabled us to drive higher margins than those in the industry.

Deploying 1240 pieces of in-house construction equipment

1	COMPACTORS	**60**
2	LOADERS	**38**
3	PAVERS	**33**
4	ROLLERS	**18**
5	TIPPERS	**531**
6	TRACTORS	**26**
7	CONCRETE MIXERS AND PUMPS	**45**
8	GENERATORS	**88**
9	GRADERS	**31**
10	EXCAVATORS	**125**
11	CRANES	**31**
12	BATCHING PLANTS	**21**
13	TRANSIT MIXERS	**24**

and more...

Endorsing

Our Disciplined Approach

Reputed Clientele

National Highways Authority of India (NHAI)	Ministry of Road Transport & Highways (MORTH)	Karnataka State Highway Improvement (KSHIP)	Madhya Pradesh Road Development Corporation Limited (MPRDCL)
Uttar Pradesh State Highways Authority (UPSHA)	A.P. Irrigation (Government of Andhra Pradesh)	Engineers India Limited (Government of India Undertaking)	Public Works Department (Government of Arunachal Pradesh)
Andhra Pradesh Road Development Corporation (APRDC)	Hyderabad Growth Corridor Limited (HGCL)	Karnataka Road Development Corporation (KRDCL)	Bruhat Bangalore Mahanagara Palike (BBMP)
NMDC Limited	GMR Infrastructure Limited	Sadbhav Engineering Limited	Oriental Structural Engineers Pvt. Ltd.

Monitoring

Our Disciplined Approach

Financial Discipline

Our concerted efforts to optimise financial performance is mirrored in our balance sheet. Prudent working capital management which is among the best in the industry, low debt-equity (D/E) ratio and meeting funding requirement through internal cash generation for all projects have ensured that we have a very strong balance sheet. Going forward, this unwavering focus on controlling costs and upholding the long-term health of our Company will help us create sustained value for all our stakeholders.

Financial Highlights, Order Book Break-up and Highlights

(₹ Crores)

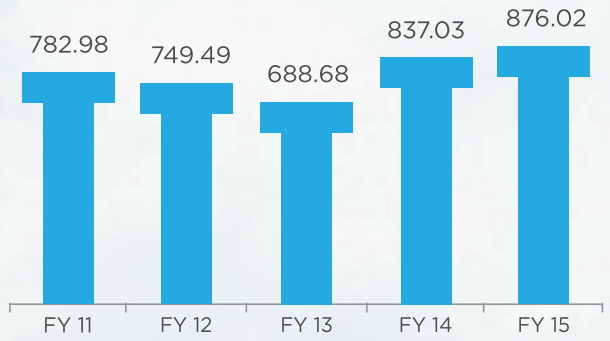
Income Statement	FY 15	FY 14	FY 13	FY 12	FY 11
Orders in hand	1,318.13	1,296.03	2,629.06	3,042.02	1,443.36
Turnover (including share in JV's)	876.02	837.03	688.68	749.49	782.98
Operating Profit	126.14	125.80	116.44	133.78	135.64
Profit Before Tax (PBT)	72.30	66.88	67.02	78.42	8356
Profit After Tax (PAT)	73.01	60.98	52.13	52.76	56.82
Cash Profit	127.07	118.21	107.80	104.14	98.27

(₹ Crores)

Balance Sheet	FY 15	FY 14	FY 13	FY 12	FY 11
Share Capital	28.12	28.12	28.12	28.12	28.12
Reserves and Surplus	541.08	485.20	427.53	378.69	329.19
Net Worth	567.42	510.65	452.09	402.36	351.97
Secured Loans	68.30	144.37	180.30	109.17	161.61
Unsecured Loans	28.03	4.02	0.04	0.02	0.02
Capital Employed	569.34	521.57	459.27	410.17	371.34
EPS (₹)	25.96	21.68	18.54	18.76	20.21
Cash EPS (₹)	45.18	42.07	38.34	37.03	34.97
Book Value per share (₹)	201.76	181.57	160.75	143.07	125.15

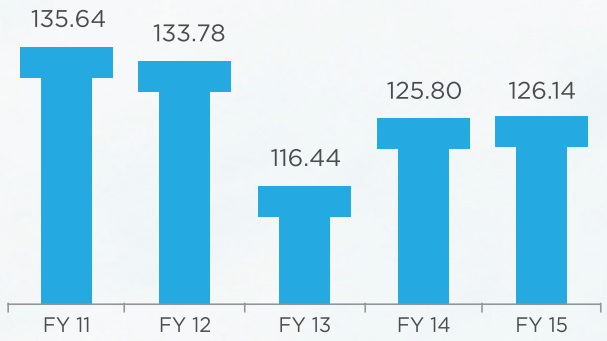
(₹ Crores)

Turnover



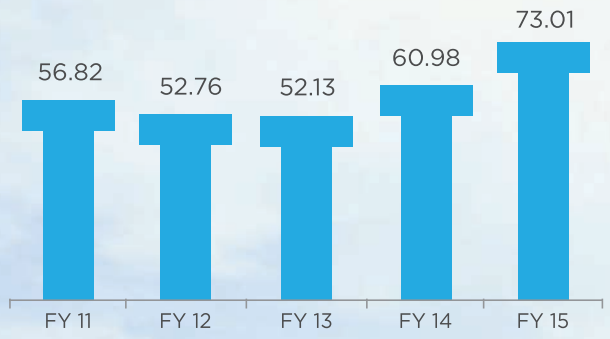
(₹ Crores)

Operating Profit



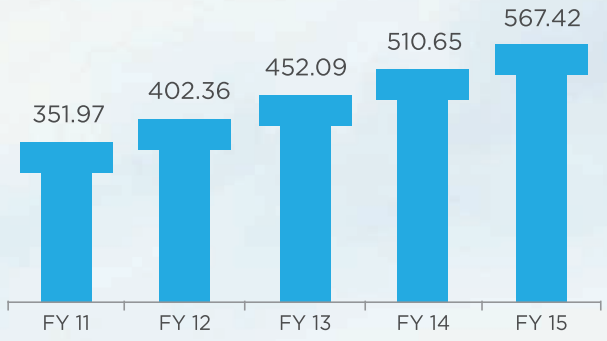
(₹ Crores)

Profit After Tax



(₹ Crores)

Net Worth



Managing Director's Letter

Dear Shareholders,

It gives me great pleasure to report that KNRCL has had another successful year with excellent growth prospects. Our consistent disciplined approach over the years has enabled us to create predictable outcomes for our projects – and for our stakeholders. Driving this disciplined approach, we have transformed our Company for the future, ready to make the most of the burgeoning opportunities as India invests in creating world-class infrastructure to help achieve its growth potential.

While the incumbent government has shown commitment and promise to pursue infrastructure reforms with vigour, recovery in the construction and infrastructure sector during the year under review was still gradual. Most industry players are still reporting muted growth due to stalled or slow-moving projects or stretched financial positions. Defying industry trends, KNRCL has registered remarkable performance. Total turnover stood at ₹ 8,761.30 million in FY 2014-15, up from ₹ 8,347.90 million in FY 2013-14. Net profit increased to ₹ 730.10 million as against ₹ 609.80 million achieved in the previous year. Excellent project execution enabling timely completion of projects and cost control, prudent management of working capital and hands-on involvement of our professional team has ensured that we have been able to deliver superior performance despite the sector not yet gaining full momentum. Moreover, our strong balance sheet with a debt-equity ratio which is among the lowest in the industry is a reflection of our strategic execution, strong oversight, and broad operational skills.

At KNRCL, we believe continuous improvement in project execution skills is a critical component to enable transformation. Driving this ideology, we are happy to report that our Walayar - Tollways roadway project in Kerala is expected to be completed ahead of its scheduled date in November 2015. It is this consistent superlative performance in a sector prone to time and cost overrun that has enabled us to win new work from repeat customers and concurrently, be awarded with projects from new customers. We assure you that we remain resolute in upholding this culture of

timely completion and thus create more opportunities for growth and value creation.

Industry developments, taken as a whole, are producing substantial opportunities for players in the construction and infrastructure sector. Budgetary allocations in FY 2015-16 for investments in infrastructure have increased by ₹ 70,000 crore, over the previous fiscal period. Establishing an Infrastructure Fund for removing constraints in availability of funding, strong thrust on creating transparency in environmental clearances and making land acquisition easier, re-visiting and revitalising the present Public-Private Participation (PPP) model with an aim to remove existing bottlenecks, and expediting and expanding project awarding under the EPC model are among the key measures undertaken by the government to provide a renewed impetus to the investment cycle and infrastructure sector in the country. Step-up in awarding road and highway projects has already been witnessed going into FY 2015-16.

With these industry developments accelerating, we are confident that our success and reputation as a leading EPC player positions us well to be a beneficiary of the infusion of projects that should follow, thereby enabling us to increase our order inflow and deliver ample benefits to our stakeholders. Leveraging our competencies in the EPC arena, the Company is also reviewing opportunities in allied sectors of mining, laying of pipelines and railways. We are confident that as and when we pursue prospects in this space, based on our disciplined approach, we have been able to harness these opportunities with equal success.

Our success is ultimately dependent on our ability to win new projects, and I am pleased with our progress. Entering FY 2015-16, we have an impressive order book of ₹ 13,181.30 million, all of which reinforce our confidence and enthusiasm about KNRCL's next phase of growth. Of these orders, ₹ 12,558.08 million is from road projects and the rest from irrigation and water projects. Further, our long-standing relationship with like-minded companies places us strongly to bid for projects with larger parameters. Leveraging the complementary capabilities and synergies made possible through these joint-venture associations, we are optimistic of unearthing new opportunities for growth.

We finished FY 2014-15 as a stronger enterprise, poised for growth. Going forward, we foresee attractive market opportunities, quietly confident in the wisdom of our stable balance sheet and right selection of projects. Also, based on our past track record and disciplined focus, we are optimistic of generating more value from this industry environment than many of our peers in the industry.

As we move towards the most exciting time in our Company's history, we are grateful to KNRCL's stakeholders for their faith and commitment. We aim to earn your continued trust every day. And finally, sincere thanks to KNRCL employees, whose passion and unwavering dedication to our mission of disciplined approach makes us the best in the industry.

We look forward to sharing our successes with you as we realise this Company's great potential and achieve the goals we have set for ourselves.

Thank you.

Yours Sincerely,

K Narasimha Reddy
Managing Director

Demonstrating

Our Disciplined Approach

Strong Management Bandwidth KNRCL is driven by a team of professionals at the helm, all of whom have strong domain experience and expertise.

Board of Directors

Executive Directors

Shri K Narasimha Reddy
Shri K Jalandhar Reddy
Shri M Rajesh Reddy#

Non-Executive Directors

Shri B V Rama Rao
Shri L B Reddy
Shri J S R Chandra Mouli*
Smt. K Yashoda

*(*Resigned on account of health grounds w.e.f. 24.05.2014) (# Resigned w.e.f. 12.01.2015)*

Board Committees

Audit Committee

Shri L B Reddy, Chairman
Shri B V Rama Rao, Member
Shri K Jalandhar Reddy, Member

Nomination & Remuneration Committee

Shri L B Reddy, Chairman
Shri B V Rama Rao, Member
Smt. K Yashoda, Member

Stakeholders' Relationship Committee

Smt. K Yashoda, Chairman
Shri M Rajesh Reddy, Member
Shri K Jalandhar Reddy, Member

Statutory Auditors

M/s Sukumar Babu & Co.,
Chartered Accountants,
Hyderabad

Investor Service Centre

"KNR House", 3rd Floor,
Plot No. 114, Phase I, Kavuri
Hills, Hyderabad - 500 033
E-mail: investors@knrcl.com

General Manager (Finance & Accounts)

Shri G Sravana Kumar

Company Secretary

Shri M V Venkata Rao

Registered Office

C-125, Anand Niketan,
New Delhi - 110 021

Corporate Office

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

Bankers

State Bank of Patiala
State Bank of India
State Bank of Mysore
IDBI Bank
Oriental Bank of Commerce
Axis Bank Limited
ICICI Bank Limited

NOTICE

Notice is hereby given that the 20th Annual General Meeting of KNR Constructions Limited will be held on Wednesday the 30th day of September 2015 at 11.00 AM at Hotel Mapple Emerald, NH – 8, Rajokri, New Delhi - 110 038

Ordinary Business

1 To receive, consider and adopt

(a) the audited Statement of Profit and Loss for the financial year ended 31st March, 2015 and the Balance Sheet as on that date together with the Report of the Board of Directors and Auditors thereon; and

(b) the audited consolidated Statement of Profit and Loss for the financial year ended 31st March, 2015 and the Balance Sheet as on that date.

2 To declare Dividend of Rs. 1.00 Per Equity shares of Rs. 10.00 Each to the Shareholders for the financial year 2014-2015

3 To appoint a Director in place of Shri K Jalandhar Reddy (DIN: 00434911), who retires by rotation and being eligible, offers himself for reappointment

4 To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution

"RESOLVED THAT M/s Sukumar Babu & Co., Chartered Accountants (Registration No. 004188S) , be and are hereby re-appointed as Statutory Auditors of the Company from the Conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be agreed upon by the Executive Finance Committee and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ended 31st March 2016."

Special Business

5. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s K.K Rao & Associates, Cost Auditors to audit the Cost records maintained by the Company for the financial year ending March 31, 2016, on a remuneration of Rs. 300000 excluding taxes as may be applicable, be and is hereby ratified."

By Order of the Board of Directors

Sd/-
M. V. Venkata Rao
Company Secretary

Place: Hyderabad
Date: 14.08.2015

NOTES:

a. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 25th September 2015 to Wednesday the 30th day of September 2015 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend, to be declared.

b. Explanatory Statement as required under Section 102(2) of the Companies Act, 2013 is annexed.

c. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

d. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.

e. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.

f. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are Link Intime India Private Limited (RTA).

g. Members can avail of the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed duly filled-in to RTA. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.

h. Members are requested to

- intimate to the DP, changes, if any, in their registered addresses and/or changes in their bank account details, if the shares are held in dematerialized form.
- intimate to the Company's RTA, changes if any, in their registered addresses, in their bank account details, if the shares are held in physical form (share certificates).
- consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
- dematerialize their Physical Shares to Electronic Form (Demat) to eliminate all risks associated with Physical Shares. Our Registrars and Transfer Agents viz., Link Intime India Private Limited, may be contacted for assistance, if any, in this regard.

i. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of/change in such bank details.

j. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government.

k. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specified functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

l. In order to save the natural resources Members are requested to register their e-mail address/addresses with the Depository Participants, if the shares are held in dematerialized form and with the Company's Registrar & Transfer Agent if the shares are held in physical form, in case you have not registered your email ids till now.

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

The voting period begins on Sunday, 27th September, 2015 (9.00 a.m. IST) and ends on Tuesday, 29th September, 2015 (5.00 p.m. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th September, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

The Notice of AGM of the Company can be downloaded from www.cdslindia.com and www.knrcl.com

A. In case of members receiving e-mail (for Members whose e-mail addresses are registered with the Company/Depositories):

(i) The shareholders should log on to the e-voting websitewww.evotingindia.com.

(ii) Click on Shareholders

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) •Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN Field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii)

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <KNR Constructions Limited > on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired.

The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed.

If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image

verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to

  helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

  In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.Com

B. In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

C. Other instructions:

i. The voting rights of Members shall be in proportion to their shares of the paid – up equity share capital of the Company as on July 22, 2015.

ii. Mr. Nilesh Shah, Practicing Company Secretary (Membership No. FCS 4554), has been appointed as the scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

iii. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

iv. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.knrcl.com and on the website of CDSL and communicated to the BSE Limited (BSE), and the National Stock Exchange of India Limited (NSE) where the shares of the Company are listed.

vi. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut -off date i.e. July 22, 2015 may follow the same procedure as mentioned above for e-Voting. However, if you are already registered with CDSL for remote e-voting then you can use your exiting password for casting your vote.

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS AS REQUIRED BY SECTION 102 (2) OF THE COMPANIES ACT, 2013

ITEM NO. 5

Pursuant to the recommendation of the Audit Committee, the Board of Directors had at its meeting held on 14th August 2015, approved the reappointment of the Cost Auditors, M/s. K.K Rao & Associates, Cost Accountants and remuneration payable to them, as set out in the Resolution under this Item of the Notice.

In accordance with Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment of and remuneration payable to the Cost Auditors requires ratification by the Shareholders and hence this resolution is put for the consideration of the shareholders.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution.

Your Directors recommend the Resolution for your approval.

By Order of the Board of Directors

Sd/-
M. V. Venkata Rao
Company Secretary

Place: Hyderabad
Date: 14.08.2015

Management Discussion & Analysis

Macro-Economic Perspective

Indian economy has shown signs of revival during FY15. Current account deficit and elevated inflation, both impediments to higher growth, have declined considerably. The new government changed the base year for calculation of economic growth from FY05 to FY12 and also introduced the concept of Gross Value Added at the aggregate and sector levels apart from revising industry groups. As per the Central Statistical Office (CSO), based on the new series, real GDP growth rate for FY15 is 7.3% as against the revised FY14 GDP growth of 6.9% (from 4.7% as per the old series).

The revival process is expected to gain momentum in FY16 with the policy environment turning more favourable in recent months for higher economic activity. The government's clear focus on simplifying procedures for doing business in India, bringing in a straightforward and transparent taxation system, relaxation of FDI in few sectors, allowing auction of coal mines to the private sector, and closing allocations in the telecomm sector at a fast pace are welcome changes. Resolving of structural bottlenecks and faster clearances for projects in infrastructure and industry are also expected to facilitate investment. Based on the new methodology, as per the CSO estimates, real GDP growth rate is expected to be in the region of 8-8.5% in FY16. The International Monetary Fund (IMF) predicts that India will emerge as the fastest growing major economy in the world, with growth expected to rise to 7.5% in FY16.

Infrastructure Creation

The inadequacy of quality infrastructure in India has undeniably hampered the pace of economic growth. Cognizant of the pressing need to improve infrastructure creation because of its strong forward and backward multiplier effect on the economy, the Budget 2015 includes a number of much-needed measures that should encourage increased activity and investment in India's infrastructure sector.

As per the budget, investment in infrastructure will go up by Rs.70,000 crore in the year 2015-16, over the previous fiscal period. In an aim to improve the environment for private infrastructure investment, the budget announced the creation of a 'National Investment and Infrastructure Fund' with annual inflows of Rs. 20,000 crore. The Fund will be expected to invest in public sector infrastructure finance companies which, in turn, will be able to leverage their higher credit rating to access domestic and international debt markets.

The budget also announced tax free bonds for investing in rail, road and irrigation projects through public private partnership (PPP) models. Apart from deploying public money for the development of infrastructure projects, the government also intends to revisit the present PPP (Public Private Partnership) mechanism to remove the shortcomings so as to attract increased private participation.

Further, Rs. 25,000 crore has also been allotted to the Rural Infrastructure Development Fund.

Roads

India has the second largest road network in the world spanning a total of 4.9 million km. Roads in India transport over 60 per cent of all goods and 85 per cent of total passenger traffic. The roads and bridge infrastructure industry is expected to be worth US$ 19.2 billion by FY17. The National Highways account for 1.9 per cent of the total road network in India. Source: http://www.ibef.org/industry/roads-presentation

Prospects for the Indian road sector seem bright with the renewed thrust by the present government to accelerate road creation. The planned allocation to the road transport and highways ministry stands at Rs. 42,913 crore in 2015-16, an increase of Rs. 14,031 crore or 48% from the previous year. The sector also stands to benefit from improvement in traffic and hope for lower interest rates in FY16.

Source: http://articles.economictimes.indiatimes .com/2015-02-28/news/59612991_1_road-ministry-finance-minister-arun-jaitley-roads-sector

In FY15, the government was able to achieve 8,000 km of road construction from 3,621 km in FY14. Source: http://zeenews.india.com/news/india/we-will-lay-more-than-30-km-of-highways-per-day-gadkari_1603318.html Increased emphasis is also

being given to achieve a sharp step-up in project awarding, especially under the engineering, procurement and construction (EPC) mode as road construction firms are still showing tepid response to built-operate-transfer (BOT) formats. In FY15, NHAI awarded 3100 km of road projects out of which 2400 km was on EPC basis and balance 700 km was on BOT basis. In contrast, in FY14, only 1400 km of road projects were awarded through the EPC mode. Project awarding is expected to pick up greater pace with the government's strong resolve to clear land acquisition issues, environmental clearances, land financing etc. NHAI is targeting to award about 9,000 kilometres in FY16. About 50 percent of it will be either in BOT or hybrid annuity mode and the remaining 50 percent in EPC mode. The hybrid annuity mode is a mix of EPC and BOT formats, with the government and the private companies sharing the total project cost in the ratio of 40:60 respectively.

Source: http://articles.economictimes.indiatimes.com/2015-04-15/news/61179983_1_epc-mode-11-projects-28-projects

Source:http://www.moneycontrol.com/news/economy/expect-to-award-9000-km-road-projectsfy16-nhai_1344723.html?utm_source=ref_article

The Ministry of Road Transport and Highways (MORTH) is also considering to develop 1231 highway projects of total 37000 km in order to improve the road infrastructure with an investment of Rs. 3.5 lakh crore. The government is also planning to build 5600 km of roads along the borders and coastal areas under the 'Bharat Mala' project at an estimated cost of Rs. 56,000 crore. Source: http://indianexpress.com/article/india/india-others/road-financing-models-searching-for-new-ways/

Irrigation

In India, there is an immense need to provide irrigation to mitigate risk to the farmer since a large majority of the farm lands are rain-fed. Besides reducing dependence on the monsoons, irrigation facilities also help to bring more land under cultivation, reduce instability in output levels, create job opportunities, make available electricity and transport facilities, control floods and prevent droughts.

With an aim to improve irrigation facilities and ensure effective water management, the government has made an allocation of Rs. 5300 crore under the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) in FY16 to support micro-irrigation, watershed development.

Company Overview

KNR Constructions Limited (KNRCL) is among the leading infrastructure companies of India. Over the years, since its incorporation in 1995, through exemplary track performance of constructing landmark infrastructure projects in record time, KNRCL has moved to a special echelon. KNRCL's strength lies in its ability to provide EPC services across various fast growing sectors namely construction and maintenance of roads, highways, flyovers and bridges. Its clientele in the road segment includes National Highway Authority of India (NHAI), state governments and private companies. The Company is also an established player in irrigation and water management segments.

KNRCL has forayed into infrastructure projects independently as well as through collaborations. Its excellent track record of execution has made it the preferred partner for executing road projects. Collaboration with like-minded companies has enabled KNRCL to undertake high-value projects and increase its geographic presence.

KNRCL has successfully completed 5,888 km of projects across 12 states in India. In-house specialised and construction equipment as against leasing the same and the services of skilled personnel are the Company's key differentiators enabling its impressive performance.

Leveraging its experience and expertise in the construction business, the Company is well-positioned to foray into new business areas while strengthening existing business activities.

Major Achievements during the Year

During the year under review, KNRCL has been awarded a number of projects which further strengthens its position as a leading provider of construction services across the infrastructure space. At present, the order book stands at about Rs. 1318.13 crore with Rs. 174.79 crore coming through private concessionaires and about Rs. 1143.34 crore from various government organisations.

New Order Additions during last year

Project	Client	Value Rs Mn
Construction of Madurai Ramanathapuram Section of NH-49 [Total Design Length 115.000 Km] in the State of Tamil Nadu under NHDP Phase-III on EPC mode	NHAI	9371
4 laning of Kazhakkottam to Mukkola section from km. 0.000 to km 26.500 of NH-47 in the state of Kerala under NHDP phase-III on EPC mode	NHAI	6690
TNRSP II / EPC01 to be completed within a period of 36 months from the appointed date	Project Director, Tamil Nadu Road Sector Project II	1850
TNRSP II / EPC02 to be completed within a period of 42 months from the appointed date Tamil Nadu Road Sector Project II	Project Director,	3200
TNRSP II / EPC06 s to be completed within a period of 36 months from the appointed date Tamil Nadu Road Sector Project II	Project Director,	2240
Chittagong City Outer ring road in JV with Spectra Engineers Ltd (51% stake)	Government of Bangladesh	5153
Widening and reconstruction of Dadra-Bhitarwar Harsi road Package -C	MP Road Development Corporation	1096

Opportunities

Thrust on infrastructure development: The government has given a renewed thrust to infrastructure projects in recent months to reduce infrastructure supply-demand gap. Measures include speedy resolving of issues which have stymied such ventures and creating a benign environment which will facilitate private and foreign investment. KNRCL, a leading player in the infrastructure space is well-positioned to benefit from the government's focus on sectors like roads highways & flyovers, water management and urban infrastructure.

Sharp revival in EPC mode: The government has shown a keen intent to grant road projects under the EPC mode. KNRCL, with its proven track record in the EPC sphere will be looking at leveraging this opportunity to the fullest.

Maintenance & Upgrades: High traffic density in recent years has necessitated the need for road expansion and regular upgrades. Domain expertise in road construction provides sustainable growth opportunities for KNRCL.

Risk and Risk Mitigation

Competition Risk – NHAI / EPC projects face competition from larger players. Any aggressive bidding environment may lead to price cut and low operating margins. To mitigate this risk, where required, KNRCL enters into mutually beneficial partnership with larger players, both domestic and international. This strategic collaboration facilitates financial and technical synergies and enables the Company to compete effectively for projects.

Slow-down in Road Sector: Slowdown on part of the government to award road projects could impact growth prospects. However, this risk is eliminated to a great extent as the present government has taken focused steps to ensure that infrastructure creation moves at a brisk pace.

Construction Risk – Infrastructure projects involve complex design and engineering, significant procurement of equipment and supplies and extensive construction management and other activities conducted over extended time periods, sometimes in remote locations. This could lead to cost-time overruns. KNRCL with its vast experience of project management, balanced capital structuring and efficient cost control measures is well geared to mitigate this risk. Further, KNRCL owns most of the construction and mining equipment enabling it to expedite execution and sustain margins.

Raw-material Risk-- Increases in the cost of raw materials, particularly steel and cement, or their unavailability over the tenor of the contract can impact schedules and profit margins. To mitigate this risk, the Company enters into long term arrangement with suppliers for requisite raw materials for the tenure of the project, thus guaranteeing a continuous flow. Backward integration by sourcing aggregates from its mines, for road projects under execution also enables KNRCL to control costs. Also, leveraging its industry experience, the Company effectively supervises the availability of raw materials thus keeping the cost escalation risk to a minimum.

Interest Rates – Rising interest rates during the life span of a project, fuelled by inflation, can decrease profit margins. To mitigate these risks, the Company ensures that it considers the possibility of a higher interest rate and includes it in the cost of a project before bidding for it. Despite this, KNRCL is open to resorting to interest rate hedging in case the need arises.

Regulatory Risk – Infrastructure projects require strict adherence to government regulations and requirements. These requirements are complex and subject to frequent changes as well as new restrictions. Failure to comply with these requirements may result in significant liability to the Company. To mitigate this risk, KNRCL has a strong regulatory compliance mechanism in place.

Political Risk –Political disharmony can interrupt or disturb the settled commercial terms of a project, as infrastructure projects with their high visibility have a strong element of public interest. With greater thrust on infrastructure by successive governments, this risk has been alleviated to a considerable extent. Further to ensure minimal intrusion from the political machinery, the Company ensures that its work speaks for itself. Also, years of experience in working with various Governments and its agencies in its life span, has made KNRCL fully capable of handling any changes in the political setup.

Discussion on financial performance and operational performance:

1. Turnover: The Gross Sales of the Company increased from Rs. 834.79 crore in FY 14 to Rs. 876.13 crore, clocking a growth of about 5%.

2. Share Capital: The Company has not allotted any shares during the year under review and the paid up share capital as on 31st March 2015 is Rs. 2812.35 Lakhs divided in to 2,81,23,460 Equity Shares of Rs. 10/- each.

3. Reserves and Surplus: The Reserves and Surplus of the Company has gone up from Rs. 485.20 crore to Rs. 541.08 crore in FY15 on account of profit made during the year.

4. Net worth: The Company's Net Worth increased from Rs. 510.64 crore to Rs. 567.42 crore mainly on account of internal generation of profit.

5. Secured / unsecured loans: There was an increase of loans from Rs. 90.72 crore to Rs. 96.30 crore.

6. Fixed Assets: The Company's Fixed Assets (Gross Block) increased by Rs. 22.97 crore in FY15 from Rs. 525.25 crore to Rs. 548.22 crore which have been acquired for execution of new contracts awarded to the Company during the year.

7. Provision for Tax: The Company has provided for a sum of Rs. (0.71) Crore as current year tax including wealth tax.

8. Net Profit: The Company's Net Profit after Tax and extraordinary expenses during the year was Rs. 73.01 crore as compared to Rs. 60.98 crore in FY14.

9. Dividend: The Board of Directors has recommended a divided of Rs. 1.00 per share (being 10 %) and total payout works out to Rs.3.38 crore (including dividend tax).

10. Earning Per Share (EPS): The Company's EPS has increased to Rs.25.96 in the current year from Rs. 21.68 in the previous year.

Human Resources Development and Industrial Relations

Human Resources play a critical role in organisational success. At KNRCL, all HR policies and practices are aligned with the overall organisational strategy. In order to achieve operational excellence and maintain a competitive edge, the Company invests in building and nurturing a strong talented pool by instituting best practices with respect to its employees. During the year, industrial relations remained cordial, with a strong spirit of bonhomie and camaraderie prevailing among the rank and file of employees. The Company employed a total of 530 employees during the year.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the KNRCL's objectives, projections, estimates, expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make difference to the KNRCL's operations include economic conditions in which the KNRCL operates, change in government regulations, tax laws, statutes and other incidental factors.

DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the Twentieth Annual Report and the Company's audited financial statement for the financial year ended March 31, 2015.

FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2015 is summarised below:

₹ in Lakhs

PARTICULARS	2014-15	2013-14
Gross Income (including other income)	88858.81	85030.99
Profit before interest and depreciation	13859.97	14131.02
Less: Interest and financial charges	1224.30	1719.45
Profit Before depreciation	12635.67	12411.57
Less: Depreciation and amortization	5405.58	5723.15
Profit before tax	7230.09	6688.42
Provision for tax (including Deferred Tax)	(71.15)	590.17
Profit after tax	7301.24	6098.25
Net Profit for the year	7301.24	6098.25
Profit brought forward from previous year	33073.50	27456.28
Profit available for appropriation	40374.74	33554.53
Appropriations:		
Transfer to General Reserve	0.00	152.00
Dividend	281.23	281.23
Dividend tax	57.25	47.80
Balance carried forward	38661.54	33073.50
Paid Up capital	2812.35	2812.35
Reserves and Surplus	54108.20	48519.88

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The highlights of the Company's performance are as under:

Revenue from operations 87,602.30 Lakhs

PBDIT(Excluding Other Income) increased by 0.28 % to 12,614.27 Lakhs

Profit before Tax increased by 8.10% to 7,230.09 Lakhs

Cash Profit increased by 7.49% to 12,706.82 Lakhs

Net Profit increased by 19.73% to 7,301.24 Lakhs

The order book position as on 31st March 2015 stands at Rs.354093.40 Lakhs.

Reserves

The Company is not proposing to transfer any amount to the General Reserves of the Company out of the profits made during the year. The total Reserves & Surplus (including capital reserves, securities premium Reserves, General Reserves and P&L Account accumulated) as on 31st March 2015 is Rs. 54108.20 Lakhs as against the Paid-up capital of Rs. 2812.35 Lakhs

Dividend

Your Directors have recommended a divided of Rs. 1.00 /- per Equity share for the financial year ended 31st March 2015, amounting to Rs. 281.23 Lakhs. The dividend will be paid to the members whose names appear in the Register of Members as on 24th September 2015 in respect of shares held in the dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

The dividend payout for the year under review has been formulated in accordance with the Company's policy linked with long term performance, keeping in view the company's need for capital for its growth plans and the intent to finance such plans through internal accruals to the maximum.

Management Discussion and Analysis Statement

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

Transfer to the Investor Education and Protection Fund

In terms of Section 125 of the Companies Act, 2013, an amount of Rs. 9450/- being unclaimed share application money pertaining to the IPO was transferred to the Investor Education and Protection fund (IEPF) established by the Central Government during the year under review.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, no companies have become or ceased to be company's subsidiaries and during the year the following Joint Ventures were entered by the company i.e KNR – TBCPL – JV and SEL – KNR JV and as per the provisions of section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary Companies and Joint Ventures is prepared in Form AOC-1 and it forms part of the consolidated financial statements and hence not repeated here for the sake of brevity.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website: www.knrcl.com

Consolidated Financial Statements

The consolidated financial statements, in terms of Section 129 of the Companies Act, 2013 and Clause 32 of the Listing Agreement and prepared in accordance with Accounting Standard 21 as specified in the Companies (Accounting Standards) Rules, 2006 forms a part of this annual report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its Subsidiaries on its website www.knrcl.com and copy of separate audited accounts of its Subsidiaries will be provided to the members at their request.

Directors' Responsibility Statement;

Pursuant to the requirements under Section 134 (3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, Your Directors hereby confirmed that:

(a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a 'going concern' basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: http://www.knrcl.com/images/knrcl_CSR.pdf

Composition of the CSR Committee

Name	Designation	Category
Shri L. B. Reddy	Chairman	Non-Executive and Independent Director
Shri B. V. Rama Rao	Member	Non-Executive and Independent Director
Shri K. Jalandhar Reddy	Member	Executive and Non-Independent Director
Shri M Rajesh Reddy *	Member	Executive and Non-Independent Director

* (resigned w.e.f 12.01.2015)

The Company has identified three focus areas of engagement which are as under:

1. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects

2. Rural development projects

3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

The Company as part of its Corporate Social Responsibility (CSR) initiative, undertook projects like promotion of education in rural areas, infrastructure and maintenance and renovation of old age homes.

The Annual Report on CSR activities is annexed herewith as "Annexure I" to this report and CSR Policy is posted on the website of the Company and the web link is http:

DIRECTORS

In accordance with the requirements of the Companies Act, 2013 Shri K Jalandhar Reddy, Director of the Company is liable to retire by rotation at the Annual General Meeting and, being eligible, offer themselves for reappointment at the ensuring Annual General Meeting.

Brief resume of the Director proposed to be reappointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and relationships between directors inter-se, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance.

Shri M Rajesh Reddy, Executive Director of the Company ceased to be Director of the Company during the year under review due to resignation w.e.f 12.01.2015

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

The Board of Directors has complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board / Committee meetings, when MD / ED are asked to make presentations about performance of the Company to the Board. Apart from this, they also have independent interactions with the Statutory Auditors, the Internal Auditors and external advisors appointed from time to time. Further, they meet without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, on rotation of audit firms, and based on the recommendation of the Audit Committee, the Board has at its meeting held on 30th May 2015 recommended the re-appointment of M/s. Sukumar Babu & Co., Chartered Accountants, Hyderabad, as the Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting to the Conclusion of the next Annual General Meeting. M/s. Sukumar Babu & Co., Chartered Accountants, Hyderabad, have confirmed that the appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013. Accordingly, the appointment of M/s. Sukumar Babu & Co., Chartered Accountants, Hyderabad, as the Statutory Auditors, is being proposed as an Ordinary Resolution.

INTERNAL AUDITOR & CONTROLS

The Board of Directors based on the recommendation of the Audit Committee have re-appointed M/s. K. P. Rao Associates, Chartered Accountants, Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis. Internal Auditors findings are discussed and suitable corrective actions are taken as per the directions of Audit Committee on an on-going basis to improve efficiency in operations.

The Company's internal control systems are well established and commensurate with the nature of its business and the size and complexity of its operations. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The recommendations/suggestions of the internal auditors are discussed in the Audit Committee meetings periodically.

COST AUDITORS

In accordance with Section 141 of the Companies Act, 2013 (corresponding Section 233B of the Companies Act, 1956) and the MCA General Circular No. 15/2011 dated April 11, 2011, (as amended vide General Circular No. 36/2012 dated November 6, 2012), the Audit Committee has recommended and the Board of Directors had appointed M/s. K.K. Rao & Associates, Cost Accountants, Hyderabad, being eligible and having sought appointment, as Cost Auditors of the Company, to carry out the cost audit for the Company during the financial year 2015-16.

SECRETARIAL AUDITOR

The Board has appointed M/s. VCSR & Associates, Company Secretaries, to conduct Secretarial Audit for the FY 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure II to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: http://www.knrcl.com/images/policy_on_materiality.pdf Your Directors draw attention of the members to Notes to the financial statement which sets out related party transactions and disclosures.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out Go:

The particulars relating to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo as required under section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are as follows

a) Conservation of Energy

The Company has taken suitable measures for conservation of energy. The core activity of the company is civil construction that is not an energy intensive activity.

b) Technology absorption, Adoption and Innovation

There is no information to be furnished regarding Technology Absorption as your Company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources, which needs to be absorbed or adopted.

Innovation is a culture in the Company to achieve cost efficiency in the construction activity to be more and more competitive in the prevailing environment that cannot be quantified.

Foreign Exchange earnings and outgo

Foreign Exchange Inwards - Nil

Foreign Exchange outgo towards

a) Travel –	Rs. 4.05 lakhs	(P.Y Rs. 6.55 lakhs)
b) Import of capital goods	Rs. 287.64 lakhs	(P.Y Rs. 199.03 Lakhs)
c) Advance / Loan to Subsidiaries –	Nil	(P.Y 21.78 Lakhs)
d) Term Loan Repayment and interest –	Nil	(P.Y Nil Lakhs

FIXED DEPOSITS

Your Company has not accepted any deposits covered by the provisions of Section 73 of the Companies Act, 2013 and the Rules framed there under.

INDUSTRIAL RELATIONS

Your Directors are happy to report that the Industrial Relations have been extremely cordial at all levels throughout the year. Your Directors record their appreciation for sincere efforts, support and co-operation of all employees being extended from time to time to accelerate the growth of the Company.

DISCLOSURES

Audit Committee

The Audit Committee comprises majority Independent Directors namely Shri L . B Reddy (Chairman), Shri B V Rama Rao, and Shri K Jalandhar Reddy as other members. All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Company has a Vigil mechanism and Whistle blower policy in terms of the Listing Agreement, under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Protected disclosures can be made by a whistle blower through a dedicated e-mail, or a letter to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: http://www.knrcl.com/images/knrcl_whistleblower.pdf

Meetings of the Board

Nine meetings of the Board of Directors were held during the year under review. For further details, please refer report on Corporate Governance of this Annual Report.

Code of Conduct

A declaration regarding compliance with the code of conduct signed by the Company's Managing Director is published in the Corporate Governance Report which forms part of the annual report.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

Particulars of loans given, investments made, guarantees given and securities provided are provided in the financial statement.

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as **Annexure III** to this Report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The percentage of increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director /KMP for financial year 2014-15 (Rs. in lakhs)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	K Narasimha Reddy Managing Director	173.00	40.60%	94	Profit before Tax increased by 8.10 and Profit After Tax increased by 19.73 in financial Year 2014-15
2	K Jalandhar Reddy Executive Director	90.10	40.87%	49	
3	M V Venkata Rao Company Secretary	10.55	12.23%	6	
4	G Sravana Kumar GM (F&A)	23.52	27.07%	13	

During the period under review, no employee of the Company is employed throughout the financial year and in receipt of Rs.60 lakhs or more, or employed for part of the year and in receipt of Rs.5 lakhs or more a month, under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ii) The median remuneration of employees of the Company during the financial year was Rs. 1.83 lakhs;

iii) In the financial year, there was increase of 7.96% in the median remuneration of employees;

iv) There were 530 employees on the rolls of Company as on March 31, 2015

v) Relationship between average increase in remuneration and company performance: - The Profit before tax for the financial year ended March 31, 2015 increased by 8.10% whereas the increase in median remuneration was 20.2%

vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key Managerial Personnel was Rs. 355.47 lakhs whereas the Profit before tax was Rs. 7,230.09 lakhs in 2014-15

vii) a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2015 at NSE was Rs. 1,19,468.46 lakhs (Rs. 23,904.94 lakhs as on March 31, 2014)

b) Price Earnings ratio of the Company at NSE was 16.36 as at March 31, 2015 and was 3.92 as at March 31, 2014;

viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 6.49% whereas the increase in the managerial remuneration for the same financial year was 27.63%;

ix) The key parameters for any variable component of remuneration availed by the directors: Not applicable

x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but received remuneration in excess of the highest paid director during the year – Not Applicable; and

xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Policy on Sexual Harassment

The Company has adopted policy on Prevention of Sexual Harassment of women at Workplace in accordance with The Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company has not received any complaints pertaining to Sexual Harassment.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Appreciation and Acknowledgements

Your Directors wish to place on record their gratitude to the Company's shareholders, customers, vendors and bankers for their continued support to KNRCL's growth initiatives Your Directors also wish to place on record, their appreciation of the contribution made by employees at all levels, who through their competence, sincerity, hard work, solidarity and dedicated support, have enabled your Company to make rapid strides in its business initiatives Your Directors also thank the Central and State Governments and their various agencies, particularly, the National Highway Authority of India and other Governmental agencies for extending their support during the year, and look forward to their continued support.

On behalf of the Board of Directors
of KNR Constructions Limited

Sd/-	Sd/-
K Narasimha Reddy	**K Jalandhar Reddy**
Managing Director	Executive Director

Place: Hyderabad
Date: 14th August 2015

ANNEXURE – I

Annual Report on Corporate Social Responsibility (CSR) activities for the FY 2014-15 as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

1	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	Refer Section: Corporate Social Responsibility in this Report for the composition of the Committee. CSR Policy can be accessed at the link http://www.knrcl.com/images/knrcl_CSR.pdf
2	Average net profit of the Company for last three financial years	Rs. 7038.55 Lakhs
3	Prescribed CSR Expenditure (two percent of the amount as in item C above)	Rs. 140.77 Lakhs
4	Details of CSR spent for the financial year	Details given below
	Total amount spent for the financial year	Rs. 12.31 Lakhs
	Amount unspent, if any	Rs. 128.46 Lakhs
	Manner in which the amount spent during the financial year	Details given below

Manner in which the amount spent during the financial year is detailed below:

Sl. No	CSR project or Activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local Area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise. in Rupees	Amount Spent on the projects or programs Subheads (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative expenditure upto the reporting period. in Rupees	Spent: Direct or through implementing Agency.
1	School Fee	Promotion of Education	Hyderabad	2,13,700	213700	213700	By the Company
2	Toilets Old Age Home	Improvement of sanitation	Hyderabad	9,50,000	950000	950000	Chaitanya Seva Trust, Hyderabad
3	School Building	Promotion of Education	Dhamanpet	50,00,000	67416	67416	By the Company
4	School Building	Promotion of Education	Palakkad	20,00,000	Nil	Nil	By the Company
5	Bridge	Infrastructure Development	Dhamanpeet	1,52,00,000	Nil	Nil	By the Company

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is reproduced below:

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."

Sd/-	Sd/-
K NARASIMHA REDDY	**L B REDDY**
Managing Director	Chairman, CSR Committee

Hyderabad
14th August 2015

Annexure II
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

To
The Members
KNR CONSTRUCTIONS LIMITED
New Delhi

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions of the Acts, Rules and Regulations as mentioned below and the adherence to good corporate practices by M/s. KNR CONSTRUCTIONS LIMITED (herein called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. KNR CONSTRUCTIONS LIMITED ('the Company') for the financial year ended on March 31, 2015 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder as applicable;
II. The Securities Contract (Regulation) Act, 1956 ('SCRA") and the rules made thereunder;
III. The Depositories Act, 1956 and the Regulations and the Bye-laws framed thereunder;
IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
V. The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992 (as amended upto 2011);
(c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above;

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through and as informed by the Company, there were no dissenting views of members of the Board at any Board / Committee meeting held during the financial year.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For VCSR & Associates
Company Secretaries

Sd/-
(Ch.Veeranjaneyulu)
Partner
CP No. 6392

Place: Hyderabad
Date: 14.08.2015

Annexure III
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i) CIN:	L74210DL1995PLC238364
(ii) Registration Date	11-07-1995
(iii) Name of the Company	KNR Constructions Limited
(iv) Category / sub-category of the Company	Public Company / Limited by Shares
(V) Address of the Registered office and contact details	C-125, ANAND NIKETAN NEW DELHI – 110021 +91 40 40268761 / 62 +91 40 40268760 (Fax) INVESTORS@KNRCL.COM WWW.KNRCL.COM
(vi) Whether listed company	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mill Compound, LBS Marg, Bhandup (West) Mumbai - 400078, Maharashtra +91 22 25960320 + 91 22 25960329(Fax) rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	CONSTRUCTIONS	45 - CONSTRUCTION (45203)	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - Attachment - A

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category wise shareholding – Attachment B

ii) Shareholding of Promoters – Attachment C

iii) Change in Promoters' Shareholding - Attachment D

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) - Attachment E

v) Shareholding of Directors and Key Managerial Personnel - Attachment F

V. INDEBTEDNESS - Attachment - G

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIALPERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager - Attachment H

B. Remuneration to other directors - Attachment I

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD - Attachment J

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES - Attachment - K

Attachment - A

Iii. Particulars Of Holding, Subsidiary And Associate Companies

S. NO	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Holding	Applicable Section
1	KNR AGROTECH AND BEVERAGES PRIVATE LIMITED	U74999TG2008PTC058829	WHOLLY OWNED SUBSIDIARY	100%	2 (87)
2	KNR INFRASTRUCTURE PROJECTS PRIVATE LIMITED	U45200TG2005PTC045323	WHOLLY OWNED SUBSIDIARY	100%	2 (87)
3	KNR ENERGY LIMITED	U40108TG2011PLC074236	WHOLLY OWNED SUBSIDIARY	100%	2 (87)
4	KNR WALAYAR TOLLWAYS PRIVATE LIMITED	U45209TG2012PTC082527	WHOLLY OWNED SUBSIDIARY	100%	2 (87)
5	KNRC HOLDINGS AND INVESTMENTS PRIVATE LIMITED (KNRCHIPL)	U465100TG2011PTC077131	WHOLLY OWNED SUBSIDIARY	100%	2 (87)
6	PATEL KNR HEAVY INFRASTRUCTURES LIMITED	U70102TG2006PLC049949	ASSOCIATE COMPANY	40%	2 (6)
7	PATEL KNR INFRASTRUCTURES LIMITED	U45201MH2006PLC162856	ASSOCIATE COMPANY	40%	2 (6)
8	MESMERIC SOFTWARE SOLUTIONS PRIVATE LIMITED	U72900TG2008PTC058813	SUBSIDIARY OF (KNRCHIPL)	100%	2 (87)
9	NAG TALENT VENTURES AND INFOTECH PRIVATE LIMITED	U7220TG2005PTC048640	SUBSIDIARY OF (KNRCHIPL)	100%	2 (87)
10	GRADIENT ESTATES PRIVATE LIMITED	U70102TG2008PTC062280	SUBSIDIARY OF (KNRCHIPL)	100%	2 (87)
11	GRADIENT REALITY VENTURES PRIVATE LIMITED	U70102TG2008PTC062313	SUBSIDIARY OF (KNRCHIPL)	100%	2 (87)
12	ROCHE POLYMERS AND ADDITIVES PRIVATE LIMITED	U24100TG2011PTC072948	SUBSIDIARY OF (KNRCHIPL)	100%	2 (87)
13	ASARA CONSTRUCTION AND PROJECTS PRIVATE LIMITED	U45209TG2007PTC056847	SUBSIDIARY OF (KNRCHIPL)	100%	2 (87)
14	KNR MUZAFFARPUR HOLDINGS PRIVATE LIMITED (KMHPL)	U65923TG2011PTC077094	SUBSIDIARY OF (KNRCHIPL)	100%	2 (87)
15	KNR MUZAFFARPUR BARAUNI TOLLWAY PRIVATE LIMITED	U45209TG2011PTC077925	SUBSIDIARY OF KMHPL	51 %	2 (87)

ATTACHMENT B
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	%of Total shares	Demat	Physical	Total	%of Total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	20815021	Nil	20815021	74.01	18425241		18425241	65.52	-8.49
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)	**20815021**	**Nil**	**20815021**	**74.01**	**18425241**		**18425241**	**65.52**	**-8.49**
B. Public Shareholding 1. Institutions									
a) Mutual Funds	2258492		2258492	8.03	5832899		5832899	20.74	12.71
b) Banks / FI					7206		7206	0.03	0.03
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs	5000		5000	0.02	237848		237848	0.85	0.83
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	**2263492**		**2263492**	**8.05**	**6077953**		**6077953**	**21.61**	**13.56**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2465703		2465703	8.77	780173		780173	2.73	-6.04
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	941957	14	941943	3.35	1579956	14	1579942	5.62	2.27
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1565533	105000	1460533	5.57	1171882		1171882	4.17	-1.4

c) Others (specify)									
Non Resident Indians (Repar)	51978		51978	0.18	44906		44906	0.16	-0.02
Non Resident Indians (Non Repar)	2607		2607	0.01	8960		8960	0.03	0.02
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members	16899		16899	0.06	26678		26678	0.09	0.03
Trusts									
Foreign Bodies - D R					7444		7444	0.03	0.03
Office Bearers	270		270	0.00	270		270	0.00	0
Sub-total (B)(2):-	5044947		4939933	17.94	9698219	14	9698205	12.87	-5.07
Total Public Shareholding (B)=(B)(1)+ (B)(2)	7308439		7203425	25.99	9698219	14	9698205	34.48	8.49
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**28123460**	**105014**	**28018446**	**100.00**	**28123446**	**14**	**28123460**	**100.00**	

ATTACHMENT C

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

ii. Shareholding of Promoter

Sl No.	Shareholders Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change in shares Holding during the year
		No of shares	% of total Shares of the Company	% of shares Pledged/ encumbered to total shares	No of shares Shares of the Company	% of total Pledged/ encumbered to total shares	% of shares	
1	KAMIDI NARASIMHA REDDY	11358610	40.39	NIL	10798719	38.40	NIL	-4.93
2	JALANDHAR REDDY KAMIDI	4998087	17.77	NIL	4335021	15.41	NIL	-13.27
3	K. YASHODA	2096209	7.45	NIL	1761501	6.26	NIL	-15.97
4	V. KRISHNA REDDY	30000	0.11	NIL	30000	0.11	NIL	0.00
5	MEREDDY RAJESH REDDY	1832115	6.51	NIL	1500000	5.33	NIL	-18.13
6	JETTI VIJAYA LAXMI	250000	0.89	NIL	NIL	NIL	NIL	-100.00
7	MEREDDY SARITHA	250000	0.89	NIL	NIL	NIL	NIL	-100.00

ATTACHMENT D

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No	Name	Opening 01.04.2014			Closing - 31.03.2015			Increase Decrease in shareholding
		No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	
1	KAMIDI NARASIMHA REDDY	11358610	40.39	NIL	10798719	38.4	NIL	-559891
2	JALANDHAR REDDY KAMIDI	4998087	17.77	NIL	4335021	15.41	NIL	-663066
3	K. YASHODA	2096209	7.45	NIL	1761501	6.26	NIL	-334708
4	V. KRISHNA REDDY	30000	0.11	NIL	30000	0.11	NIL	0
5	MEREDDY RAJESH REDDY	1832115	6.51	NIL	1500000	5.33	NIL	-332115
6	JETTI VIJAYA LAXMI	250000	0.89	NIL	NIL	NIL	NIL	-250000
7	MEREDDY SARITHA	250000	0.89	NIL	NIL	NIL	NIL	-250000
	Total	**20815021**	**74.01**		**18425241**	**65.51**		**-2389780**

ATTACHMENT E

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

iv) Shareholding Pattern of top ten Shareholders:
(other than Directors, Promoters and Holders of GDRs and ADRs):

		Opening 01.04.2014			Closing - 31.03.2015			
Sl. No	Shareholder's Name	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	Increase Decrease in shareholding
1	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND	2258492	8.0306	Nil	2347797	8.3482	Nil	89305
2	PATEL ENGINEERING LTD	1777116	6.319	Nil	0	0.0000	Nil	-1777116
3	RAGHU TRADING AND INVESTMENT COMPANY (P) LTD	480418	1.7082	Nil	0	0.0000	Nil	-480418
4	SARAH FAISAL HAWA	254765	0.9059	Nil	240097	8.5370	Nil	-14668
5	PRAKASH PERAJE PAI	215187	0.7652	Nil	189000	0.6720	Nil	-26187
6	ANANTH PERAJE PAI	215098	0.7648	Nil	68538	0.2437	Nil	-146560
7	TATA TRUSTEE CO. LTD A/C TATA MUTUAL FUND - TATA INFRASTRUCTURE FUND	0	0	Nil	1208000	4.2953	Nil	1208000
8	FRANKLIN INDIA SMALLER COMPANIES FUND	0	0	Nil	577036	2.0518	Nil	577036
9	DSP BLACKROCK MICRO CAP FUND	0	0	Nil	561292	1.9958	Nil	561292
10	ICICI PRUDENTIAL INFRASTRUCTURE FUND	0	0	Nil	541210	1.9244	Nil	541210
11	L&T MUTUAL FUND TRUSTEE LIMITED-L&T BUSINESS CYCLES FUND	0	0	Nil	451610	1.6058	Nil	451610
12	TATA AIA LIFE INSURANCE CO LTD- WHOLE LIFE MID CAP EQUITY FUND-ULIF 009 04/01/07 WLE 110	0	0	Nil	275607	0.9800	Nil	275607

ATTACHMENT F

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

v) Shareholding of Directors and Key Managerial Personnel:

		Opening 01.04.2014			Closing - 31.03.2015			
Sl. No	Name	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	Increase/ Decrease in shareholding
1	KAMIDI NARASIMHA REDDY	11358610	40.39	NIL	10798719	38.4	NIL	-559891
2	JALANDHAR REDDY KAMIDI	4998087	17.77	NIL	4335021	15.41	NIL	-663066
3	K. YASHODA	2096209	7.45	NIL	1761501	6.26	NIL	-334708
4	MEREDDY RAJESH REDDY	1832115	6.51	NIL	1500000	5.33	NIL	-332115
5	BANDHAKAVI VENKATA RAMARAO	0	0	NIL	0	0	NIL	0
6	LODUGU BALARAM REDDY	0	0	NIL	0	0	NIL	0
7	JUJJAVARAPU SRIRAM CHANDRAMOULI	0	0	NIL	0	0	NIL	0
8	M V VENKATA RAO	270	Nil	NIL	270	Nil	NIL	0
	Total	**20285021**	**72.12**		**18395241**	**65.4**		

ATTACHMENT G

INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	408,881,768	39,848,534	-	448,730,302
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,077,564	-	-	3,077,564
Total (i+ii+iii)	**411,959,332**	**39,848,534**	**-**	**451,807,866**
Change in Indebtedness during the financial year				
* Addition	-	474,100,000	-	474,100,000
* Reduction	326,356,039	233,948,534	-	560,304,573
Net Change	**(326,356,039)**	**240,151,466**	**-**	**(86,204,573)**
Indebtedness at the end of the financial year				
i) Principal Amount	82,525,729	280,000,000	-	362,525,729
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	582,422	-	-	582,422
Total (i+ii+iii)	**83,108,151**	**280,000,000**	**-**	**363,108,151**

ATTACHMENT H

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		K Narasimha Reddy	K Jalandhar Reddy	M Rajesh Reddy #	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,000,000	8,500,000	5,500,000	31,000,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others - Employers PF Contribution	300,000	510,000	330,000	1,140,000
	Total (A)	**17,300,000**	**9,010,000**	**5,830,000**	**32,140,000**
	Ceiling as per the Act				88,372,000

resigned w.e.f 12.01.2015

ATTACHMENT I

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		B V Rama Rao	L B Reddy	J S R Chandramouli *	K Yashoda	
1	Independent Directors Fee for attending board committee meetings	620,000	620,000	20,000	-	1,260,000
	Commission					
	Others, please specify	620,000	620,000	20,000	-	1,260,000
	Total (1)					
2	Other Non-Executive Directors Fee for attending board committee meetings	-	-	-	220,000	220,000
	Commission					
	Others, please specify	-	-	-	220,000	220,000
	Total (2)	**620,000**	**620,000**	**20,000**	**220,000**	**1,480,000**
	Total (B)=(1+2)	**620,000**	**620,000**	**20,000**	**-**	**1,260,000**

* resigned w.e.f 24.05.2014

ATTACHMENT J

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,70,00,000	9,97,503	85,00,000	2,64,97,503
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission - as % of profit others, specify...	- - -	- - -	- - -	
5	Others - Employers PF Contribution	3,00,000	57,600	5,10,000	8,67,600
	Total	**1,73,00,000**	**10,55,103**	**90,10,000**	**2,73,65,103**

ATTACHMENT K

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Report On Corporate Governance

In accordance with Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE), the report containing the details of Corporate Governance systems and processes at KNR Constructions Limited (KNRCL) is given below:

1. Company's Philosophy

KNR Constructions Limited ("KNRCL") is committed to implement sound corporate governance practices with a view to bring transparency, accountability and equity in all facets of its operations and maximizing shareholders value. KNRCL is committed to achieve the good standards of Corporate Governance on continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at true Corporate Governance.

2. Board of Directors:

The present composition of Board of Directors consists of Five Directors out of which two are Whole Time Directors and three are Non-Executive Directors. The composition and the category of Directors are as under:

Sl No.	Name	Designation	Category
1.	Shri B. V. Rama Rao	Chairman	Independent / Non- Executive Director
2.	Shri L. B. Reddy	Director	Independent / Non- Executive Director
3.	Shri J. S. R. Chandra Mouli*	Director	Independent / Non- Executive Director
4.	Shri K. Narasimha Reddy	Managing Director	Promoter/ Executive Director
5.	Shri K. Jalandhar Reddy	Executive Director	Promoter/ Executive Director
6.	Shri M. Rajesh Reddy #	Executive Director	Promoter/ Executive Director
7.	Smt. K Yashoda	Director	Promoter / Non-Executive Director

(* resigned w.e.f 24.05.2014)
(# resigned w.e.f 12.01.2015)

Conduct of Board Proceedings

The day to day business is conducted by the executives of the Company under the directions of Managing Director and Executive Directors and the supervision of the Board. The Board holds periodical meetings every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The Board performs the following specific functions in addition to the oversight of the business and the management.

- Review, monitor and approve major financial and business strategies and corporate actions
- Assess critical risk facings the company and review options for their mitigation
- Ensure that processes are in place for maintaining the integrity of
- the Company;
- the financial statements;
- compliance with laws;
- relationship with customers, suppliers and other stakeholders;
- Delegation of appropriate authority to the committees / executive directors / senior executives of the company for effective management of operations

Governance Policies

At KNRCL, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Whistle Blower Policy
- Code of Conduct for Board of Directors and Officers of Senior Management
- Corporate Social Responsibility Policy
- Sexual Harassment Policy

Number of Board Meetings held

Nine Board Meetings were held during the year 2014-2015. The intervening period between two Board Meetings was well within the maximum gap of four months prescribed under Clause 49 of Listing Agreement.

The details of the Board Meetings are as under:

Sl. No.	Dates	Board Strength	No. of Directors Present
1	22.04.2014	6	5
2	30.05.2014	6	5
3	14.08.2014	6	5
4	30.09.2014	6	4
5	18.10.2014	6	5
6	14.11.2014	6	6
7	12.01.2015	6	5
8	12.02.2015	5	5
9	18.03.2015 *	2	2

* meeting of independent directors only

Attendance of Directors at the Board Meetings, last Annual General Meeting (AGM) and number of other directorships and chairmanships / memberships of each Director in various companies as on 31st March 2015 is as under:

Name	Attendance of the meetings during		No. of other Directorships ^	No. of Memberships / chairmanships of other companies @
	Board Meetings	Last AGM		
Shri B. V. Rama Rao	9	Yes	Nil	Nil
Shri L. B. Reddy	9	Yes	1	Nil
Shri J. S. R. Chandra Mouli *	1	No	Nil	Nil
Shri K. Narasimha Reddy	6	Yes	3	Nil
Shri K. Jalandhar Reddy	7	No	1	Nil
Shri M. Rajesh Reddy #	6	Yes	Nil	Nil
Smt. K Yashoda	7	No	Nil	Nil

(* resigned w.e.f 24.05.2014)
(# resigned w.e.f 12.01.2015)

^ The Directorships held by Directors as mentioned above, do not include Alternative Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies

@ in accordance with Clause 49, Memberships / chairmanships of only the Audit Committee and Shareholders' / Investors Grievance Committees of all Public Limited Companies (excluding KNR Constructions Limited) have been considered.

- Apart from receiving sitting fee for attending meetings, the Independent Directors do not have any material pecuniary relationships or transactions with the Company, its promoters, Directors, senior management or its holding company, subsidiaries and associates which may affect the independence of the Director.

- The Independent Directors are not related to the promoters or persons occupying management positions at the Board level or at one level below the Board.

- The Independent Directors have not been executives of the Company in the immediately preceding three financial years.

- They are not partners or executives or were not so during the preceding three years of the

  -Statutory audit firm or the internal audit firm associated with the Company.

  -Legal firm(s) and consulting firm(s) that have a material association with the Company.

- The Independent Directors are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect their independence.

- They are not the substantial shareholders of the Company i.e. do not own 2 per cent or more of the block of voting shares.

Familiarisation programmes for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year and information in this regard can be viewed from the our company's website www.knrcl.com

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted formally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Directors takes appropriate steps to present their views to the Managing Director.

One such meeting of Independent Directors was held during the year on 18th March 2015 without the presence of Executive Directors and management personnel. The details of the attendance of the Independent Directors in the meeting are as below.

Name	No. of meetings held during the year 2014-15	
	Held	Attended
Shri B. V. Rama Rao	1	01
Shri L. B. Reddy	1	01

Details of Directors

Brief resume of all the Directors of the company are furnished hereunder:

Shri B. V. Rama Rao, aged 75 years, is Non-Executive and Independent Chairman of our Company. He holds a Masters Degree in Economics from Osmania University, Master's in Public Administration from Kennedy School of Government, Harvard, USA and was also conferred the title of Overseas Fellow Member of the Economic Development Institute, by the World Bank. Shri B V Rama Rao joined the Indian Administrative Service in 1973 and has over 34 years of experience in areas such as development, administration and industrial management. During his stint with the Indian Administrative Service, Shri B V Rama Rao has served in various positions including Chief Secretary to the Government of Andhra Pradesh and Chairman and Managing Director, Nizam Sugars Limited until his retirement in 1997.

Shri B V Rama Rao joined the Board of Directors of the Company with effect from 26th December 2005 and he is currently the Chairman of the Board and Member of Audit Committee, Remuneration Committee and Corporate Social Responsibility Committee

Shri B V Rama Rao does not hold any Equity Shares in the Company as on 31st March 2015

Shri L. B Reddy, aged 73 years, is the Non-Executive and Independent Director of the Company. Shri Reddy is a Fellow Member of The Institute of Chartered Accountants of India and is a Senior Partner in M/s L B Reddy & Co., a Chartered Account Firm. Shri Reddy started his career with Syndicate Bank and has worked in various capacities in the Bank before retiring as General Manager. He has over three decades of experience in areas such as planning, accounts, inspection, computer policy and development. He was also on deputation from Syndicate Bank to Rayalaseema Grameena Bank as Chairman for six years.

Shri L B Reddy joined the Board of Directors of the Company with effect from December 26, 2005 and he is currently the Chairman of Audit Committee, Member of Remuneration Committee and Corporate Social Responsibility Committee in the Company and Director of New Era Insurance Services Limited, Sri Seshadri Industries Private Limited

Shri L B Reddy does not hold any Equity Shares in the Company as on 31st March 2015

Shri K. Narasimha Reddy aged 67 years, is the Founder Promoter and the Managing Director of the Company. He holds a Bachelor's degree in Arts from Kakatiya University. He has over 40 years of experience in the roads and infrastructure sector, and has been the driving force behind the Company's establishment and growth, and Company has grown to the current size and scale under his able leadership. He started his career in 1968 as sub-contractor for other construction companies. In 1979, he formed a partnership in the name and style of M/s K Narasimha Reddy & Company, which was engaged in the business of undertaking civil and mechanical contracts. Shri Reddy has extensive knowledge and experience in project planning, scheduling, cost controls, and quantity surveying in addition to overall construction project management. Shri Reddy oversees the implementation of all the projects and has formulated the corporate vision of the Company.

Shri K Narasimha Reddy is presently the Managing Director of KNR Constructions Limited and director of Patel KNR Heavy Infrastructures Limited, Patel KNR Infrastructures Limited, KNR Energy Limited, KNR Muzaffarpur Holdings Private Limited, KNRC Holdings and Investments Private Limited, KNR Muzaffarpur Barauni Tollway Private Limited, KNR Walayar Tollways Private Limited, Roche Polymers & Additives Private Limited, Gradient Realty Ventures Private Limited, Gradient Estates Private Limited and Asara Constructions & Projects Private Limited as on 31st March 2015

Shri Narasimha Reddy is holding 1,07,98,719 Equity Shares in the Company as on 31st March 2015.

Smt. K Yashoda, aged 63 years, is the Promoter and Non-Executive Director of KNR Constructions Limited. She is the wife of the Company's founder Promoter and Managing Director, Shri K Narasimha Reddy.

Smt. K Yashoda is the Non-Executive Director of KNR Constructions Limited and Director of Smitha Reality Private Limited, Smitha Agro Developers Private Limited, Siriadhvaitah Agri Solutions Private Limited, Siriadhvaitha Agro Developers Private Limited, Yashoda Landscape Private Limited, Narsimha Landscape Private Limited and Yashdoa Meadows Private Limited as on 31st March 2015

Smt. K Yashoda is holding 17,61,501 Equity Shares in the Company as on 31st March 2015.

Shri K Jalandhar Reddy, aged 44 years, is the Promoter and Executive Director of KNR Constructions Limited. He is the son of the Company's founder Promoter and Managing Director, Shri K Narasimha Reddy. He holds a Bachelor's Degree in Computer Engineering from Bangalore University. He has over 18 years of experience in the roads and infrastructure sector. He started his career with KNR Constructions as a project manager and was elevated as Executive Director from the year 1997. He heads the tendering and bidding activities of the company, as also is in charge of the projects of the Company which are executed in Southern India

Shri Jalandhar Reddy is presently the Executive Director of KNR Constructions Limited and Director of KNR Infrastructures Projects Private Limited, Vishnu Publicity Solutions Private Limited, Trapezoid Software Solutions Private Limited, Mesmeric Software Solutions Private Limited, KNR Agrotech and Beverages Private Limited, Nag Talent Ventures & Infotech Private Limited, KNR Energy Limited, KNR Muzaffarpur Holdings Private Limited, KNRC Holdings and Investments Private Limited, Siriadhvaitha Agrotech Private Limited, KNR Muzaffarpur Barauni Tollway Private Limited, Tagline Traders Private Limited, KNR Walayar Tollways Private Limited, Roche Polymers & Additives Private Limited, Gradient Realty Ventures Private Limited, Gradient Estates Private Limited and Asara Constructions & Projects Private Limited as on 31st March 2015

Shri Jalandhar Reddy is holding 43,35,021 Equity Shares in the Company as on 31st March 2015.

Shri M. Rajesh Reddy, aged 43 years, is the Promoter and Executive Director of the Company. He holds a Bachelors Degree in Electronics Engineering from Kuvempu University, Karnataka. He has over 13 years of work experience, of which five years in the roads and infrastructure sector. He is responsible for corporate finance, co-ordination with various construction sites all over India and the day to day administrative activities of our Company.

Shri Rajesh Reddy is presently the Executive Director of KNR Constructions Limited and Director of KNR Infrastructures Projects Private Limited, Trapezoid Software Solutions Private Limited, Vishnu Publicity Solutions Private Limited, Mesmeric Software Solutions Private Limited, Nag Talent Venturs & Infotech Private Limited, KNR Energy Limited, Tagline Traders Private Limited and KNR Agrotech & Beverages Private Limited as on 31st March 2015

Shri M Rajesh Reddy is holding 15,00,000 Equity Shares in the Company as on 31st March 2015

3. Committees of the Board

The Company has the following standing committees of the Board.

a. Audit Committee

Composition, Name of the Members and Chairman

In terms of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Board of Directors of the Company has constituted an Audit Committee comprising of Two Non-Executive and Independent Directors and One Executive Director.

Name	Designation	Category
Shri L. B. Reddy	Chairman	Non-Executive and Independent Director
Shri B. V. Rama Rao	Member	Non-Executive and Independent Director
Shri K. Jalandhar Reddy	Member	Executive and Non-Independent Director

Mr. M. V. Venkata Rao is the Secretary to the Audit Committee.

The Minutes of the meetings of the Audit Committee are circulated to all the members of the Board along with the Agenda.

Terms of reference of the Committee are as follows:

- Review the un-audited quarterly results and Annual accounts of the company
- Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services
- Reviewing with the management, the annual financial statements before submission to the Board focusing primarily on:
  - (i) Any changes in accounting policies and practices
  - (ii) Major accounting entries based on exercise of judgment by the management
  - (iii) Qualifications in draft audit reports
  - (iv) Significant adjustments arising out of the audit
  - (v) The going concern assumption
  - (vi) Compliance with accounting standards
- Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspicion of fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the board
- Discussion with external auditors before the audit commences, on the nature and scope of audit and also post- audit to ascertain any areas of concern
- Reviewing the company's financial and risk management policies
- To look into and review the reasons for substantial defaults, if any, in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

Attendance of the members at the Audit Committee Meetings:

During the current financial year 2014-2015 Four Audit Committee Meetings were held and the details of the Audit Committee Meetings are as under:-

Sl. No.	Dates	Committee Strength	No. of Directors Present
1	30.05.2014	3	3
2	14.08.2014	3	3
3	14.11.2014	3	3
4	12.02.2015	3	3

b. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted to formulate and recommend to the Board all elements of the remuneration package of the Managing Director and Executive Directors, including performance / achievement bonus and perquisites payable to the Whole Time Directors.

In terms of Clause 49 of the Listing Agreement, the Board of Directors of the Company has constituted this Committee comprising of all the Three Members being Non-Executive and majority being Independent Directors:

Name	Designation	Category
Shri L B Reddy	Chairman	Non-Executive and Independent Director
Shri B V Rama Rao	Member	Non-Executive and Independent Director
Smt. K Yashoda	Member	Non-Executive and Non-Independent Director

Mr. M. V. Venkata Rao is the Secretary to the Remuneration Committee.

The Minutes of the meetings of the Remuneration Committee are circulated to all the members of the Board along with the Agenda.

The terms of reference of the Nomination and Remuneration Committee are as follows:

- The Remuneration Committee recommends to the board the compensation terms of the executive directors
- Framing and implementing on behalf of the Board and the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors
- Bringing about objectivity in fixing the remuneration package while striking a balance between the interest of the Company and the shareholders
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the Remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Remuneration paid to the Directors during 2014-2015:

Amount in Rs.

Name	Position	Sitting Fee	Salary & Perquisite	Total
INDEPENDENT DIRECTORS / NON EXECUTIVE DIRECTORS				
Shri B. V. Rama Rao	Chairman /Director	6,20,000	_	6,20,000
Shri L. B. Reddy	Director	6,40,000	_	6,40,000
Shri J. S. R. Chandra Mouli *	Director	20,000	_	20,000
Smt. K Yashoda	Director	2,20,000		2,20,000
WHOLE TIME DIRECTORS				
Shri K. Narasimha Reddy	Managing Director	_	1,70,00,000	1,70,00,000
Shri K. Jalandhar Reddy	Executive Director	_	85,00,000	85,00,000
Shri M. Rajesh Reddy #	Executive Director	_	55,00,000	55,00,000

(* resigned w.e.f 24.05.2014)
(# resigned w.e.f 12.01.2015)

Shares held by the Non-Executive Directors as on 31st March 2015 are as under:

Name of the Non-Executive Directors	No. of shares held as on the date
Shri B. V. Rama Rao	Nil
Shri L. B. Reddy	Nil
Shri J. S. R. Chandra Mouli *	Nil
Smt. K Yashoda	17,61,501

(*resigned w.e.f 24.05.2014)

c. Stakeholders Relationship Committee

This Committee comprises of the following members

Name	Designation	Category
Smt. K Yashoda	Chairman	Executive and Non-Independent Director
Shri K Jalandhar Reddy	Member	Executive and Non-Independent Director
Shri M. Rajesh Reddy	Member	Non-Executive and Independent Director

The terms of reference of the Stakeholders Relationship Committee are as follows:

To allot the equity shares of the Company, and to supervise and ensure:

(i) Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

(ii) Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;

(iii) Issue of duplicate / split / consolidated share certificates;

(iv) Review of cases for refusal of transfer / transmission of shares and debentures;

(v) Reference to statutory and regulatory authorities regarding investor grievances;

(vi) And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

Shareholders complaints Status:

Opening	Nil
Received During the Period	06
Resolved During the Period	06
Pending	Nil

Name and designation of Compliance Officer

Mr. M. V. Venkata Rao, Company Secretary
KNR Constructions Limited
KNR House, Plot No. 114, Phase I,
Kavuri Hills, Hyderabad – 500033
Contact No. + 91 40 4026 8761 / 62
E-mail - investors@knrcl.com
Fax - +91 40 4026 8760

4. General Body Meetings:

The details of date, location and time of the last three Annual General Meetings held are as under:

Financial Year	Date and Time	Venue
2011-12	8th August 2012 3:30 p.m	C-125, Anand Niketan, New Delhi – 110021
2012-13	14th September 2013 11:30 a.m	Anand Niketan Club, Anan Niketan, New Delhi – 110021
2013-14	30th September 2014 11:30 a.m	Hotel Maple Emerald, NH-8, Rajokri, New Delhi - 110038

No Special Resolutions were passed in the Annual General Meetings during the last 3 years.

5. Postal Ballot:

During the year, Special Resolutions as proposed in Postal Ballot Notice dated 24.11.2014 were passed on 30.12.2014 through postal ballot which related to following items:

1. Increase of Remuneration to Shri K Narasimha Reddy, Managing Director
2. Increase of Remuneration to Shri K Jalandhar Reddy, Executive Director
3. Increase of Remuneration to Shri M Rajesh Reddy, Executive Director

Shri Ch. Veeranjaneyulu, Practicing Company Secretary was appointed as the scrutinizer for overseeing the Postal Ballot process. The above resolutions have been passed with the requisite majority.

The Company has complied with the procedures for the postal ballot in terms section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and amendments thereto made from time to time.

6. DISCLOSURES;

a. Related Party Transactions

During the year ended March 31, 2015, there were no materially significant related party transactions, which could have potential conflict with the Company's interests at large. Statement in summary form of transactions with related parties is placed before the audit committee for review. All related party transactions are negotiated on an arms length basis, and are intended to further the Company's interests. In compliance with the accounting standard 18, transactions with related parties are disclosed in the notes to accounts.

b. Details of non-Compliance etc

The Company complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets; no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI.

c. Disclosure of Accounting Treatment

The Company has followed the accounting standards in the preparation of its financial statements

d. Board Disclosures

i. Risk Management

Currently, the Company's risk management approach comprises of the following:

- Governance of Risk
- Identification of Risk
- Assessment and control of Risk

The risks are being identified by a detailed study. Senior Management are analysing and working in mitigating them through co-ordination among the various departments. Insurance coverage and personal accident coverage for lives of all employees are also being taken.

Your company puts in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Presentation to the Board of Directors and the Audit Committee is made on risk management. The Board and the Audit Committee provides oversight and review the risk management policy periodically.

ii. Internal Control System

Your company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes,

safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of internal policies. The Company has a well-defined delegation of power and defined limits for approving revenue as well as capital expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down to ensure adequacy of the control system, adherence to the management instructions and legal compliances.

e. Code of Conduct

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board Members and Senior Management Personnel of the company. An affirmation of compliance with the code is received from them on an annual basis

f. CEO / CFO Certification

The CEO / CFO Certification on the financial statements and internal control are separately annexed.

7. Compliance with Non-mandatory requirements

a. Non-Executive Chairman's Office: The Company doesn't maintain any office of the Non-executive chairman and any expenditure incurred by him in performance of his duties will be reimbursed by the Company.

b. Tenure of Independent Directors: In terms of the Governance Policy of the Company, all Directors including Independent Directors except Managing Director are appointed / re-appointed for a period of five years or a shorter duration in accordance with retirement guidelines as determined by the Board from time to time. No maximum tenure for Independent Directors has been specifically determined by the Board.

c. Remuneration Committee: The Company has a Remuneration Committee under the nomenclature "Remuneration Committee", the details of which are provided in this Report under the section "Committees of Board – Remuneration Committee"

d. Shareholders Rights: The Quarterly, half-yearly and annual financial results of the Company are published in newspapers on all India basis and complete set of annual report is sent to every Shareholder of the Company

e. Audit Qualifications: During the financial year 2014-2015, there are no audit qualifications in the Company's financial statements.

f. Training of Board Members: Strategic supervision of the Company is the responsibility of the Board. To achieve this, the Board undertakes periodic review of various matters including business-wise performance and related matters, risk management, borrowings, internal & external audit findings etc., Directors are also briefed on changes / developments in the domestic /global corporate and industry scenario including those pertaining to statutes / legislation and economic development.

g. Mechanism for evaluation of Non-Executive Directors: The role of the Board of Directors is to provide direction and exercise control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations. The Board has not evolved any method/mechanism for appointment of non-executive directors.

h. Whistle Blower Policy: The Company encourages open door policy where every employee have access to the Head of the Business / Department, employees are free to report existing / probable violation of laws, regulations or unethical conduct in the organization.

8. Means of Communication

Quarterly results:
The Company's quarterly results are published in Financial Express, Business Standard, Financial Chronicle, Economic Times – English and Janasatta – Hindi, and are displayed on website www.knrcl.com.

News releases, presentations, among others:
Official news releases and official media releases are sent to Stock Exchanges.

Presentations to institutional investors / analysts:
Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results through earnings call. The transcripts of the earnings call are also uploaded on the Company's website www.knrcl.com

Website:
The Company's website www.knrcl.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report:
The Annual Report containing, inter alia, Audited Standalone Financial Statement, Consolidated Financial Statement, Directors' Report, Auditors' Report, Corporate Governance Report and other important information is circulated to members and others entitled thereto.

Management Discussion and Analysis (MDA) Report
The report on MDA is annexed to the Director's Report and forms part of the Annual Report.

Disclosures to Stock Exchanges:
The Company informs BSE and NSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

NSE Electronic Application Processing System (NEAPS):
The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):
BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding\ pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES):
The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Dedicated e-mail ID
Investors@knrcl.com

9. GENERAL SHAREHOLDERS INFORMATION

i.	Annual General Meeting	:	20th Annual General Meeting Tuesday the 30th September 2015
	Time	:	11.00 AM
	Venue	:	Hotel Mappel Emerald, NH-8, Rajkora, New Delhi - 110038
ii.	Financial Year	:	1st April 2014 to 31st March 2015
iii.	Book closure dates	:	25th September 2015 to 30th September 2015 (both days inclusive)
iv.	Dividend Payment date	:	After 5th October 2015
v.	Financial Calendar for the year 2015-2016		
	Financial Reporting for the first quarter ended 30th June 2015		on or before 14th August 2015
	Financial Reporting for the second quarter / half-year ended 30th September 2015		on or before 14th November 2015
	Financial Reporting for the third quarter / nine months ended 31st December 2015		on or before 14th February 2016
	Financial Reporting for the fourth quarter / year ended 31st March 2016		on or before 30th May 2016

vi. Listing on Stock Exchanges

Name and Address of the Stock Exchange

BSE Limited (BSE)
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai – 400001
Tel: +91 22 2272 1233 / 34
Fax:+91 22 2272 2037 / 39 / 41 / 61
National Stock Exchange of India Limited (NSE)
Exchange Plaza, Floor 5, Plot #C/1,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051
Tel: +91 22 2659 8235 / 8236
Fax: +91 22 2659 8237 / 38

The listing fees payable to BSE and NSE for 2014-15 have been paid in full.

vii. Script Code / Symbol

a. Stock Exchanges
Bombay Stock Exchange Limited : 532942
National Stock Exchange of India Limited : KNRCON

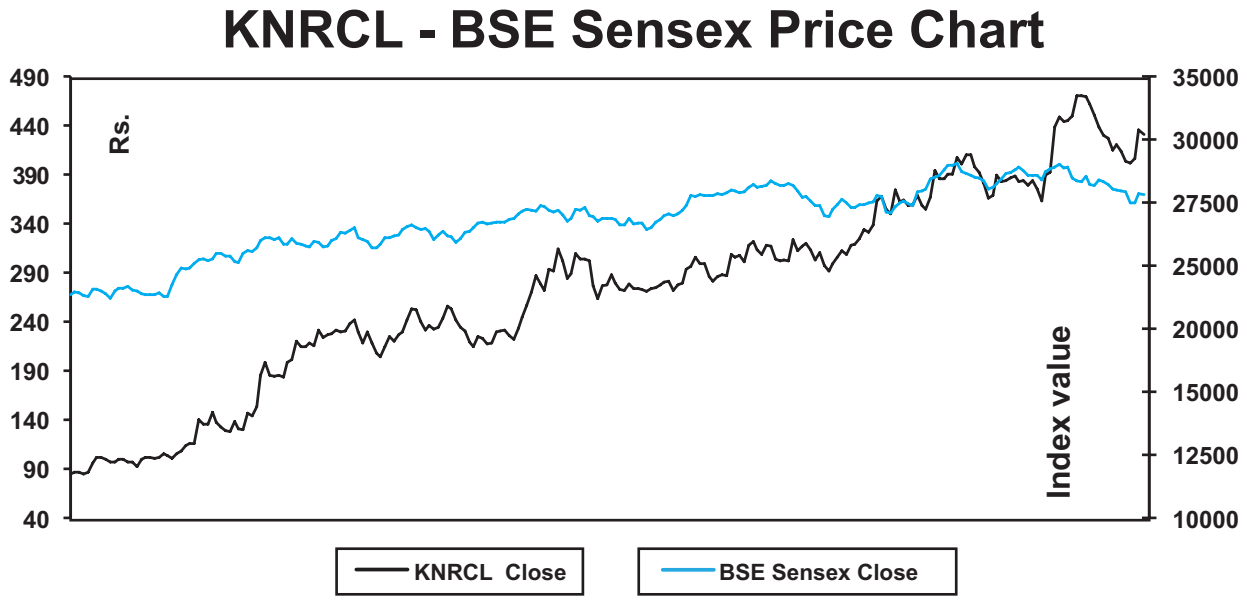
b. Demat ISIN Number in NSDL and CDSL for the equity shares : **INE634I01011**
The annual custodian fee for the financial year 2014-15 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

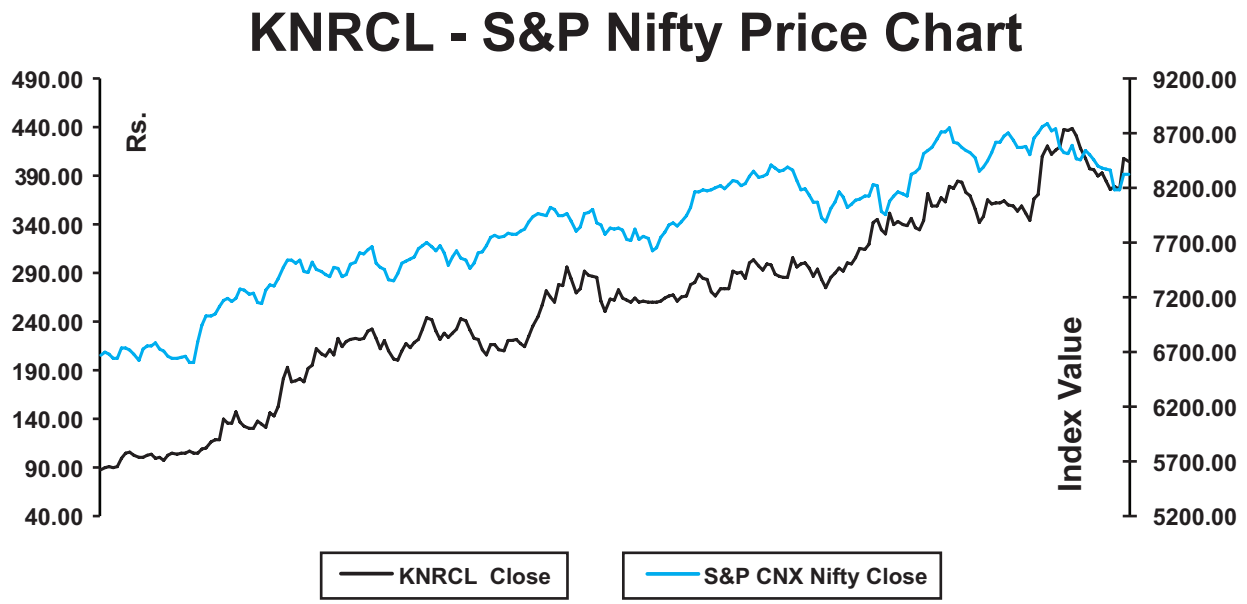
c. Corporate Identity Number (CIN)
The CIN allotted by the Ministry of Corporate Affairs, Government of India is **L74210DL1995PLC238364**, and the Company is registered within the jurisdictions of the Registrar of Companies, National Capital Territory of Delhi and Haryana.

viii. Market Price Data:

Month	B S E Limited , (BSE)		National Stock Exchange of India Limited (NSE)	
	High Price	Low Price	High Price	Low Price
April 2014	107.00	83.55	108.00	79.00
May 2014	152.60	100.25	152.90	99.00
June 2014	232.90	130.10	232.40	130.55
July 2014	257.90	200.00	262.00	199.00
August 2014	265.45	202.00	263.90	201.40
September 2014	322.00	228.05	321.00	229.00
October 2014	297.50	260.50	298.80	260.00
November 2014	334.00	272.25	332.85	272.20
December 2014	349.80	279.45	349.00	276.70
January 2015	410.00	325.00	412.00	324.25
February 2015	420.00	350.00	410.00	347.35
March 2015	484.50	352.00	489.80	375.05

ix. Performance in comparison to broad based indices – Sensex (BSE) and Nifty (NSE)





x. Registrar & Share Transfer Agents:
(for shares held in both Physical and Demat mode)

Link Intime India Pvt Ltd
C-13, Pannalal Silk Mill Compound,
LBS Road, Bhandup (West),
Mumbai – 400078
Phone: +91 – 22 -25960320
Fax: +91 – 22 – 25960329

xi. Share Transfer System:

The Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of one month from the date of receipt, subject to the documents being valid and complete in all respects.

Any transferee who wishes to demat the shares may approach a Depository participant along with a duly filled Demat Request Form, who shall, on the basis of the Share Certificate, generate a demat request and send the same to the Registrar and Shares Transfer Agents (RTA). On receipt, the Depository Registrar confirms the request.

All requests for Dematerialisation of shares are processed and the confirmation is given to the respective Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 21 days of receipt.

EQUITY SHARES IN SUSPENSE ACCOUNT

As per Clause 5A of the Listing Agreement, the Company reports that 945 Equity Shares are lying in the suspense account as on 31st March 2015

SECRETARIAL AUDIT

A Practicing Company Secretary of the Institute of Company Secretaries of India, has carried out secretarial audit every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL

xii. Distribution of shareholding as on 31st March, 2015

Range		No. of Shareholders		No of shares held	
From	To	Number	% of total	Number	% of total
1	500	6210	88.20	6109560	2.1724
501	1000	456	6.48	3358130	1.1941
1001	2000	181	2.57	2800590	0.9958
2001	3000	49	0.70	1264980	0.4498
3001	4000	20	0.28	728680	0.2591
4001	5000	14	0.20	644950	0.2293
5001	10000	52	0.74	3660490	1.3016
10001	And above	59	0.84	262667220	93.3979
	Total	**7041**	**100.00**	**28123460**	**100.00**

xiii. Pattern of Shareholding as on 31st March 2015

	Category	Total Shares	Total Percent
1	CLEARING MEMBER	26675	0.09
2	OTHER BODIES CORPORATE	780173	2.77
3	FINANCIAL INSTITUTIONS	6743	0.02
4	FOREIGN INST. INVESTOR	237848	0.85
5	MUTUAL FUND	5832899	20.74
6	NON NATIONALISED BANKS	463	0.00
7	NON RESIDENT INDIANS	44906	0.16
8	NON RESIDENT (NON REPATRIABLE)	8960	0.03
9	OFFICE BEARERS	270	0.00
10	PUBLIC	2751838	9.78
11	PROMOTERS	18425241	65.52
12	FOREIGN PORTFOLIO INVESTOR (CORPORATE)	7444	0.03
	TOTAL	**28123460**	**100.00**

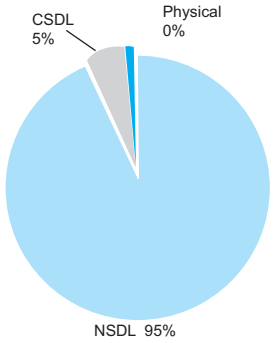
xiv. Dematerialisation of Shares & Liquidity

The Company's shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

As on 31st March 2015 a total of 2,81,12,446 Equity Shares were dematerilaised representing 99.99 % of the total paid up equity share capital of the Company.

Dematerialisation of Shares and Liquidity as on 31st March 2015

	No. of Shares	% of Total
NSDL	26604835	94.60
CDSL	1518611	5.40
Physical	14	0.00
Total	**28123460**	**100.00**



xv. Address for Correspondence:

(Query on the Annual Report shall reach 15 days before the AGM)

Company Secretary

KNR Constructions Limited
"KNR House", 3rd Floor,
Plot No. 114, Phase I, Kavuri Hills,
Hyderabad – 5000033
Andhra Pradesh, India
Ph: + 91 - 40 - 40268759 / 61 / 62
Fax: + 91 - 40 – 40268760

Registrar & Share Transfer Agents:

(for shares held in both Physical and Demat mode)

Link Intime India Pvt Ltd

(Unit: KNR Constructions Limited)
C-13, Pannalal Silk Mill Compound,
LBS Road, Bhandup (West),
Mumbai – 400078
Phone: +91 – 22 -25960320
Fax: +91 – 22 – 25960329

xvi. Unclaimed Dividend

Section 124 of the Companies Act, 2013, mandates that companies shall transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the investors education and protection fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to the IEPF:

Year	Type of Dividend	Dividend Per Share	Date of Declaration	Due date for transfer	Amount in Rs. *
2008	Final	1.00	30.09.2008	30.10.2015	64209.00
2009	Final	2.00	09.09.2009	09.10.2016	70786.00
2010	Final	2.00	29.09.2010	29.10.2017	58084.00
2011	Final	2.00	22.09.2011	22.10.2018	68720.00
2012	Final	1.00	08.08.2012	08.09.2019	29517.00
2013	Final	1.00	14.09.2013	14.10.2020	25229.00
2014	Final	1.00	30.09.2014	30.10.2021	44719.00

* as on 31.03.2015

DECLARATION

As provided under Clause 49 of Listing Agreement with the Stock Exchanges, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for Board Members and senior management personnel in respect of the Financial Year ended 31st March 2015.

For KNR Constructions Limited

Sd/-
K Narasimha Reddy
Managing Director

Place: Hyderabad
Date: 14.08.2015

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
KNR Constructions Limited

We have examined the compliance with the conditions of the Corporate Governance by KNR Constructions Limited ("the company") for the year ended 31st March 2015, as stipulated in Clause 49 of Listing Agreement of the said Company with the Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sukumar Babu & Co
Chartered Accountants

Sd/-
C. Sukumar Babu
Partner
Membership No. 200/24293

Place: Hyderabad
Date: 14.08.2015

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION

In relation to the Audited Financial Accounts of the Company as at 31st March, 2015, we hereby certify that

a. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which are aware and the steps have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit committee

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

For KNR Constructions Limited

Sd/-	Sd/-	Sd/-
K. Narasimha Reddy	**K Jalandhar Reddy**	**G Sravana Kumar**
Managing Director	Executive Director & CFO	GM (F&A)

Place: Hyderabad
Date: 14.08.2015

Independent Auditor's Report

To the Members of
KNR Constructions Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of KNR Constructions Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the returns for the year ended on that date audited by the branch auditors of the Company's overseas branch at Dubai audited by other auditors.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of the branch included in the standalone financial statements of the Company whose financial statements reflect total assets of Rs. 25.81 Lakhs as at 31st March, 2015 and total revenues of Rs. 19.97 Lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the order.

2. 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 appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.

   c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   d) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and the returns received from the branch not visited by us]

   e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   f) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

   g) 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 does not have any pending litigations which would impact its material financial position.

      ii. The Company did not have any long term contracts including derivative contract for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for SUKUMAR BABU & CO.,
Chartered Accountants
Firm Regn. No: 004188S

Sd/-
C. SUKUMAR BABU
Partner
Membership No: 024293

Place: Hyderabad
Date: 30-05-2015

Annexure to Independent Auditor's Report

(Referred to in paragraph 1 under the heading of " Report on Other Legal and Regulatory Requirements " of our Report of even date)

i) In respect of its fixed assets :

a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) A major portion of the fixed assets have been physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, the discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

ii) In respect of its inventories :

a) As explained to us, inventories have been physically verified at regular intervals during the year by the management. In our opinion, having regard to the nature of business and location of inventory, the frequency of verification is reasonable.

b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.

iii) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 :

a) The Company has granted un-secured loans / advances to subsidiary companies during the year and the maximum amount involved during the period and the balances of said loans/advance were aggregating to Rs.14,665.29 Lakhs and Rs. 14,660.63 Lakhs respectively.

b) There are no specific agreements for these transactions except in the case of one of the subsidiaries which states that the interest free unsecured loans are to be granted as per the terms and conditions of common loan agreements entered into by the subsidiary company with its lenders. In all other cases un-secured loans are given on an account basis. In the absence of agreements for these loans/advances, the terms and conditions and their impact on the interests of the Company cannot be ascertained. Hence, the question of regularity of payment of principal and interest dose not arise.

iv) In respect of Internal Control :

In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants and an external agency appointed by the Management is commensurate with the size of the Company and the nature of its business.

v) In respect of deposits :

The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.

vi) In respect of maintenance of cost records :

As per the information and the explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie prescribed accounts and records have been made and maintained.

vii) In respect of statutory dues:

a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Sales Tax, Cess, and other statutory dues have been generally regularly deposited with appropriate authorities except for certain delays in the payment of tax deducted at source under Income Tax Act,1961.

b) The disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are as under :

Name of statute	Nature of dues	Rupees in lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	26.18	F.Y 2000-01	Deputy Commissioner of Income Tax, Central Circle-3, Hyderabad
	Income Tax	116.05	F.Y 2002-03	- Do -
	Income Tax	744.32	F.Y 2006-07	Deputy Commissioner of Income Tax, Central Circle-3, and
				Commissioner of Appeals – I, Hyderabad
	Income Tax	21.96	F.Y 2008-09	- Do -
	Income Tax	102.84	F.Y 2009-10	- Do -
	Income Tax	693.12	F.Y 2010-11	- Do -
	Income Tax	5.25	F.Y 2011-12	- Do -
	Interest on TDS delay payments	9.86	F.Y 2009-10	Deputy Commissioner of Income Tax , Circle 14(2), Hyderabad
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	21.39	F.Y 2000-01	Sales Tax Appellate Tribunal, Hyderabad
Andhra Pradesh Value Added Tax Act, 2005	VAT	307.36	F.Y 2008-09	Sales Tax Appellate Tribunal (STAT) and CTO, Vengalarao Nagar Circle, Hyderabad.
	VAT	431.72	F.Y 2009-10	Sales Tax Appellate Tribunal (STAT) and CTO, Vengalarao Nagar Circle, Hyderabad.
Karnataka Value Added Tax Act, 2005	VAT	100.00	F.Y 2005-06	Sales Tax Appellate Tribunal, Bangalore.
	VAT	30.52	F.Y 2006-07	- Do -
	VAT	81.52	F.Y 2008-09	- Do -
	VAT	12.16	F.Y 2010-11	- Do -
	Entry Tax	17.44	F.Y 2005-06	- Do -
Madhya Pradesh Value Added Tax Act, 2002	VAT	81.17	F.Y 2011-12	Commissioner of Appeals - Gwalior
	VAT	177.14	F.Y 2012-13	- Do -
	Entry Tax	45.69	F.Y 2010-11	- Do -
	Entry Tax	63.15	F.Y 2011-12	- Do -
	Entry Tax	151.21	F.Y 2012-13	- Do -
Orissa Value Added Tax Act,	Entry Tax	28.87	F.Y 2009-10 to 11-12	Orissa High Court
Service Tax Act,	Service Tax	223.12	F.Y 2006-07 to 2010-11	Customs, Excise and Service Tax Appellate Tribunal, Bangalore.

Note Company has given bank guarantees for an amount of Rs 241.63 lakhs to the Karnataka State Government against disputed VAT demands.

c) The Company has transferred un-claimed IPO refund amount of Rs 9,450/- to the Investor Education and Protection Fund Account, during this year, as per rules made in the Companies Act, 1956.

viii) In respect of accumulated losses and cash losses :

The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

ix) In respect of dues to financial institution/banks/debentures :

Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

x) In respect of guarantees given for loans taken by others from banks or financial institutions :

According to the information and the explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interest of the Company.

xi) In respect of application of term loans :

Based on our audit procedures and the information given by the management, we report that the company has availed term loans which were prima facie applied by the Company during the year for the purposes for which the same were obtained.

xii) In respect of fraud :

Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.

for SUKUMAR BABU & CO.,
Chartered Accountants
Firm Regn. No: 004188S

Sd/-
C. SUKUMAR BABU
Partner
Membership No: 024293

Place: Hyderabad
Date: 30-05-2015

BALANCE SHEET as at March 31, 2015

(₹in Lakhs)

PARTICULARS	NOTE No.	As At 31-03-2015		As At 31-03-2014	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
a) Share Capital	3	2,812.35		2,812.35	
b) Reserves and Surplus	4	54,108.20	**56,920.55**	48,519.88	**51,332.23**
SHARE APPLICATION MONEY					
Pending Allotment			-		-
NON - CURRENT LIABILITIES					
a) Long-Term Borrowings	5	16.37		828.36	
b) Deferred Tax Liabilities (Net)	6	-		-	
c) Other Long Term Liabilities	7	6,713.26		9,862.90	
d) Long-Term Provisions	8	171.82	**6,901.45**	113.80	**10,805.06**
CURRENT LIABILITIES					
a) Short-Term Borrowings	9	8,804.61		4,983.36	
b) Trade Payables	10	7,050.51		7,859.26	
c) Other Current Liabilities	11	17,749.77		16,224.99	
d) Short-Term Provisions	12	2,919.11	**36,524.00**	4,252.06	**33,319.67**
TOTAL			**100,346.00**		**95,456.96**
II ASSETS					
NON-CURRENT ASS					
a) Fixed Assets	13				
i) Tangible Assets		22,426.80		26,370.30	
ii) Intangible Assets		0.70		2.14	
iii) Capital Work-In-Progress		263.04		29.39	
iv) Intangible Assets Under Development		-		-	
b) Non-Current Investments	14	2,276.63		2,484.33	
c) Deferred Tax Assets (Net)	6	2,391.86		1,179.75	
d) Long-Term Loans and Advances	15	17,859.18		17,385.97	
e) Other Non-Current Assets	16	7,322.23	**52,540.44**	7,366.21	**54,818.09**
2) CURRENT ASSETS					
a) Current Investments	17	874.06		1,519.18	
b) Inventories	18	3,590.59		3,406.53	
c) Trade Receivables	19	17,650.15		11,708.51	
d) Cash and Cash Equivalents	20	1,572.60		1,118.20	
e) Short-Term Loans and Advances	21	15,061.77		15,236.59	
f) Other Current Assets	22	9,056.39	**47,805.56**	7,649.86	**40,638.87**
TOTAL			**100,346.00**		**95,456.96**
Significant Accounting Policies	**1 & 2**				

Notes referred to above form an integral part of the accounts

As per our report of even date attached

For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)
Sd/-
C.Sukumar Babu
Partner
Membership No: 024293
Place : Hyderabad
Date : 30-05-2015

For and on behalf of the Board

Sd/-
K.Narasimha Reddy
Managing Director

Sd/-
K. Jalandhar Reddy
Executive Director & CFO

Sd/-
G.Sravana Kumar
GM (F&A)

Sd/-
M.V.Venkata Rao
Company Secretary

STATEMENT OF PROFIT AND LOSS for the Year Ended March 31, 2015

(₹in Lakhs)

	PARTICULARS	NOTE No.	As At 31-03-2015	As At 31-03-2014
I	**Gross Revenue from Operations**		**93,096.33**	**89,226.81**
	Less : Company Share's in Joint Ventures		5,483.22	5,747.33
	Net Revenue from Operations	23	87,613.11	83,479.48
II	Other income	24	1,245.70	1,551.51
III	**Total Revenue (I + II)**		**88,858.81**	**85,030.99**
IV	**Expenses:**			
	Cost of materials consumed	25	33,699.91	29,063.07
	Other Construction Expenses	26	33,262.59	36,039.11
	Employee benefits expense	27	3,807.59	3,494.50
	Finance costs	28	1,224.30	1,719.45
	Depreciation and amortization expense	29	5,405.58	5,723.15
	Other expenses	30	4,228.75	2,303.29
	Total expenses		**81,628.72**	**78,342.57**
V	Profit before exceptional and extraordinary items and tax (III - IV)		7,230.09	6,688.42
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		7,230.09	6,688.42
VIII	Extraordinary Items		-	-
IX	**Profit before tax (VII- VIII)**		**7,230.09**	**6,688.42**
X	Tax expense:	31		
	1) Current tax		1,140.96	1,409.59
	2) Deferred tax		(1,212.11)	(819.42)
XI	Profit (Loss) for the period from continuing operations (IX - X)		7,301.24	6,098.25
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		7,301.24	6,098.25
XVI	Earnings per equity share: (In Rs.)			
	1) Basic		25.96	21.68
	2) Diluted		25.96	21.68
	Significant Accounting Policies	**1 & 2**		

Notes referred to above form an integral part of the accounts

As per our report of even date attached
For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)
Sd/-
C.Sukumar Babu
Partner
Membership No: 024293
Place : Hyderabad
Date : 30-05-2015

For and on behalf of the Board

Sd/-
K.Narasimha Reddy
Managing Director

Sd/-
K. Jalandhar Reddy
Executive Director & CFO

Sd/-
G.Sravana Kumar
GM (F&A)

Sd/-
M.V.Venkata Rao
Company Secretary

CASH FLOW STATEMENT for the Year Ended March 31, 2015

(₹in Lakhs)

PARTICULARS	As At 31-03-2015		As At 31-03-2014	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax		7,230.09		6,688.42
Adjustments for				
Depreciation & Amortization Expenses	5,405.58		5,723.15	
Provision for Gratuity	61.18		6.02	
Provision for Doubtful Advances and Deposits	741.54		27.37	
CSR Expenditure	12.31		-	
Loss on sale of assets and Discarded	1.21		15.99	
Profit on sale of Assets	(264.52)		(134.62)	
Interest and Financial Charges	1,279.74		1,747.62	
Interest Received	(81.29)	7,155.75	(43.96)	7,341.57
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**14,385.84**		**14,029.99**
(Increase)/Decrease in Trade and Other Receivables	(8,452.01)		(2,562.18)	
(Increase)/Decrease in Inventories	(184.06)		(433.93)	
"Increase/(Decrease) in Trade Payable, Liabilities and Provisions (excluding Proposed Dividend & Income Tax)"	3,477.00	(5,159.07)	4,642.06	1,645.95
CASH GENERATED / (USED) FROM OPERATIONS		9,226.77		15,675.94
Taxes (paid) / Refunds		(2,502.64)		(2,353.28)
CASH USED FOR CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE		(12.31)		-
NET CASH USED IN OPERATING ACTIVITIES - (A)		**6,711.82**		**13,322.66**
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets and other Capital Expenditure	(3,101.99)		(2,773.02)	
Bank Balances not considered as cash and cash equivalents	(329.33)		(309.33)	
Loans/Advances to Subsidiaries/Associates	(328.76)		(5,986.48)	
Proceeds from sale of Fixed Assets	385.38		255.05	
Investments in Joint Ventures / SPV's / Mutual Funds	852.82		828.49	
"Foreign Exchange Translation Adjustment (arising on translation of Foreign branch transactions)"	0.28		(2.58)	
Interest Received	74.57		40.43	
TDS on Interest Received	(50.00)		(44.42)	
NET CASH FLOW / (USED IN) INVESTING ACTIVITIES - (B)		**(2,497.03)**		**(7,991.86)**
C) CASH FLOW FROM FINANCING ACTIVITIES				
Long Term Funds Borrowed / (Repaid)	(3,263.43)		3,344.88	
Increase / (decrease) in short term borrowings	3,821.25		(1,373.03)	
Mobilization and Machinery advances received from customers / (Repaid)	(3,017.78)		(5,166.94)	
Interest paid	(1,300.73)		(1,720.01)	
Dividend and Dividend Tax paid	(329.03)		(329.03)	
NET CASH FROM / (USED IN) FINANCING ACTIVITIES - (C)		**(4,089.72)**		**(5,244.13)**
NET (DECREASE) IN CASH AND CASH EQUIVALENTS - (A+B+C)		125.07		86.67
Cash and Cash Equivalents at the beginning of the year		407.24		320.57
Cash and Cash Equivalents at March 31, 2015 (Refer Note 20)		532.31		407.24

Notes:

1 Cash and Cash equivalents includes:

Cash in Hand	55.66	31.27
Bank Balance -Current Account	476.65	375.97

The above current account balances includes Rs. 3.61 lakhs (P.Y Rs. 3.19 lakhs) in Unclaimed Dividend Account and Rs. Nil (P.Y 0.09 lakhs) in IPO refund account.

2 The Cash flow statement is prepared in accordance with the Indirect Method stated in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.

3 Previous year's figures have been regrouped, wherever necessary.

4 Figures in brackets represent cash outflows.

As per our report of even date attached
For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)
Sd/-
C.Sukumar Babu
Partner
Membership No: 024293
Place : Hyderabad
Date : 30-05-2015

For and on behalf of the Board

Sd/-
K.Narasimha Reddy
Managing Director

Sd/-
K. Jalandhar Reddy
Executive Director & CFO

Sd/-
G.Sravana Kumar
GM (F&A)

Sd/-
M.V.Venkata Rao
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES:

1 CORPORATE INFORMATION:

1.1 The shares of the Company are listed on the stock exchanges in India in 2008 pursuant to the Public offer of equity shares. The Company is engaged in the infrastructure sector, primarily in the construction of roads, bridges, flyovers and irrigation projects.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Accounting and preparation of financial statements

The financial statements have been prepared under the historical cost convention method on accrual basis of accounting in accordance with the generally accepted accounting principles in India ("GAAP"). The Company has prepared these financial statements to comply with the accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year

2.2 Use of Accounting Estimates

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future 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.

2.3 Fixed Assets and Depreciation (Tangible / Intangible)

Fixed Assets are stated at cost of acquisition, less accumulated depreciation and amortization and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.

Capital work-in-progress: Fixed Assets under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Depreciation is provided on useful lives of the asset, as per the Schedule II of the Companies Act 2013. The management has estimated the usefull life of the assets as given below table.

Assets costing up to Rs. 5,000 are depreciated fully in the year of purchase.

Sl.No.	Description	Useful life given as per Companies Act 2013	Company's estimated use ful life
1.	**Buildings**		
	- RCC structure	60 years	60 years
	- Temporary structure	3 Years	3 Years
2.	**Plant and Machinery**		
	- Concreting, crushing, piling equipments and road making equipments	12 Years	7 Years *
	- Heavy Lift equipments		
	- Cranes < 100 tons	15 Years	7 Years *
	- Earth-moving equipments	9 Years	7 Years *
	- Construction Accessories	12 Years	3 Years **
	- Others including Material Handling / Pipeline / Welding Equipments	12 Years	7 Years *
3.	**Furniture and fittings**	**10 Years**	**10 Years**
4.	**Motor Vehicles**		
	- Motor cycles, Scooters and other mopeds	10 Years	10 Years
	- Motor buses, motor lorries, motor cars and motor taxies	8 Years	8 Years
5.	**Ships**		
	- Speed boats	13 Years	13 Years
6.	**Office equipments**	**5 Years**	**5 Years**
7.	**Computers and data processing units**		
	- Servers and networks	6 Years	6 Years
	- End user devices, such as, desktops, laptop etc.,	3 Years	3 Years
	Intangible Assets		
	- Computer Software	As per accounting standard	3 Years
8.	**Laboratory equipments**	**10 years**	**7 years ***

* The Company estimated life of the asset as 7 years.

** The Company estimated life of the asset as 3 years as the assets have been used for more number of times / shifts as compared to the other ones.

2.4 Impairment Of Assets

The carrying amount of assets other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flows discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount.

2.5 Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition or construction of a qualifying asset is capitalized for the period till the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time i.e., more than twelve months to get ready for its intended use. All other borrowing costs are charged to revenue.

2.6 Investments

Investments are classified as long term and current investments. Long Term Investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair market value.

2.7 Inventories

Raw Materials, construction materials, stores and spares are valued at weighted average cost or net realisable value whoever is less. Cost excludes refundable duties and taxes.

2.8 Employee Benefits

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard AS-15.

A) Short Term Employee Benefits :

Short term employee benefits such as Leave Encashment, Bonus and Medical re-imbursement are recognized in the period during which the services have been rendered.

B) Long Term Employee Benefits :

i) Gratuity

The provision for gratuity is made based on valuation done by the independent actuaries. The company has taken Group Gratuity Policy of L.I.C. of India and premium paid is recognized as expenditure when it is incurred. Actuarial gains and losses in respect of gratuity are charged to statement of profit and loss.

ii) Provident Fund

Contributions to Provident Fund (a defined contribution plan) are made to Regional Provident Fund Commissioner and are charged to revenue.

iii) Other Benefits

Service Compensation is accounted for on cash basis.

2.9 Share Issue Expenses

Share issue expenses are written off over a period of 10 years.

2.10 Revenue Recognition

i) Contract revenue is recognized using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Full provision is made for any loss in the year in which it is foreseen.

ii) Other Operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

iii) Interest income is accounted for on accrual basis. Dividend income is accounted for when the right to receive the same is established and other incomes are accounted as and when the right to receive arises.

2.11 Joint Venture Projects

In respect of Joint Ventures which are jointly controlled entities (JCE), the company's share in JCE profit is taken as income. The company's share of turnover in JCE is added to the turnover of the Company to arrive at the overall company's exposure to work contracts. Investments in joint ventures are stated at cost with adjustment to respective share of profit / loss in JCE.

2.12 Foreign Exchange Translation And Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. In respect of monetary items denominated in foreign currencies, exchange differences arising out of settlement or on conversion at the closing rate are recognized in the statement of profit and loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss.

Foreign branches are classified as non-integral foreign operations. Assets and Liabilities (both monetary and non-monetary) are translated at the closing rate at the year end. Income and expenses are translated at the monthly average rate at the end of the respective month. All resulting exchange differences are accumulated in a separate account titled 'Foreign Currency Translation Reserve' till the disposal of the net investments.

2.13 Taxes on Income

Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws applicable. Provision for deferred tax is made for timing differences arising between taxable incomes and accounting income using the tax laws and tax rates enacted or subsequently enacted as of the balance sheet date. Deferred Tax Assets are recognized only if there is a virtual certainty that there will be sufficient taxable income in future.

Minimum Alternate Tax (MAT) paid in a year is charged to statement of profit and loss as current Tax. The company recognizes MAT Credit available as an asset to the extent there is convincing evidence that the company will pay normal income tax during the specified period i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit, the said assets is created by way of credit to the statement of Profit and Loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the assets to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

During the year under consideration, we have arrived at the net tax payable after claiming deduction of profits under section 80-IA of the Income Tax Act, on eligible projects taking into account the decisions of Tribunals in the cases of various assesses.

2.14 Earnings per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20, Earnings Per Share notified by the Companies (Accounting Standards) Rules, 2006. Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares attributable to the Equity Share holders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.15 Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased assets are classified as operating lease. Operating lease payments are recognized as an expense in the Statement of Profit and Loss.

2.16 Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes to accounts when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

2.17 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes forming part of the financial statements

(₹ in Lakhs)

3 SHARE CAPITAL

Particulars	As at 31-03-2015	As at 31-03-2014
EQUITY SHARE CAPITAL		
Authorised Share capital		
35,000,000 (P.Y 35,000,000) Equity Shares of Rs. 10/- each	3,500.00	3,500.00
Issued, subscribed & fully paid share capital		
28,123,460 (P.Y 28,123,460) Equity Shares of Rs. 10/- each	2,812.35	2,812.35
TOTAL	**2,812.35**	**2,812.35**

3.1 Terms/ Rights attached to equity shares

a. The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- . Each holder of equity shares is entitled to one vote per share.

b. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

c. The Board of Directors, in their meeting on 30-05-2015 declared dividend of Rs. 1/- per equity share. The total dividend appropriation for the year ended March 31 , 2015 amounted to Rs. 338.48 Lakhs including corporate dividend tax of Rs.57.25 Lakhs.

d. 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 all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.2 The details of shareholder holding more than 5% shares as at March 31, 2015 and March 31, 2014 is set out below:

Name of the shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% holding	No. of Shares held	% holding
Kamidi Narasimha Reddy	10,798,719	38.40	11,358,610	40.39
Kamidi Jalandhar Reddy	4,335,021	15.41	4,998,087	17.77
Kamidi Yashoda	1,761,501	6.26	2,096,209	7.45
Mereddy Rajesh Reddy	1,500,000	5.33	1,832,115	6.51
Patel Engineering Ltd	-	-	1,777,116	6.32
HDFC Trustee Company Ltd	2,347,797	8.35	2,258,492	8.03

3.3 The reconciliation of the number of shares outstanding at the beginning and at the end of the year is set out below

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
Number of Equity Shares at the beginning	28,123,460	2,812.35	28,123,460	2,812.35
Add:- Number of Shares Issued	-	-	-	-
Less: Number of Shares Brought Back	-	-	-	-
Number of Equity Shares at the end of the year	28,123,460	2,812.35	28,123,460	2,812.35

4 RESERVES AND SURPLUS

Particulars	As at 31-03-2015	As at 31-03-2014
SECURITIES PREMIUM RESERVE		
Opening Balance	12,599.31	12,599.31
Add : Additions in current year	-	-
Less: Written Back in current year	-	-
Closing Balance	**12,599.31**	**12,599.31**
GENERAL RESERVE		
Opening Balance	2,849.00	2,697.00
Add : Transferred from Surplus in statement of Profit and Loss	-	152.00
Less: Written Back in current year	-	-
Closing Balance	**2,849.00**	**2,849.00**
FOREIGN CURRENCY TRANSLATION RESERVE		
Opening Balance	(1.93)	0.65
Add: Additions in current year	0.28	(2.58)
Less: Written Back in current year	-	-
Closing Balance	**(1.65)**	**(1.93)**
SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Opening balance	33,073.50	27,456.28
Add: Net Profit/(Loss) for the current year	7,301.24	6,098.25
Amount available for appropriation	40,374.74	33,554.53
Less: Adjustment of Fixed Assets	1,374.72	-
Proposed Dividend	281.23	281.23
Dividend Tax	57.25	47.80
Transferred to General Reserve	-	152.00
Closing Balance	**38,661.54**	**33,073.50**
TOTAL	**54,108.20**	**48,519.88**

5 LONG- TERM BORROWINGS

Particulars	As at 31-03-2015	As at 31-03-2014
SECURED		
TERM LOANS *		
From Banks		
Rupee Loans (refer note 5.1)	13.14	243.89
From Other parties		
Rupee Loans (refer note 5.2)	-	581.36
Sub- total	**13.14**	**825.25**
UN-SECURED		
LOANS AND ADVANCES FROM RELATED PARTIES		
From Directors (refer note 44)	3.23	3.11
(There is no specific agreement with the above parties) - Interest free		
Sub- total	**3.23**	**3.11**
TOTAL	**16.37**	**828.36**

* Current maturities are included in Note 11 - other current liabilities

5.1 Term Loans from Banks

i) HDFC Bank Ltd.,
- Secured by Hypothecation of specific assets purchased out of the loan, comprising Plant & Machinery

ii) Axis Bank Ltd.,
- Secured by Hypothecation of specific assets purchased out of the loan, comprising Plant & Machinery

The details of rate of interest and repayment terms of term loans are as under

Sl. No.	Particulars	Number Of Loans Outstanding As At		"Outstanding Balance As At (₹ In Lakhs)		Interest Range % Per Annuam	Installments of Outstanding Installments As At		Frequency of Installments	Commencing From - To
		31-03-2015	31-03-2014	31-03-2015	31-03-2014		31-03-2015	31-03-2014		
i)	HDFC Bank Ltd.,	2	2	127.27	230.84	9.75%	13 to 14	25 to 26	Monthly	May 05, 2013 to April 15, 2016
ii)	Axis Bank Ltd.,	5	5	116.63	276.18	6.46% to 10.23%	8 to 9	20 to 21	Monthly	January 10, 2013 to December 20, 2015

5.2 Term Loans from Other Parties

Secured by hypothecation of specific assets purchased out of loan, comprising Plant & Machinery and Construction equipment.

The details of rate of interest and repayment terms of term loans are as under

Sl. No.	Particulars	Number Of Loans Outstanding As At		"Outstanding Balance As At (₹ In Lakhs)		Interest Range % Per Annuam	Installments of Outstanding Installments As At		Frequency of Installments	Commencing From - To
		31-03-2015	31-03-2014	31-03-2015	31-03-2014		31-03-2015	31-03-2014		
i)	L&T Finance Ltd.,	2	2	581.36	3,496.24	11.33% to 11.35%	2 to 3	14 to 15	Monthly	January 05, 013 to june 10, 2015
ii)	TML Financial Service Ltd.,	Nil	2	-	85.55	11%	Nil	5	Monthly	October 21, 2011 to August 21, 2014

6 DEFERRED TAX LIABILITIES / (ASSETS) - (NET)

Particulars	As at 31-03-2015	As at 31-03-2014
Deferred Tax Liability / (Asset)		
Related to fixed assets	(1,829.72)	(855.71)
Disallowances under the Income Tax Act, 1961	562.14	324.04
TOTAL	**(2,391.86)**	**(1,179.75)**

7 OTHER LONG TERM LIABILITIES

Particulars	As at 31-03-2015	As at 31-03-2014
Trade payables		
Trade payables with Micro, Small and Medium Enterprises	-	-
Trade payables with Others	-	-
Others		
Mobilization Advance	2,714.31	4,946.21
Machinery Advance	31.51	817.39
Security Deposits	897.14	889.05
Retention Deposits and Withheld Amount	3,070.30	3,210.25
TOTAL	**6,713.26**	**9,862.90**

8 LONG TERM PROVISIONS

Particulars	As at 31-03-2015	As at 31-03-2014
Provision for employee benefits (refer note: 8.1)		
Gratuity	171.82	113.80
TOTAL	**171.82**	**113.80**

8.1 In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity covering employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India (LIC) and balance is provided on the basis of valuation of the liability by an independent actuary as at the year end. The management understands that LIC's overall portfolio of assets is well diversified and as such, the long term return on the policy is expected to be higher than the rate of return of Central Government bonds.

9 SHORT TERM BORROWINGS

Particulars	As at 31-03-2015	As at 31-03-2014
SECURED LOANS		
LOANS REPAYABLE ON DEMAND		
FROM BANKS		
Working capital Demand Loan (Refer note 9.1)	400.00	-
Cash Credit (Refer Note 9.1)	5,604.61	4,584.87
Sub- total	**6,004.61**	**4,584.87**
UN-SECURED LOANS	-	-
LOANS AND ADVANCES FROM RELATED PARTIES		
From Directors (refer note: 44)	2,800.00	398.49
(There is no specific agreement with the above parties)		
Sub- total	**2,800.00**	**398.49**
TOTAL	**8,804.61**	**4,983.36**

9.1 Working Capital Facilities: Cash Credit facilities from consortium of banks are secured by:

1 Hypothecation of entire current assets on pari passu basis with other participating banks,

2 First pari passu charge on equitable mortgage of land & buildings, the market value of which is ₹ 12.87 crores as on 20-03-2012

3 First pari passu charge on equitable mortgage of 5 acres of agricultural land of approximate value of ₹ 2.76 Crores

4 First pari passu charge on equitable mortgage of industrial factory buildings without machinery, the market value of which is ₹ 23.28 crores

5 Hypothecation of certain equipments of written down value as on 31.03.2013 is ₹ 38.77 Crores

6 Personal guarantee of Directors.

7 First pari passu charge on equitable mortgage of property in the name of Company and Director of approximate value of ₹ 25.40 Crores

9.2 The interest rate for working capital demand loan and cash credit facilities varies from 10.9% to 12.75 % per annum

9.3 The company availed short term un-secured loans from directors, which are repayable on demand and carries interest at 11% per annum.

10 TRADE PAYABLES

Particulars	As at 31-03-2015	As at 31-03-2014
Sundry Creditors (Suppliers)	3,066.42	3,113.74
Bills Payable (Sub-contractors/Labour/Service)	3,984.09	4,745.52
TOTAL	**7,050.51**	**7,859.26**

10.1 There are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes on account of principal amount together with interest and accordingly, no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

11 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2015	As at 31-03-2014
Current maturities of long-term borrowings (Refer Note 5)		
Term Loans		
From Banks		
Rupee Loans	230.76	263.13
From Other parties		
Rupee Loans	581.36	3,000.43
TOTAL	**812.12**	**3,263.56**
Interest accrued but not due on borrowings and others	9.79	30.78
Advance received from clients	2,856.59	2,928.50
Due to Customers	12,235.30	8,283.29
Unclaimed dividends, Shares and IPO Refund (Refer note 11.1)	3.68	3.33
Other Payables		
Others	162.22	-
Outstanding Expenses	783.31	508.26
Statutory dues	886.76	1,207.27
TOTAL	**17,749.77**	**16,224.99**

11.1 There are no amounts due for payment to the Investor Education and Protection Fund as at Balance Sheet date, except IPO refund amount of Rs.9,450/- which is transferred to IEPF account.

12 SHORT TERM PROVISIONS

Particulars	As at 31-03-2015	As at 31-03-2014
PROVISION FOR EMPLOYEE BENEFITS		
Gratuity	12.70	9.54
Sub- total	**12.70**	**9.54**
OTHERS		
Provision for Income Tax	1,517.00	3,282.94
Provision for Wealth Tax	4.13	4.15
Provision for Proposed Dividend	281.23	281.23
Provision for Dividend Tax	57.25	47.80
Provision for Labour Cess	1,046.80	626.40
Sub- total	**2,906.41**	**4,242.52**
TOTAL	**2,919.11**	**4,252.06**

13 FIXED ASSETS

(₹ in Lakhs)

Sl No	PARTICULARS	GROSS BLOCK AT COST				Accumulated Depreciation / Amortisation				NET BLOCK	
		As at April 1, 2014	Additions	Deductions/ Adjustments	As at March 31, 2015	As at April 1, 2014	For the period	Deductions/ Adjustments	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
I	**Tangible Assets**										
	Land - Free Hold *	6,055.02	431.14	-	6,486.16	-	-	-	-	6,486.16	6,055.02
	Buildings	1,949.97	43.45	102.73	1,890.69	265.88	279.04	34.36	510.56	1,380.13	1,684.09
	Plant and Equipment	43,006.93	2,095.58	333.41	44,769.10	25,036.26	6,108.55	311.94	30,832.87	13,936.23	17,970.67
	Furniture and Fixtures	253.00	9.32	4.54	257.78	131.92	38.20	4.53	165.59	92.19	121.08
	Motor Vehicles	1,015.77	250.69	122.05	1,144.41	572.37	189.25	89.95	671.67	472.74	443.40
	Office equipment	128.64	20.43	7.29	141.78	56.56	53.06	7.17	102.45	39.33	72.08
	Computers & Accessories	101.17	16.85	1.02	117.00	78.67	20.46	1.02	98.11	18.89	22.50
	Ships/Boats	2.43	-	-	2.43	0.97	0.33	-	1.30	1.13	1.46
	Sub-total	**52,512.93**	**2,867.46**	**571.04**	**54,809.35**	**26,142.63**	**6,688.89**	**448.97**	**32,382.55**	**22,426.80**	**26,370.30**
II	**Intangible Assets**										
	Computer software	11.89	0.88	0.07	12.70	9.75	2.32	0.07	12.00	0.70	2.14
	Sub-total	**11.89**	**0.88**	**0.07**	**12.70**	**9.75**	**2.32**	**0.07**	**12.00**	**0.70**	**2.14**
III	**Capital Work In Progress**									**263.04**	**29.39**
	Sub-total	-	-	-	-	-	-	-	-	263.04	29.39
	TOTAL	52,524.82	2,868.34	571.11	54,822.05	26,152.38	6,691.21	449.04	32,394.55	22,690.54	26,401.83
Previous Year		**50,825.51**	**3,129.56**	**1,430.25**	**52,524.82**	**21,812.15**	**5,634.06**	**1,293.83**	**26,152.38**	**26,401.83**	

* Land includes Rs. 1615.12 (P.Y Rs. Rs. 1615.12) held in the name of Directors, relatives of Directors for and on behalf of the Company.

** Accumulated depreciation includes an amount of Rs. 1374.72 lakhs for the assets having no useful life after retaining residual value as required under the Companies Act, 2013.

14 NON-CURRENT INVESTMENTS

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/Controlled Entity / Others	Nature of the Share	Face value of the share No. of	Shares/ Units		Quoted / Unquoted	Partly Paid/ Fully paid	Extent of Holding (%)		Amount in Lakhs		"Whether stated at Cost Yes / No"	"If Answer to Column (14) is 'No' - Basis of Valuation"
					31-03-15	31-03-14			31-03-15	31-03-14	31-03-15	31-03-14		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
I	TRADE INVESTMENTS													
	A Investment in Equity Instruments													
	Investment in Equity Instruments													
	KNR Agrotech & Beverages Pvt Ltd.	Subsidiary	Equity	10	10000	10000	Unquoted	Fully Paid	100%	100%	1.00	1.00	Yes	
	KNR Infrastructure Projects Pvt Ltd	Subsidiary	Equity	10	10000	10000	Unquoted	Fully Paid	100%	100%	1.00	1.00	Yes	
	KNR Energy Ltd	Subsidiary	Equity	10	50000	50000	Unquoted	Fully Paid	100%	100%	5.00	5.00	Yes	
	KNRC Holding & Investment Private Ltd	Subsidiary	Equity	10	10000	10000	Unquoted	Fully Paid	100%	100%	1.00	1.00	Yes	
	KNR Muzaffarpur Barauni Tollway Pvt Ltd*	Subsidiary	Equity	10	459000	459000	Unquoted	Fully Paid	51%	51%	45.90	45.90	Yes	
	KNR Constructions - LLC, at Oman	Subsidiary	Equity	1 Omani Rial	162500	162500	Unquoted	Fully Paid	65%	65%	206.07	206.07	Yes	
	KNRCL - FZE, at RAK	Subsidiary	Equity	100000 AED	5	5	Unquoted	Fully Paid	100%	100%	48.88	48.88	Yes	
	KNR Walayar Tollways Pvt Ltd	Subsidiary	Equity	10	900000	900000	Unquoted	Fully Paid	100%	100%	90.00	90.00	Yes	
	Patel-KNR Infrastructures Ltd.	Associate	Equity	10	14800000	14800000	Unquoted	Fully Paid	40%	40%	1,480.00	1,480.00	Yes	
	Patel-KNR Heavy Infrastructure Ltd	Associate	Equity	10	9529500	9529500	Unquoted	Fully Paid	40%	40%	952.95	952.95	Yes	
	B Investments in partnership firms / AOP													
	NCC - KNR - JV	Joint Ventures							Project wise	Project wise	(68.92)	(62.52)	Yes	
	KNR - PATEL - JV	Joint Ventures							51%	51%	(415.47)	(413.69)	Yes	
	KNR - SLEC - JV	Joint Ventures							60%	60%	(32.39)	(32.19)	Yes	
	KNR - BPL - JV	Joint Ventures							49%	49%	1.93	1.93	Yes	
	KNR - GVR - JV	Joint Ventures							51%	51%	-	7.04	Yes	
	KNR - JKM - KAMALA - JV	Joint Ventures							50%	50%	125.03	99.13	Yes	
	KNR - SLMI - JV	Joint Ventures							Project wise	60%	24.41	11.97	Yes	
	KNR-JKM-JV	Joint Ventures							51%	51%	51.34	24.85	Yes	
	KNR-TBCPL-JV	Joint Ventures							51%	Nil	(261.11)	-	Yes	
	SEL-KNR-JV	Joint Ventures							49%	Nil	-	-	Yes	
	Sub-Total - I										2,256.62	2,468.32		
	II OTHER INVESTMENTS A Investments in Government or Trust securities													
	National Savings Certificates	Others									1.01	1.01	Yes	
	B Investments in Mutual Funds													
	SBI Infrastructure Fund	Others		10	50000	50000	Quoted	Fully Paid			5.00	5.00	Yes	
	SBI Magnum Comma Fund	Others		10	50000	50000	Quoted	Fully Paid			5.00	5.00	Yes	
	SBI PSU Fund	Others		10	50000	50000	Quoted	Fully Paid			5.00	5.00	Yes	
	SBI Equity Opportunities Fund - Series I	Others		10	40000	-	Quoted	Fully Paid			4.00	-	Yes	
	Sub-Total - II										20.01	16.01		
	Total (I+II)										2,276.63	2,484.33		

* KNR Constructions Ltd., holds 0.83% and KNR Muzffarpur Holdings Pvt. Ltd., a 100% subsidiary of KNR Constructions Ltd., holds 50.17%.

14.1 DETAILS OF INVESTMENT IN THE CAPITAL OF FIRM / AOP BY THE COMPANY

(₹ in Lakhs)

Particulars		As at March 31, 2015		As at March 31, 2014	
NCC-KNR -JV	Nagarjuna Construction Company Limited	-	-	-	-
	KNR Constructions Limited	(68.92)	(62.52)	(0.71)	(11.71)
	TOTAL	**(68.92)**	**(62.52)**	**(0.71)**	**(11.71)**
KNR-SLEC -JV	KNR Constructions Limited	(32.39)	(32.19)	(0.13)	(0.10)
	Sri Laxmi Engineering Company	53.92	54.06	(0.09)	(0.07)
	TOTAL	**21.53**	**21.87**	**(0.22)**	**(0.17)**
KNR- BPL- JV	KNR Constructions Limited	1.93	1.93	-	-
	Backbone Projects Limited	(0.26)	(0.26)	-	-
	TOTAL	**1.67**	**1.67**	**-**	**-**
KNR- GVR-JV	KNR Constructions Limited	-	7.04	-	29.69
	GVR Infra Projects Limited	54.65	(27.35)	(0.67)	30.27
	TOTAL	**54.65**	**(20.31)**	**(0.67)**	**59.96**
KNR- JKM -KAMALA- JV	KNR Constructions Limited	125.03	99.13	25.89	40.16
	JKM Infra Projects Private Limited	194.77	181.83	12.94	20.08
	KAMALA Constructions	194.77	181.83	12.94	20.08
	TOTAL	**514.57**	**462.79**	**51.77**	**80.32**
KNR- PATEL-JV	KNR Constructions Limited	(415.47)	(413.69)	(0.46)	(3.58)
	Patel Engineering Limited	327.78	329.49	(0.45)	(3.44)
	TOTAL	**(87.69)**	**(84.20)**	**(0.91)**	**(7.02)**
KNR-SLMI-JV	KNR Constructions Limited	24.41	11.97	16.51	12.09
	SLMI Infraprojects Pvt. Ltd.,	15.56	10.11	15.60	11.42
	TOTAL	**39.97**	**22.08**	**32.11**	**23.51**
KNR-JKM-JV	KNR Constructions Limited	51.34	24.85	50.83	44.07
	JKM Infra Projects Private Limited	69.54	20.70	48.84	42.35
	TOTAL	**120.88**	**45.55**	**99.67**	**86.42**
KNR-TBCPL-JV	KNR Constructions Limited	(261.11)	-	-	Nil
	JKM Infra Projects Private Limited	(148.77)	-	(3.76)	Nil
	TOTAL	**(409.88)**	**-**	**(3.76)**	**-**

14.2 Aggregate amount of non-current Investments

(₹ in Lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
a) Aggregate Value of Quoted Investment		
- Cost	19.00	15.00
- Market Value	27.80	17.48
b) Aggregate Value of Unquoted Investment	2,257.63	2,469.33

15 LONG TERM LOANS AND ADVANCES

Particulars	As at 31-03-2015	As at 31-03-2014
UNSECURED, CONSIDERED GOOD;		
Capital Advances	66.73	51.22
Deposits	1,516.70	1,264.10
Loans and advances to related parties (Refer note: 44)		
Subsidiaries	14,660.63	14,381.71
Associates	1,036.79	1,034.42
Other Loans and Advances		
Mobilization Advances paid to Sub-contractors	578.33	654.52
TOTAL	**17,859.18**	**17,385.97**

16 OTHER NON-CURRENT ASSETS

Particulars	As at 31-03-2015	As at 31-03-2014
UNSECURED, CONSIDERED GOOD;		
Long Term Trade Receivables (including trade receivables on deferred credit terms)		
Retention Money and Withheld Amounts	7,144.04	7,098.93
Other		
IPO Expenses (Unamortized) - Miscellaneous Asset	178.19	267.28
TOTAL	**7,322.23**	**7,366.21**

17. CURRENT INVESTMENTS

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/Controlled Entity / Others	Nature of the Share	Face value of the share	No. of Shares/ Units		Quoted / Unquoted	Partly Paid/ Fully paid	Extent of Holding (%)		Amount in Lakhs		"Whether stated at Cost Yes / No"	"If Answer to Column (14) is 'No' - Basis of Valuation"
					31-03-15	31-03-143			31-03-15	31-03-14	31-03-15	31-03-14		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
I	TRADE INVESTMENTS													
	PATEL - KNR - JV	Joint Ventures							50%	50%	874.06	1,519.18	Yes	
	Total										874.06	1,519.18		

DETAILS OF INVESTMENT IN THE CAPITAL OF FIRM / AOP BY THE COMPANY

NAME OF THE FIRM	NAMES OF THE PARTNER	Amount in Lakhs		Share of Profit / (Loss) during the year	
		31-03-15	31-03-14	31-03-15	31-03-14
PATEL- KNR -JV	Patel Engineering Limiter	389.66	477.26	-99.39	-327.13
	KNR Condtructions limited	874.06	1,519.18	-99.39	-327.13
	Total Capital	**1,263.72**	**1,996.44**	**(198.78)**	**(654.26)**

18 INVENTORIES

Particulars	As at 31-03-2015	As at 31-03-2014
Raw materials	2,763.08	2,416.11
Goods-in transit	69.86	113.56
	2,832.94	**2,529.67**
Stores and spares	630.59	876.86
Goods-in transit	127.06	-
	757.65	876.86
TOTAL	**3,590.59**	**3,406.53**

19 TRADE RECEIVABLE

Particulars	As at 31-03-2015	As at 31-03-2014
UNSECURED, CONSIDERED GOOD		
Outstanding for more than six month from the due date	3,223.01	1,745.34
Other Debts	14,427.14	9,963.17
* Includes Rs. 8688.17 lakhs (P.Y Rs. 6192.55 lakhs) due from company in which Company/Directors are interested (refer note: 44)		
TOTAL	**17,650.15**	**11,708.51**

20 CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2015	As at 31-03-2014
Cash and Bank Balances (refer note 20.3)		
Balance with Banks		
In Current Accounts	299.65	375.97
In Deposit Accounts with maturity less than three months	177.00	-
Cash on hand (Refer Note 20.1)	55.66	31.27
Sub- total	**532.31**	**407.24**
Other Bank Balances (including interest there on)		
Margin Money deposits (Refer note 20.2)	704.89	657.49
Long Term Deposits more than three months maturity	-	50.19
Sub- total	**704.89**	**707.68**
Earmarked balances with Banks		
Un-claimed Dividend	3.61	3.19
Un-Claimed IPO Refund	-	0.09
Long Term Deposits	331.79	-
Sub- total	**335.40**	**3.28**
TOTAL	**1,572.60**	**1,118.20**

20.1 Cash on Hand includes Rs. 3.61 lakhs (P.Y Rs. 0.94 lakhs) held in Foreign Currency

20.2 Margin Money Deposits have been lodged with Banks against Guarantees / Letters of credit issued by them.

20.3 Balances meet the definition of " Cash and Cash Equivalents" as per AS-3 'Cash Flow Statements'.

21 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31-03-2015	As at 31-03-2014
LOANS AND ADVANCES TO RELATED PARTIES (Refer note: 44)		
UNSECURED, CONSIDERED GOOD		
Advances to Subsidiaries / Associates (SPV)	56.03	8.56
Sub- total	**56.03**	**8.56**
OTHERS		
UNSECURED, CONSIDERED GOOD		
Advances to Sub-contractors and Labour	4,516.50	6,506.79
Advances to Suppliers and others (Other than capital advances)	809.63	646.87
Staff Imprest and Salary Advances	85.07	83.32
Advance Taxes paid (including Wealth Tax)	6,277.20	6,631.28
MAT Credit	673.50	-
WCT Receivable	1,412.34	579.88
Prepaid Expenses	180.24	162.31
Advance paid for Land Lease	-	0.23
Loan to Other Parties	1,051.26	617.35
Sub- total	**15,005.74**	**15,228.03**
TOTAL	**15,061.77**	**15,236.59**

22 OTHER CURRENT ASSETS

Particulars	As at 31-03-2015	As at 31-03-2014
Unsecured, Considered Good		
Interest Receivable / Interest accrued but not received	10.25	3.53
Due from Customers / Unbilled Revenue	8,626.55	7,482.77
Receivables from Others	373.77	-
Deposits and Other Receivables	45.82	163.56
Considered Doubtful		
Deposits and Other Receivables	769.11	27.57
Sub- total	**9,825.50**	**7,677.43**
Less: Provision for Doubtful Deposits	769.11	27.57
TOTAL	**9,056.39**	**7,649.86**

23 REVENUE FROM OPERATIONS

Particulars	As at 31-03-2015	As at 31-03-2014
Income from Contracts	87,602.30	83,702.90
Other Operating Income		
Share Of Profit / Loss From Joint Ventures	(8.84)	(276.42)
Hire Charges Received	19.65	53.00
TOTAL	**87,613.11**	**83,479.48**

24 OTHER INCOME

Particulars	As at 31-03-2015	As at 31-03-2014
Interest Income	424.87	1,054.93
Other non-operating income		
Profit on Sale of Asset	264.52	134.62
Scrap Sales	33.86	22.85
Rental Income	0.09	0.14
Discount Received from suppliers	19.53	7.95
Liabilities no longer required Written Back	375.02	106.43
Insurance Claim Received	51.43	103.26
Forex Gains	-	0.01
Miscellaneous Income	76.38	121.32
TOTAL	**1,245.70**	**1,551.51**

25 COST OF MATERIALS CONSUMED

Particulars	As at 31-03-2015	As at 31-03-2014
Construction Materials, Stores & Spares		
Opening Stock	3,406.53	2,972.60
Add: Net Purchases	33,883.97	29,497.00
	37,290.50	**32,469.60**
Less: Closing Stock	3,590.59	3,406.53
TOTAL	**33,699.91**	**29,063.07**

26 OTHER CONSTRUCTION EXPENSES

Particulars	As at 31-03-2015	As at 31-03-2014
Sub-contract Expenses	16,062.09	22,056.96
Spreading & Assortment Exp.	9,893.29	6,150.53
Power and Fuel	73.61	182.44
Seigniorage charges / Royalty	746.35	466.91
Transport, Loading & Un Loading Charges	1,711.56	2,169.69
Recoveries by Clients	346.23	767.69
Value Added Tax	2,537.87	2,474.03
Repairs to Buildings & Others	84.50	94.53
Repairs to Machinery	221.40	166.32
Repairs to Vehicles	121.02	147.73
Miscellaneous expenses	1,464.67	1,362.28
TOTAL	**33,262.59**	**36,039.11**

27 EMPLOYEE BENEFITS EXPENSE

Particulars	As at 31-03-2015	As at 31-03-2014
Salaries, Wages and Other Benefits	3,317.78	3,110.41
Directors Remuneration	310.00	240.00
Contribution to Provident and Other Funds	96.66	91.72
Staff welfare Expenses	83.15	52.37
TOTAL	**3,807.59**	**3,494.50**

28 FINANCE COSTS

Particulars	As at 31-03-2015	As at 31-03-2014
Interest Expense on		
Working Capital Demand Loans and Cash Credit	486.26	731.70
Term Loans	261.39	525.18
Loan from Directors	200.79	3.87
Other advances	66.28	138.74
	1,014.72	1,399.49
Less: Interest received from Banks & Others	81.29	43.96
	933.43	**1,355.53**
Other Borrowing Costs		
Processing Charges	68.98	102.57
BG / LC Charges	196.04	235.85
Bank and Other Financial Charges	19.25	9.71
Net gain/loss on foreign currency transactions and translation	6.60	15.79
TOTAL	**1,224.30**	**1,719.45**

29 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	As at 31-03-2015	As at 31-03-2014
Depreciation & Amortizaton	5,316.49	5,634.06
Issue Expense Written off	89.09	89.09
TOTAL	**5,405.58**	**5,723.15**

30 OTHER EXPENSES

Particulars	As at 31-03-2015	As at 31-03-2014
Travelling & Conveyance (includes Boarding & Lodging Expenses)	183.29	152.90
Postage &Telegrams and Telephones	73.30	61.71
Business Promotion Expenses	9.52	5.80
Advertisement and publicity	27.02	18.18
Legal & Professional Charges	246.58	348.06
Insurance	237.16	288.61
Rates and taxes excluding taxes of Income	354.06	508.61
Payments to the auditor		
for Audit	2.00	2.00
for taxation matters	1.00	1.00
for other services	2.00	2.00
Prior period items (Net off Expenses / Income)	1,666.17	20.34
Printing & Stationery	64.20	56.48
Tender Expenses	54.77	61.96
Office Maintenance	38.14	48.09
Rent Expenses	171.62	142.75
Electricity Charges	224.55	102.49
Directors Sitting Fees	14.80	6.00
Loss on sale of Assets / Discarded	1.21	15.99
Bad Debts / Advances Written Off	23.33	307.26
Provision for Doubtful Advances, Receivables and Deposits	757.80	27.37
Donation	13.68	5.83
Miscellaneous Expenses	50.24	119.86
CSR Expenses	12.31	-
TOTAL	**4,228.75**	**2,303.29**

31 TAX EXPENSE

Particulars	As at 31-03-2015	As at 31-03-2014
A - Current Tax		
Current tax on profits for the year	1,517.00	1,276.30
Adjustments in respect of prior years	112.10	133.29
MAT credit entitlement	(488.14)	-
Sub-Total	**1,140.96**	**1,409.59**
B - Deferred Tax		
Deferred Tax Liability / (Asset) due to timing difference	(1,212.11)	(819.42)
Sub-Total	**(1,212.11)**	**(819.42)**
TOTAL	**(71.15)**	**590.17**

32. Contingent liabilities and commitments (to the extent not provided for)

Sl. No.	Particulars	₹ in lakhs 2014-15	₹ in lakhs 2013-14
I – Contingent Liabilities			
a.	**Claims against the company not acknowledged as debt**		
	1 - Disputed Income Tax and Interest on TDS	1719.58	2128.59
	2 - Disputed Sales Tax / VAT / Entry Tax	1549.33	1002.10
	3 - Disputed Service Tax	223.12	223.12
	4 - Others (Civil cases)	173.73	662.86
b.	**Guarantees**		
	- for Joint Ventures	2380.18	1779.31
	Corporate guarantees given to banks and financial institutions for financial assistance extended to Subsidiaries, Associates and Joint Ventures - for Joint Ventures	5000.00	5000.00
c.	**Other money for which the company is contingently liable**		
	Joint and several liabilities in respect of joint venture projects and liquidated damages in respect of delays in completion of projects.	Amount not ascertainable	Amount not ascertainable

The Finance Act (2), 2009 has amended Section 80IA (4) of the Income Tax Act, 1961 by substituting an explanation to Section 80IA with retrospective effect from 01-04-2000. On the basis of legal opinion and decided cases, the Company has continued to claim deduction under Section 80-IA(4) of the Act on eligible projects and consequently the Company considers it appropriate not to create a liability for provision for Income Tax .However ,an amount of income tax of ₹ 1568.44 Lakhs (net of advance tax & TDS) for the current year and of ₹ 1,394.68 Lakhs (net of advance tax & TDS) for the earlier years since FY 2012-13 has been disclosed as contingent liability.

II - Commitments		
a. Estimated amount of contracts remaining to be executed on capital account and (net of advances) not provided for	**Nil**	**Nil**
b. Other commitments		
Estimated amount of committed funding by way of equity/loans to subsidiary companies	3600.00	-
Future Export commitments on account of import of machinery and equipment at concessional rate of duty under EPCG scheme	1651.59	1651.59

33. Earnings Per Share

Sl. No.	Particulars	₹ in lakhs 2014-15	₹ in lakhs 2013-14
a.	Net Profit for the year after tax	7301.24	6098.25
		Nos.	**Nos.**
b.	Weighted Average number of equity shares for basic EPS (in lakhs)	281.23	281.23
c.	Face Value per share	10	10
d.	Basic EPS	25.96	21.68

34. Expenditure / Remittance in Foreign Currency

Sl. No.	Particulars	₹ in lakhs 2014-15	₹ in lakhs 2013-14
a.	On account of Travel/Other expenses (including boarding & lodging Expenses)	4.05	6.55
b.	On account of Advance / Loan	Nil	21.78
c.	Income / Advances Received	Nil	Nil

35. Employee Benefits

As per the Accounting Standard-15 on "Employee Benefits", the disclosures of Employee Benefits as defined in the accounting Standard are given as below:

(a) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

Particulars	(₹ Lakhs) 2014-15	(₹ Lakhs) 2013-14
Employer's Contribution to Provident Fund	81.44	82.12

(b) Defined Benefit Plan:

The company made annual contributions to the Employee's Group Gratuity cash accumulation Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees.

The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method as per actuarial valuation carried out at the year end.

The following tables set out the funded status of the gratuity plan and the amount recognized by the company's financial statements as at the year end.

(₹ in Lakhs)

Particulars	2014-15	2013-14
Components of Employer Expense		
Current Service Cost	11.40	6.82
Interest Cost on Benefit Obligation	11.67	10.99
Expected Return On Plan Assets	(1.85)	(1.90)
Net Actuarial Gain /Loss Recognized	45.46	(4.22)
Past Service Cost -	-	
Total expense recognized in Profit & Loss Account	**66.68**	**11.69**
Actual Return on Plan Assets	(1.85)	(1.90)
Net Asset /Liability recognized in Balance Sheet		
Define Benefit Obligation	202.31	145.86
Fair Value Of Plan Assets	(17.79)	(22.52)
Status(Surplus/Deficit)	184.52	123.34
Unrecognized Past Service Cost	-	-
Net Asset/Liability recognized in Balance Sheet	**184.52**	**123.34**
Changes in the Present Value of Defined Benefits Obligation		
Opening Defined Benefit Obligation	145.86	137.40
Interest Cost	11.67	10.99
Current Service Cost	11.40	6.82
Benefits Paid	(12.08)	(5.12)
Actuarial(gains)losses on obligation	45.46	(4.22)
Closing Defined Benefit obligation	**202.31**	**145.86**
Changes in Fair Value of Plan Assets		
Opening Fair Value of Plan Assets	22.52	20.08
Expected Return	1.85	1.90
Contributions	5.51	5.65
Benefits Paid	(12.08)	(5.12)
Actuarial Gain/loss		
Closing Fair value of Plan Assets	**17.80**	**22.52**
The Principal assumption used in determining gratuity as shown below		
Discount Rate	8%	8%
Expected Rate of Return	9%	8.75%
Salary escalation rate	10%	10%

The estimates of future salary increase has been considered in actuarial valuation, taking into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

36. Remittance in foreign currencies for dividend

The company has not remitted any amount in foreign currencies on account of dividend during the year and has remitted dividend to the non- resident shareholders in Indian currency during the year ended March 31, 2015 and the details of the same are given below:

Sl. No.	Particulars	2014-15	2013-14
a.	Number of non-resident shareholders	168	107
b.	Number of equity shares held by them	63690	56719
c.	i) Amount of dividend paid (Amount in Rupees)	63690	56719
	ii) Year to which dividend relates	2013-14	2012-13

37. Disclosure pursuant to Accounting Standard – 7 (Revised) "Construction Contracts"

Sl. No.	Particulars	₹ in lakhs 2014-15	₹ in lakhs 2013-14
a.	Contract Revenue recognized as revenue during the year	86653.80	82799.72
b.	Aggregate Contract costs incurred and recognized Profits, (less recognized losses) up to the reporting date for contracts in progress	388391.81	255918.36
c.	Amount of advances received for contracts in progress	4243.02	5928.79
d.	Amount of retention money for contracts in progress	5227.59	5096.92
e.	Gross amount due from customers for contract work in progress	6463.25	5319.47
f.	Gross amount due to customers for contract work in progress	12235.30	8283.29

38. Value of imports calculated on CIF basis

Sl. No.	Particulars	₹ in lakhs 2014-15	₹ in lakhs 2013-14
a.	Material Purchases	Nil	Nil
b.	Stores & Spares	118.00	Nil
c.	Capital goods	169.64	199.03
	TOTAL	**287.64**	**199.03**

39. Consumption of Materials, Stores and Spares

Sl. No.	Particulars	₹ in lakhs Value (%)	₹ in lakhs Value (%)
(i)	Imported	118.00 (0.34%)	0 (0.00%)
(ii)	Indigenous	34203.67 (99.66%)	29063.07 (100.00%)
	TOTAL	**34321.67**	**290637.07**

40. Particulars of Loans and Advances in the nature of loans as required by clause 32 of the Listing Agreement

Sl. No.	Name of the Company	₹ in lakhs			
		Balance as on 31-03-2015	Balance as on 31-03-2014	Maximum outstanding 2014-15	Maximum outstanding 2013-14
A.	**Subsidiaries**				
	KNR Agrotech & Beverages Pvt Ltd.,	426.92	393.50	426.92	393.50
	KNRCL - FZE	59.51	57.32	59.51	57.32
	KNR Infrastructure Projects Pvt. Ltd.,	8.48	6.91	8.48	278.56
	KNR Energy Ltd.,	362.47	201.17	362.47	201.17
	KNRC Holding and Investment Pvt Ltd.,	301.54	218.67	301.54	218.67
	KNR Muzaffarpur Holdings Pvt. Ltd.,	0.72	0.35	0.72	0.35
	KNR Muzaffarpur-Barauni Tollway Pvt. Ltd.,	0.00	2.79	3.02	2.79
	KNR Walayar Tollways Pvt. Ltd.,	13501.00	13501.00	13501.00	13501.00
B.	**Associates**				
	Patel KNR Infrastructure Ltd.,	0.00	-0.49	-0.49	-0.81
	Patel KNR Heavy Infrastructure Ltd.,	1033.69	1034.92	1033.85	5126.97
C.	**Loans and Advances where there is no repayment schedule**				
	KNR Agrotech Beverage Pvt. Ltd.,	426.92	393.50	426.92	393.50
	KNRCL – FZE	59.51	57.32	59.51	57.32
	KNR Infrastructure Projects Pvt. Ltd.,	8.48	6.91	8.48	278.56
	KNR Energy Ltd.,	362.47	201.17	362.47	201.17
	KNR Holding and Investment Pvt Ltd.,	301.54	218.67	301.54	218.67
	KNR Muzaffarpur Holdings Pvt. Ltd.,	0.72	0.35	0.72	0.35
	KNR Muzaffarpur-Barauni Tollway Pvt. Ltd.,	0.00	2.79	3.02	2.79
	KNR Walayar Tollways Pvt. Ltd.,	13501.00	13501.00	13501.00	13501.00
	Patel KNR Infrastructure Ltd.,	0.00	-0.49	-0.49	-0.81
	Patel KNR Heavy Infrastructure Ltd.,	1033.69	1034.92	1033.85	5126.97
D.	**Loans where no interest is charged or interest is**				
	below section 186 of Companies Act, 2013				
	KNR Agrotech Beverage Pvt Ltd., *	426.92	393.50	426.92	393.50
	KNRCL – FZE*	59.51	57.32	59.51	57.32
	KNR Infrastructure Projects Pvt. Ltd.,*	8.48	6.91	8.48	278.56
	KNR Energy Ltd.,*	362.47	201.17	362.47	201.17
	KNR Holding and Investment Pvt Ltd.,*	301.54	218.67	301.54	218.67
	KNR Muzaffarpur Holdings Pvt. Ltd.,*	0.72	0.35	0.72	0.35
	KNR Muzaffarpur-Barauni Tollway Pvt. Ltd.,**	0.00	2.79	3.02	2.79
	KNR Walayar Tollways Pvt. Ltd.,**	13501.00	13501.00	13501.00	13501.00
	Patel KNR Infrastructures Ltd., **	0.00	-0.49	-0.49	-0.81
	Patel KNR Heavy Infrastructures Ltd.,**	1033.69	1034.92	1033.85	5126.97
E.	**Loans to firms / Companies in which directors are interested**	Nil	Nil	Nil	Nil
*	These un-secured loans are given to wholly owned subsidiary companies and are interest free.				
**	These interest free un secured loans are given to Special Purpose Vehicles (SPV's) formed for the purpose of execution of BOT Annuity (Road) Projects as per the terms and conditions of the respective common loan agreements.				

41. The Company has not received any intimation from 'Suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

42. Segmental Reporting

The Company's operations consists of Construction activities. Hence, there are no reportable segments under the Accounting Standard 17 of the ICAI. During the year under report, the Company has engaged in business in India only and not in any other Country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

43. As per the Accounting Standard-27 on "Financial Reporting of Interest in Joint Venture' issued by the Institute of Chartered Accountants of India, the particulars of Joint Venture and its interest therein are as follows:

(` in Lakhs)

Name of the company	Per- centage of Holding	Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
Patel-KNR-JV*	50%	6286.43	6286.43	Nil	Nil	74.93	273.73
KNR-Patel-JV*	51%	433.04	443.04	Nil	Nil	Nil	0.91
NCC-KNR-JV	Project wise	1.98	1.98	Nil	Nil	Nil	0.71
KNR-SLEC-JV	60%	68.40	68.40	Nil	Nil	Nil	0.22
KNR-BPL-JV	49%	834.53	834.53	82.09	Nil	938.93	938.93
KNR-GVR-JV	51%	293.78	293.78	Nil	Nil	1.01	1.68
KNR-JKM-KAMAL-JV	50%	585.82	585.82	Nil	Nil	964.46	927.08
KNR-JKM-JV	51%	1080.12	1080.12	Nil	Nil	2530.76	2455.51
KNR-SLMI-JV	Project wise	4068.36	4068.36	Nil	Nil	13829.25	13782.76
KNR-TBCPL-JV	51%	150.18	150.18	Nil	Nil	92.72	96.49
SEL-KNR-JV Bangladesh	49%	Nil	Nil	Nil	Nil	Nil	Nil

* As per the Un-Audited financial statements.

44. Related Party Transactions

A. Following is the list of related parties and relationships:

Sl.No	Particulars	Sl.No	Particulars
A)	**Direct Subsidiaries**	**E)**	**Key Management Personnel**
	KNR Agrotech & Beverages Pvt Ltd.,		Sri K. Narasimha Reddy , M.D
	KNR Constructions LLC, Oman		Sri K. Jalandhar Reddy, E.D & CFO
	KNR – FZE, Dubai		Sri M. Rajesh Reddy, E.D **
	KNR Infrastructure Projects Pvt Ltd.,		Sri M. V.Venkata Rao, C.S.
	KNR Energy Ltd.,		Sri G. Sravana Kumar, G.M (F&A)
	KNRC Holding and Investment Pvt. Ltd.,		
	KNR Walayar Tollways Pvt. Ltd.,		
	KNR Muzaffarpur-Barauni Tollway Pvt. Ltd.,*		
B)	**Subsidiaries of KNRC Holdings and Investment Pvt. Ltd.,**	**F)**	**Relatives of Key Management Personnel Smt. K. Yashoda, (wife of Sri. K. Narasimha Reddy) Non-Executive Director**
	KNR Muzaffarpur Holdings Pvt. Ltd.,		
	Mesmeric Software Solutions Pvt. Ltd.,		
	Nag Talent Ventures & Infotech Pvt. Ltd.,		
	Roche Polymers and Additives Pvt. Ltd.,		
	Gradient Estates Pvt. Ltd.,		
	Gradient Realty Ventures Pvt. Ltd.,		
	Asara Construction & Projects Pvt. Ltd.,		

Sl.No	Particulars	Sl.No	Particulars
C)	**Joint Ventures by key management personnel or their relatives**	G)	**Enterprises owned or significantly influenced**
	KNR – Patel JV		Yuvashakthi Enterprises (Firm) ***
	Patel – KNR JV		Vishnu Publicity Solutions Pvt. Ltd.,
	NCC-KNR JV		Trapezoid Software Solutions Pvt. Ltd.,
	KNR – SLEC JV		Siriadhvaitha Agrotech Pvt. Ltd.,
	KNR-BPL JV		Tagline Traders Pvt. Ltd.,
	KNR-GVR JV		Narsimha Landscape Pvt. Ltd.,
	KNR-JKM-KAMALA JV		Siriadhvaitha Agro Developers Pvt. Ltd.,
	KNR-JKM JV		Siriadhvaitha Agro Solutions Pvt. Ltd.,
	KNR-SLMI JV		Smitha Agro Developers Pvt. Ltd.,
	KNR-TBCPL-JV		Smitha Reality Pvt. Ltd.,
	SEL-KNR-JV - Bangladesh		Yashoda Landscape Pvt. Ltd.,
			Yashoda Meadows Pvt. Ltd.,
D)	**Associates**		
	Patel KNR Infrastructures Ltd.,		
	Patel KNR Heavy Infrastructures Ltd.,		

* KNR Constructions Limited indirectly with its subsidiary i.e., KNR Muzzffarpur Holdings Pvt. Ltd holds 51% in the equity share capital of KNR Muzaffarpur Barauni Tollway Private Limited .

** Sri. M. Rajesh Reddy has resigned as Executive Director w.e.f 12.01.2015

*** Sri. K. Narasimha Reddy, resigned as a partner in M/s. Yuvashakthi Enterprises w.e.f 27-09-2014. The company issued work order to M/s Yuvashakthi Enterprises dated: 03-01-2015 for sub-contract work on back to back basis of DLRB-Medak work value of Rs. 9,82,71,362/- and Koppal Flyover Rs.4,00,00,000/- During the F.Y 14-15 sub-contract bills of Rs. 1,80,22,730/- in DLRB-Medak and Rs. 1,53,23,463/- in Koppal Flyover are certified by the company. The company received interest amount of Rs. 43,346/- from the above sub-contractor during the year.

B. Related party transactions during the year ended 31st March 2015 are as follows:

(Previous year's figures are given in brackets below the current year figures)

(₹ in Lakhs)

Sl. No.	Particulars	Subsidiaries	Associates	Joint Ventures	Key Management Personnel	Enterprises owned or significantly influenced by Key Management Personnel or their relatives
1	Net Investments / (-Returns)	-	-	-	-	-
		(89.00)	(-)	(-)	(-)	(-)
2	Net Investments / (-Returns)	-	-	-847.99	-	-
		(-)	(-)	(641.05)	(-)	(-)
3	Net advance given / (received)	324.21	-317.64	376.52	-	-
		(10071.55)	(-4068.76)	(49.00)	(-)	(-)

4	Un-secured loan given	-	-	500.00	-	-
		(-)	(-)	(-)	(-)	(-)
5	Un-secured loan repayment received	-	-	549.00	-	-
		(-)	(-)	(-)	(-)	(-)
6	Un-secured loan received	-	-	-	4747.13	-
		(-)	(-)	(-)	(400.00)	(-)
7	Un-secured loan re-paid	-	-	-	2342.13	-
		(-)	(-)	(-)	(6.59)	(-)
8	Fixed Assets purchased	-	-	-	-	-
		(-)	(-)	(135.66)	(-)	(-)
9	Sale of fixed assets	-	-	-	-	-
		(-)	(-)	(-)	(25.85)	(-)
10	Corporate Guarantee Given	-	-	5000.00	-	-
		(-)	(-)	(5000.00)	(-)	(-)
11	Bank Guarantee Given	-	-	2380.18	-	-
		(-)	(-)	(1779.31)	(-)	(-)
12	Net Share of Profit / (Loss)	-	-	-8.84	-	-
		(-)	(-)	(-276.42)	(-)	(-)
13	Sub-Contract Jobs given	-	-	-	-	180.23
		(-)	(-)	(73.26)	(-)	(-)
14	Sub-Contract / (EPC) / Maintenance Jobs received	41055.11	948.50	9621.19	-	-
		(35612.29)	(903.18)	(6393.15)	(-)	(-)
15	Remuneration paid (including other benefits and contribution to Provident Fund by Employer)	(-)	(-)	(-)	355.47	(-)
		(-)	(-)	(-)	(278.47)	(-)
16	Land Lease and Office Rent Paid	-	-	-	26.62	-
		(-)	(-)	(-)	(25.87)	(-)
117	Dividend Paid	-	-	-	188.96	-
		(-)	(-)	(-)	(181.89)	(-)
18	Interest Paid	-	-	-	200.79	-
		(-)	(-)	(-)	(3.87)	(-)
19	Directors Sitting Fee	-	-	-	2.20	-
		(-)	(-)	(-)	(-)	(-)
20	Interest Received	-	-	5.41	-	4.06
		(-)	(-)	(-)	(-)	(-)

21	BG Commission received	-	-	0.46	-	-
		(-)	(-)	(0.47)	(-)	(-)
22	Debit balance written off	-	-	-	-	-
		(262.79)	(-)	(-)	(-)	(-)
23	Debit balances outstanding as at 31st March, 2015					
	KNR Walayar Tollways Pvt. Ltd.,	7341.68	-	-	-	-
		(4750.01)	(-)	(-)	(-)	(-)
	KNR Agrotech Pvt. Ltd.,	426.92	-	-	-	-
		(393.50)	(-)	(-)	(-)	(-)
	KNRCL - FZE	59.51	-	-	-	-
		(57.32)	(-)	(-)	(-)	(-)
	KNR Infra Projects Pvt Ltd.,	8.48	-	-	-	-
		(6.91)	(-)	(-)	(-)	(-)
	KNRC Holdings and Investments Pvt Ltd.,	301.54	-	-	-	-
		(218.67)	(-)	(-)	(-)	(-)
	KNR Energy Pvt. Ltd.,	362.47	-	-	-	-
		(201.17)	(-)	(-)	(-)	(-)
	KNR Muzaffarpur Baruni Tollyway Pvt Ltd.,	2.57	-	-	-	-
		(2.79)	(-)	(-)	(-)	(-)
	KNR Muzaffarpur Holdings Pvt Ltd.,	0.72	-	-	-	-
		(0.35)	(-)	(-)	(-)	(-)
	Patel-KNR- Infrastructure Ltd.,	-	4.75	-	-	-
		(-)	(177.37)	(-)	(-)	(-)
	Patel KNR Heavy Infrastructure Ltd.,	-	39.67	-	-	-
		(-)	(37.57)	(-)	(-)	(-)
	Patel-KNR-JV	-	-	2077.55	-	-
		(-)	(-)	(2077.55)	(-)	(-)
	KNR-BPL-JV	-	-	219.05	-	-
		(-)	(-)	(186.85)	(-)	(-)
	KNR-SLMI-JV	-	-	2115.90	-	-
		(-)	(-)	(1061.14)	(-)	(-)
	Sri. J.V. Panindra Reddy	-	-	-	-	-
		(-)	(-)	(-)	(25.85)	(-)

24	Credit balances outstanding as at 31st March,2015					
	KNR Constructions LLC	242.07	-	-	-	-
		(233.29)	(-)	(-)	(-)	(-)
	Patel-KNR- Infrastructure Ltd.,	-	320.00	-	-	-
		(-)	(-)	(-)	(-)	(-)
	Patel-KNR-JV	-	-	410.98	-	-
		(-)	(-)	(602.70)	(-)	(-)
	KNR-SLMI-JV	-	-	206.66	-	-
		(-)	(-)	(617.77)	(-)	(-)
	KNR-BPL-JV	-	-	390.27	-	-
		(-)	(-)	(315.72)	(-)	(-)
	Sri. K. Narasamiha Reddy	-	-	-	1503.28	-
		(-)	(-)	(-)	(402.80)	(-)
	Sri. K. Jalandhar Reddy	-	-	-	708.11	-
		(-)	(-)	(-)	(5.30)	(-)
	Sri. K. Yashoda	-	-	-	600.00	-
		(-)	(-)	(-)	(-)	(-)
	Sri. M. Rajesh Reddy	-	-	-	-	-
		(-)	(-)	(-)	(3.26)	(-)

Note: The amounts mentioned above in the case of M/s. KNR Constructions LLC, PATEL KNR JV, and KNR PATEL JV are based on the un-audited financial statements of the respective entities.

C. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

₹ in Lakhs

Particulars	F.Y 2014-15	F.Y 2013-14
Investments in Equity Shares		
- KNR Walayar Tollways Pvt Ltd.,	0.00	89.00
Net Investments / (-Returns)		
- Patel –KNR-JV	-545.72	0.00
- KNR-TBCPL-JV	-261.11	0.00
- NCC-KNR-JV	0.00	-778.86
Net advance given / (received)		
- KNRC Holdings and Investments Pvt Ltd.,	82.87	0.00
- KNR Energy Ltd.,	161.30	0.00
- KNR Walayar Tollways Pvt Ltd.,	44.90	10268.10
- Patel-KNR-JV	376.52	0.00
Un-secured loan received		
- K. Narasimha Reddy	2662.13	400.00
- K. Jalandhar Reddy	1485.00	0.00

- K. Yashoda	600.00	0.00
Un-secured loan re-paid		
- K. Narasimha Reddy	1557.13	5.00
- K. Jalandhar Reddy	785.00	0.00
Fixed Assets purchased		
- PATEL-KNR-JV	0.00	135.66
Sale of fixed assets		
- Sri. J.V. Panindra Reddy	0.00	25.85
Net Share of Profit / (Loss)		
- PATEL-KNR-JV	-99.40	-513.73
Sub-Contract Jobs given		
- Patel-KNR-JV	0.00	73.26
- Yuvashakthi Enterprises	333.46	0.00
Sub-Contract / (EPC) / Maintenance Jobs received		
- KNR Walayar Tollways Pvt. Ltd.,	41055.11	35612.29
- KNR-SLMI-JV	9161.11	5469.18
Remuneration paid (including other benefits and contribution to Provident Fund by Employer)		
- K. Narasimha Reddy	173.00	123.04
- K. Jalandhar Reddy	90.01	63.96
- M. Rajesh Reddy	58.30	63.60
Land Lease and Office Rent Paid		
- K. Jalandhar Reddy	26.62	25.87
Dividend Paid		
- K. Narasimha Reddy	107.99	113.59
- K. Jalandhar Reddy	45.35	49.98
- K. Yashoda	19.62	20.96
Interest Paid		
- K. Narasimha Reddy	147.72	3.87
- K. Jalandhar Reddy	31.73	0.00
- K. Yashoda	21.34	0.00
Directors Sitting Fee		
- K. Yashoda	2.20	0.00
Interest Received		
- KNR-SLMI-JV	5.41	0.00
BG Commission received		
- NCC-KNR-JV	0.46	0.13
- PATEL-KNR-JV	0.00	0.34
Debit balance written off		
- KNR Infra Projects Pvt. Ltd.,	0.00	262.79

45. There is no impairment Loss on fixed assets on the basis of review carried out by the management in accordance with the Accounting Standard-28 issued by the Institute of Chartered Accountants of India. Further during the review of assets of the company, those assets which are found having no market value have been written off in the accounts.

46. Expenditure to the tune of Rs. 1745.32 Lakhs pertaining to earlier years was debited to sub-contractor for the Company's OR-07 Road Work in the respective years. The sub-contractor expressed his inability to absorb the same on account of various reasons. After lengthy discussions, it was mutually agreed between the company and the sub- contractor by way of final settlement deed to relieve him from the respective debits subject to the condition that no future claims of whatsoever nature will be made by the sub -contractor against the company and in particular arbitration claims in progress as of date. As a result, the expenditure debited to the sub -contractor is reversed and is accounted as prior period expenditure in the books of account . Consequently , turnover is also recognized .

47. Debit and credit balances of parties are subject to confirmation by the respective parties.

48. The Company has taken unsecured advances / loans from its directors, the details of which are furnished below:

Name of the Party	Relation -ship	Opening Balance as on 01-04-2014	Loan received During the year	Net interest (after deducting TDS)	Loan re-paid during the year	Outstanding as on 31-03-2015
K. Narasimha Reddy	M.D	398.48	2662.13	132.95	1693.56	1500.00
K. Narasimha Reddy –at Dubai Branch M.D		3.11	0.12*	0.00	0.00	3.23
K. Jalandhar Reddy	E.D & CFO	-	1485.00	28.56	813.56	700.00
K. Yashoda	Director	-	600.00	19.20	19.20	600.00

*The amount has arisen on account of translation of closing balance in foreign currency.

49. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached

For and on behalf of the Board

For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)

Sd/-
C.Sukumar Babu
Partner
Membership No: 024293

Place : Hyderabad
Date : 30-05-2015

Sd/-
K.Narasimha Reddy
Managing Director

Sd/-
K. Jalandhar Reddy
Executive Director&CFO

Sd/-
G.Sravana Kumar
General Manager (F&A)

Sd/-
M.V.Venkata Rao
Company Secretary

Consolidated Financial Statements

Independent Auditor's Report

To the Members of
KNR Constructions Limited

Report on the Standalone Financial Statements

We have audited the accompanying consolidated financial statements of KNR Constructions Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising the Consolidated Balance Sheet as at 31st, March, 2015 the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statement") .

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the

disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid

consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Other Matters

a. We did not audit the financial statements / financial information of three subsidiaries, and eight jointly controlled entities, whose financial statements / financial information reflect total assets of Rs. 126030.57 Lakhs as at 31st March, 2015, total revenues of Rs. 21659.37 Lakhs and net cash flows amounting to Rs. 2237.65 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of Rs. 201.37 Lakhs for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of two associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

b. We did not audit the financial statements / financial information of one subsidiary and two jointly controlled entities, whose financial statements / financial information reflect total assets of Rs.7103.47 Lakhs as at 31st March, 2015, total revenues of Rs. 74.93 Lakhs and net cash flows amounting to Rs.226.83 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements / financial information.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required bySection143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) According to the information and explanations furnished and reports of the other auditors ,

i. There were no pending litigations which would have material impact on the consolidated financial position of the Group, its associates and jointly controlled entities.

ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

for SUKUMAR BABU & CO.,
Chartered Accountants
Firm Regn. No: 004188S

Sd/-
C. SUKUMAR BABU
Partner
Membership No: 024293

Place: Hyderabad
Date: 30-05-2015

CONSOLIDATED BALANCE SHEET as at March 31, 2015

(₹in Lakhs)

PARTICULARS	NOTE No.	As At 31-03-2015		As At 31-03-2014	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
a) Share Capital	3	2,812.35		2,812.35	
b) Reserves and Surplus	4	76,035.39	**78,847.74**	58,285.46	**61,097.81**
SHARE APPLICATION MONEY PENDING ALLOTMENT			**-**		**-**
MINORITY INTEREST			**5,600.97**		**5,592.95**
NON - CURRENT LIABILITIES					
a) Long-Term Borrowings	5	67,193.59		34,320.71	
b) Deferred Tax Liabilities (Net)	6	-		-	
c) Other Long Term Liabilities	7	8,433.56		6,952.26	
d) Long-Term Provisions	8	171.82	**75,798.97**	113.80	**41,386.77**
CURRENT LIABILITIES					
a) Short-Term Borrowings	9	8,804.61		5,014.73	
b) Trade Payables	10	7,544.28		7,808.90	
c) Other Current Liabilities	11	20,577.59		18,921.57	
d) Short-Term Provisions	12	3,990.35	**40,916.83**	5,621.80	**37,367.00**
TOTAL			**201,164.51**		**145,444.53**
II ASSETS					
1) NON-CURRENT ASSETS					
a) Fixed Assets	13				
i) Tangible Assets		23,491.55		27,217.22	
ii) Intangible Assets		2.53		3.97	
iii) Capital Work-In-Progress		383.44		164.01	
iv) Intangible Assets Under Development		110,442.55		58,369.25	
b) Non-Current Investments	14	2,364.39		2,561.88	
c) Deferred Tax Assets (Net)	6	2,467.01		1,255.08	
d) Long-Term Loans and Advances	15	5,145.27		4,822.27	
e) Other Non-Current Assets	16	7,345.00	**151,641.74**	7,274.59	**101,668.27**
2) CURRENT ASSETS					
a) Current Investments		-		-	
a) Inventories	17	5,572.58		5,301.95	
b) Trade Receivables	18	11,013.29		7,546.44	
c) Cash and Bank Balances	19	4,354.58		5,728.92	
d) Short-Term Loans and Advances	20	17,268.39		17,570.93	
e) Other Current Assets	21	11,313.93	**49,522.77**	7,628.02	**43,776.26**
TOTAL			**2,01,164.51**		**145,444.53**
Significant Accounting Policies	**1 & 2**				

Notes referred to above form an integral part of the accounts

As per our report of even date attached

For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)
Sd/-
C.Sukumar Babu
Partner
Membership No: 024293
Place : Hyderabad
Date : 30-05-2015

For and on behalf of the Board

Sd/-
K.Narasimha Reddy
Managing Director

Sd/-
K. Jalandhar Reddy
Executive Director & CFO

Sd/-
G.Sravana Kumar
GM (F&A)

Sd/-
M.V.Venkata Rao
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the Year Ended March 31, 2015

(₹in Lakhs)

	PARTICULARS	NOTE No.	As At 31-03-2015	As At 31-03-2014
I	**Gross Revenue from Operations**		**93,118.85**	**89,503.23**
II	Other income	23	1,288.79	1,718.22
III	**Total Revenue (I + II)**		**94,407.64**	**91,221.45**
IV	**Expenses:**			
	Cost of materials consumed	24	33,810.04	29,066.98
	Other Construction Expenses	25	38,682.49	41,873.92
	Changes in Inventories of Finished Goods, Stock-in-Process	26	(160.98)	(193.51)
	Employee benefits expense	27	3,822.93	3,520.92
	Finance costs	28	1,302.21	1,788.67
	Depreciation and amortization expense	29	5,516.77	5,858.38
	Other expenses	30	4,286.84	2,097.87
	Total expenses		**87,260.30**	**84,013.23**
V	**Profit before exceptional and extraordinary items and tax (III - IV)**		**7,147.34**	**7,208.22**
VI	Exceptional items		-	-
VII	**Profit before extraordinary items and tax (V - VI)**		**7,147.34**	**7,208.22**
VIII	Extraordinary Items		-	-
IX	**Profit before tax (VII- VIII)**		**7,147.34**	**7,208.22**
X	Tax expense:	31		
	1) Current tax		1,184.24	1,473.15
	2) Deferred tax		(1,211.94)	(819.42)
XI	Profit for the year (before adjustment for Minority Interest)		7,175.04	6,554.49
	Add / (Less) Share of profit / (loss) from Associates		(201.36)	(508.68)
	Add / (Less) Prior year share of profit from Associates		-	-
	Add / (Less): Share of profit/(loss) transferred to Minority Interest		2.26	2.26
	Profit for the year (after adjustment for Minority Interest)		**6,975.94**	**6,048.07**
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	**Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)**		**-**	**-**
XV	**Profit (Loss) for the period (XI + XIV)**		**6,975.94**	**6,048.07**
XVI	Earnings per equity share: (In Rs.)	33		
	1) Basic		24.80	21.51
	2) Diluted		24.80	21.51
	Significant Accounting Policies	**1 & 2**		
	Notes referred to above form an integral part of the accounts			

As per our report of even date attached
For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)

For and on behalf of the Board

Sd/-
C.Sukumar Babu
Partner
Membership No: 024293

Sd/-
K.Narasimha Reddy
Managing Director

Sd/-
K. Jalandhar Reddy
Executive Director & CFO

Place : Hyderabad
Date : 30-05-2015

Sd/-
G.Sravana Kumar
GM (F&A)

Sd/-
M.V.Venkata Rao
Company Secretary

CONSOLIDATED
CASH FLOW STATEMENT for the Year Ended March 31, 2015

(₹in Lakhs)

	PARTICULARS	As At 31-03-2015		As At 31-03-2014	
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before Tax		7,147.34		7,208.22
	Adjustments for				
	Depreciation & Amortization Expenses	5,516.77		5,858.38	
	Provision for Gratuity	61.18		6.02	
	Provision for Doubtful Advances	741.54		27.37	
	Loss on sale of assets and Discarded	4.92		15.99	
	Profit on sale of Assets	(264.52)		(196.07)	
	Interest and Financial Charges	1,373.66		1,825.82	
	Interest Received	(78.05)	7,355.50	(52.94)	7,484.57
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**14,502.84**		**14,692.79**
	(Increase)/Decrease in Trade and Other Receivables	(7,946.23)		9,415.42	
	(Increase)/Decrease in Inventories	(270.63)		(574.86)	
	"Increase/(Decrease) in Trade Payables and Other Liabilities				
	(excluding Proposed Dividend & Income Tax)"	3,832.07	(4,384.79)	3,336.66	12,177.22
	CASH GENERATED / (USED) FROM OPERATIONS		**10,118.05**		**26,870.01**
	Minority Interest and Share of profit from associates		(199.10)		(508.68)
	Taxes paid		(3,311.30)		(2,422.53)
	NET CASH USED IN OPERATING ACTIVITIES - (A)		**6,607.65**		**23,938.80**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets and other Capital Expenditure	(54,801.40)		(51,229.03)	
	Bank Balances not considered as cash and cash equivalents	(697.18)		(309.57)	
	Proceeds from sale of Fixed Assets	391.62		375.72	
	Investments in Joint Ventures / SPV's / Mutual Funds	197.49		2,326.98	
	"Foreign Exchange Translation Adjustment				
	(arising on translation of Foreign branch transactions)"	7.13		19.34	
	Minority Interest	8.02		255.12	
	Interest Received	43.32		115.72	
	TDS on Interest Received	(44.42)		(44.42)	
	NET CASH FLOW / (USED IN) INVESTING ACTIVITIES - (B)		**(54,895.42)**		**(48,490.14)**
C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Long Term Funds Borrowed / (Repaid)	34,227.07		27,797.33	
	Mobilization and Machinery advances received from customers	1,232.80		(6,949.37)	
	Capital Grant	12,480.06		8,990.00	
	Interest paid	(1,394.65)		(1,875.59)	
	Dividend and Dividend Tax paid	(329.03)		(329.03)	
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES - (C)		**46,216.25**		**27,633.34**
	NET (DECREASE) IN CASH AND CASH EQUIVALENTS - (A+B+C)		**(2,071.52)**		**3,082.00**
	Cash and Cash Equivalents at the beginning of the year		5,017.96		1,935.96
	Cash and Cash Equivalents at the end of the year (Refer Note 20)		2,946.44		5,017.96

Notes:

1 Cash and Cash equivalents includes:

Cash in Hand	75.10	63.33
Bank Balance -Current Account	2,871.34	4,954.63

The above current account balances includes Rs. 3.61 lakhs (P.Y Rs. 3.19 lakhs) in Unclaimed Dividend Account and Rs. Nil (P.Y 0.09 lakhs) in IPO refund account.

2 The Cash flow statement is prepared in accordance with the Indirect Method stated in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities

3 Previous year's figures have been regrouped, wherever necessary.

4 Figures in brackets represent cash outflows.

As per our report of even date attached
For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)

For and on behalf of the Board

Sd/-
C.Sukumar Babu
Partner
Membership No: 024293

Sd/-
K.Narasimha Reddy
Managing Director

Sd/-
K. Jalandhar Reddy
Executive Director & CFO

Place : Hyderabad
Date : 30-05-2015

Sd/-
G.Sravana Kumar
GM (F&A)

Sd/-
M.V.Venkata Rao
Company Secretary

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES:

1 CORPORATE INFORMATION:

The shares of the Company are listed on the stock exchanges in India in 2008 pursuant to Public offer of equity shares. The Company, its subsidiaries and jointly controlled entities collectively referred to as "Group" is engaged in the infrastructure sector and is undertaking turnkey EPC contracts as well as BOT projects on Public Private Partnership basis. The group's range of verticals comprises of roads, bridges, flyovers, irrigation projects, agriculture and trading business.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Accounting and preparation of financial statements

The consolidated financial statements relate to KNR Constructions Limited ("the Company"), its subsidiary companies, jointly controlled entities and Associates (the "Group"). The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and unrealised profits or losses on intra group transactions as per Accounting Standard 21 on "Consolidated Financial Statements" notified by the Companies (Accounting Standard) Rules, 2014.

b) Interest in jointly controlled entities has been consolidated by using the 'proportionate consolidation' method as per Accounting Standard 27 on 'Financial Reporting of Interests in Joint Ventures' notified by the Companies (Accounting Standard) Rules, 2014.

c) In case of associates where the Company directly or indirectly through its subsidiaries holds more than 20% of equity, investments in associates are accounted for under the equity method as per Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Companies (Accounting Standard) Rules, 2014.

d) The financial statements of the subsidiaries, jointly controlled entities and the associates used in consolidation are drawn up to the same reporting date as that of the Company , i.e. March 31, 2015 except the foreign subsidiary KNR Constructions LLC in which case the reporting period is from 1-1-14 to 31-12-14.

e) The excess of cost to the Company of its investment in the subsidiaries and the jointly controlled entities over the Company's share of equity is recognized in the financial statements as Goodwill and tested for impairment annually.

f) The excess of the Company's share of equity of the subsidiaries and jointly controlled entities on the acquisition date over its cost of investment is treated as Capital Reserve.

g) Minority interest in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet separately from current liabilities and equity of the company.

h) Minority Interest in the net assets of consolidated subsidiaries consists of

i) the amount of equity attributable to minorities at the date on which investment in subsidiary is made; and

ii) the minorities' share of movements in the equity since the date the parent subsidiary relationship came into existence.

i) Minority interest in the net profit for the year in the case of subsidiaries whose accounts are consolidated is identified and adjusted against the profit after tax of the group.

j) Intra-group balances and intra-group transactions and the resulting unrealized profits have been eliminated.

k) In case of foreign subsidiaries being non- integral foreign operations, revenue items are consolidated at monthly average of exchange rates prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized as " Foreign Currency Translation Reserve".

l) The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements.

2.2 Investments in subsidiaries, jointly controlled entities and associates have been accounted as per Accounting Standard 13 on "Accounting for Investments" notified by the Companies (Accounting Standard) Rules, 2014.

2.3 Use of Estimates :

The preparation of the financial statements in conformity with Indian GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue, expenses and provisions etc., during the reported period. Actual figures could differ from those estimates.

2.4 Fixed Assets and Depreciation:

Fixed Assets are stated at cost of acquisition, less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred upto that date.

Capital work-in-progress: Fixed Assets under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Depreciation is provided on useful lives of the asset, as per the Schedule II of the Companies Act 2013. The management has estimated the useful life of the assets as given below table.

Assets costing up to Rs. 5,000 are depreciated fully in the year of purchase.

Sl.No.	Description	Useful life given as per Companies Act 2013	Company's estimated use ful life
1.	**Buildings**		
	- RCC structure	60 years	60 years
	- Temporary structure	3 Years	3 Years
2.	**Plant and Machinery**		
	- Concreting, crushing, piling equipments and road making equipments	12 Years	7 Years *
	- Heavy Lift equipments		
	- Cranes < 100 tons	15 Years	7 Years *
	- Earth-moving equipments	9 Years	7 Years *
	- Construction Accessories	12 Years	3 Years **
	- Others including Material Handling / Pipeline / Welding Equipments	12 Years	7 Years *
3.	**Furniture and fittings**	**10 Years**	**10 Years**
4.	**Motor Vehicles**		
	- Motor cycles, Scooters and other mopeds	10 Years	10 Years
	- Motor buses, motor lorries, motor cars and motor taxies	8 Years	8 Years
5.	**Ships**		
	- Speed boats	13 Years	13 Years
6.	**Office equipments**	**5 Years**	**5 Years**
7.	**Computers and data processing units**		
	- Servers and networks	6 Years	6 Years
	- End user devices, such as, desktops, laptop etc.,	3 Years	3 Years
	Intangible Assets		
	- Computer Software	As per accounting standard	3 Years
8.	**Laboratory equipments**	**10 years**	**7 years ***

* The Company estimated life of the asset as 7 years.

** The Company estimated life of the asset as 3 years as the assets have been used for more number of times / shifts as compared to the other ones.

2.5 Impairment of Assets

Any losses on account of impairment of assets on each balance sheet date arrived in terms of AS-28 issued by the ICAI is charged to the Statement of Profit and Loss of the respective period.

2.6 Borrowing Costs:

Borrowing Costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time i.e., more than 12 months to get ready for its intended use. All other borrowing costs are charged to revenue.

2.7 Investments:

Investments are classified as long term and current investments. Long Term Investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

2.8 Inventories:

Work in progress in the case of joint ventures is valued at contract rates. Raw Materials and Stores & Spares of the company are valued on weighted average cost method. Cost comprises of all costs of purchase (other than refundable duties and taxes), whereas in the case of Joint Ventures, the same are valued at cost.

2.9 Employee Benefits :

Liability for employee benefits both short and long term for present and past services which are due as per the terms of employment are accounted in accordance with Accounting Standard (AS)-15 on "Employee Benefits" issued by the Companies (Accounting Standard) Rules, 2014.

i) Gratuity

The provision for gratuity is made based on valuation by the independent actuaries . The company has taken Group Gratuity Policy of L.I.C. of India and premium paid is recognized as expenses when it is incurred. Actuarial gains and losses in respect of gratuity are charged to Statement of Profit and Loss.

ii) Provident Fund

Contributions to Provident Fund (a defined contribution plan) are made to Regional Provident Fund Commissioner and are charged to revenue

iii) Other Benefits

Leave Encashment, Service Compensation, Bonus, and medical re-imbursement are accounted on cash basis.

2.10 Preliminary/Issue Expenses

Preliminary / Issue expenses are amortized over a period of 10 years.

2.11 Revenue Recognition :

Contract revenue is recognized using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Full provision is made for any loss in the year in which it is foreseen.

Work done but not yet billed in the case of Joint ventures which has been consolidated proportionately is accounted as work-in-progress.

Other Operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

Interest income is accounted for on accrual basis. Dividend income is accounted for when the right to receive the same is established and other incomes are accounted as and when the right to receive arises.

2.12 Joint Venture Projects

i) In respect of Joint Venture Contracts in the nature of jointly controlled operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognized in the agreed proportions under respective heads in the financial statements.

ii) Assets, Liabilities and Expenditure arising out of contracts executed wholly by the Company pursuant to a joint venture agreement are recognized under respective head in the financial statements. Income from the contract is accounted for net of joint venture's share under turnover in these financials statements.

iii) Share of turnover attributable to the Company in respect of contracts executed by the other joint venture partners pursuant to Joint Venture Agreement is accounted under Turnover in these financial statements.

2.13 Foreign exchange translation and foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. In respect of monetary items denominated in foreign currencies, exchange differences arising out of settlement or on conversion at the closing rate are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss.

Foreign branches are classified as non-integral foreign operations. Assets and Liabilities (both monetary and non-monetary) are translated at the closing rate at the year end. Income and expenses are translated at the monthly average rate at the end of the respective month. All resulting exchange differences are accumulated in a separate account titled 'Foreign Currency Translation Reserve' till the disposal of the net investments.

2.14 Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased assets are classified as operating lease. Operating lease payments are recognized as on expense in the Statement of Profit and Loss.

2.15 Taxes

Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws applicable. Provision for deferred tax is made for timing differences arising between taxable incomes and accounting income using the tax laws and tax rates enacted or subsequently enacted as of the balance sheet date. Deferred Tax Assets are recognized only if there is a virtual certainty that there will be sufficient taxable income in future.

2.16 Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20, Earnings Per Share notified by the Companies (Accounting Standards) Rules, 2006. Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Share holders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti dilutive.

2.17 Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

2.18 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes forming part of the financial statements

(₹ in Lakhs)

3 SHARE CAPITAL

Particulars	As at 31-03-2015	As at 31-03-2014
EQUITY SHARE CAPITAL		
Authorised Share capital		
35,000,000 (P.Y 35,000,000) Equity Shares of Rs. 10/- each	3,500.00	3,500.00
Issued, subscribed & fully paid share capital		
28,123,460 (P.Y 28,123,460) Equity Shares of Rs. 10/- each	2,812.35	2,812.35
TOTAL	**2,812.35**	**2,812.35**

3.1 Terms/ Rights attached to equity shares

a. The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- Each holder of equity shares is entitled to one vote per share.

b. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

c. The Board of Directors, in their meeting on 30-05-2015 declared dividend of Rs. 1/- per equity share. The total dividend appropriation for the year ended March 31 , 2015 amounted to Rs. 338.48 Lakhs including corporate dividend tax of Rs.57.25 Lakhs.

d. 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 all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.2 The details of shareholder holding more than 5% shares as at March 31, 2015 and March 31, 2014 is set out below:

Name of the shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% holding	No. of Shares held	% holding
Kamidi Narasimha Reddy	10,798,719	38.40	11,358,610	40.39
Kamidi Jalandhar Reddy	4,335,021	15.41	4,998,087	17.77
Kamidi Yashoda	1,761,501	6.26	2,096,209	7.45
Mereddy Rajesh Reddy	1,500,000	5.33	1,832,115	6.51
Patel Engineering Ltd	-	-	1,777,116	6.32
HDFC Trustee Company Ltd	2,347,797	8.35	2,258,492	8.03

3.3 The reconciliation of the number of shares outstanding at the beginning and at the end of the year is set out below

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
Number of Equity Shares at the beginning	28,123,460	2,812.35	28,123,460	2,812.35
Add:- Number of Shares Issued	-	-	-	-
Less: Number of Shares Brought Back	-	-	-	-
Number of Equity Shares at the end of the year	28,123,460	2,812.35	28,123,460	2,812.35

4 RESERVES AND SURPLUS

Particulars	As at 31-03-2015	As at 31-03-2014
SECURITIES PREMIUM RESERVE		
Opening Balance	12,599.31	12,599.31
Add : Additions in current year	-	-
Less: Written Back in current year	-	-
Closing Balance	**12,599.31**	**12,599.31**
GENERAL RESERVE		
Opening Balance	2,849.00	2,697.00
Add : Transferred from Surplus in statement of Profit and Loss	-	152.00
Less: Written Back in current year	-	-
Closing Balance	**2,849.00**	**2,849.00**
CAPITAL RESERVE (GRANT FROM NHAI)		
Opening Balance	8,990.00	-
Add : Additions in current year	12,480.06	8,990.00
Closing Balance	**21,470.06**	**8,990.00**
FOREIGN CURRENCY TRANSLATION RESERVE		
Opening Balance	43.96	24.62
Add: Additions in current year	7.13	19.34
Less: Written Back in current year	-	-
Closing Balance	**51.09**	**43.96**
SURPLUS		
Opening balance	33,803.19	28,236.15
Add: Profit/(Loss) for the current year	6,975.94	6,048.07
Amount available for appropriation	40,779.13	34,284.22
Less:		
Adjustment of Fixed Assets	1,374.72	-
Proposed Dividend	281.23	281.23
Dividend Tax	57.25	47.80
Transferred to General Reserve	-	152.00
Closing Balance	**39,065.93**	**33,803.19**
TOTAL	**76,035.39**	**58,285.46**

5 LONG- TERM BORROWINGS

Particulars	As at 31-03-2015	As at 31-03-2014
SECURED		
TERM LOANS *		
From Banks		
Rupee Loans	62,855.32	32,496.23
From Other		
Rupee Loans	0.84	582.20
Sub- total	**62,856.16**	**33,078.43**
UN-SECURED		
LOANS AND ADVANCES FROM RELATED PARTIES		
From Directors (refer note 38)	5.76	3.11
(There is no specific agreement with the above parties) - Interest free		
Other Loans & Advances	4,331.67	1,239.17
Sub- total	**4,337.43**	**1,242.28**
TOTAL	**67,193.59**	**34,320.71**

* Current maturities are included in Note 11 - other current liabilities

5.1 Term Loans from Banks

i) HDFC Bank Ltd.,

- Secured by Hypothecation of specific assets purchased out of the loan, comprising Plant & Machinery

ii) Axis Bank Ltd.,

- Secured by Hypothecation of specific assets purchased out of the loan, comprising Plant & Machinery

The details of rate of interest and repayment terms of term loans are as under

Sl. No.	Particulars	Number Of Loans Outstanding As At		"Outstanding Balance As At (₹ In Lakhs)		Interest Range % Per Annuam	Installments of Outstanding Installments As At		Frequency of Installments	Commencing From - To
		31-03-2015	31-03-2014	31-03-2015	31-03-2014		31-03-2015	31-03-2014		
i)	HDFC Bank Ltd.,	2	2	127.27	230.84	9.75%	13 to 14	25 to 26	Monthly	May 05, 2013 to April 15, 2016
ii)	Axis Bank Ltd.,	5	5	116.63	276.18	6.46% to 10.23%	8 to 9	20 to 21	Monthly	January 10, 2013 to December 20, 2015

iii) Project Loan of Rs.50,000.00 Lakhs sanctioned by Banks to subsidiary company i.e., KNR Walayar Tollways Private Limited and as on 31.03.2015 the subsidiary company availed an amount of Rs.40576.00 Lakhs

Terms of Security

1 A first mortgage on all immovable assets (if any) and first charge by way of hypothecation on all moveable assets (including but not limited to all current/non-current assets)both present and future ,ranking Pari-Passu with other lenders save and except assets forming part of the project assets as defined in the Concession Agreement

2 First-charge /assignment on all intangible assets (other than Project Assets as defined in the concession agreement) including but not limited to the goodwill, rights, undertakings and uncalled capital both present and future, ranking pari-passu with other lenders to be availed in the manner and to the extent permissible under the Concession Agreement save and except assets forming part of the Project Assets as defined in the Concession Agreement

3 First-charge on all bank accounts including ,without limitation ,TRA/Escrow Account, and any other bank account to be established by company and each of the other accounts required to created by the company. Provided that the charge on the retention account and other bank accounts as mentioned above shall always be subject to and the payments from the accounts shall always be in the manner and only to the extent of order of priorities of payments as permitted under the Escrow Agreement

4 A first Charge over all rights, title and interest of the Company related to the project from all contracts, insurances, licenses in to and under all project agreement (including the Concession Agreement) to which the borrower is party to including contractor guarantees, liquidated damages and all other contracts relating to the project ,provided such charge shall be limited to and to arise to the extent provided under Substitution agreement.

Terms of Repayment

All term loans from banks are repayable in 48 balloned quarterly installments ranging from Rs 100 Lakhs to Rs. 1750 Lakhs beginning from 1st April 2016 to 31st March 2028. The number of Installments outstanding as on 31st March 2015 are 48.The rate of interest for these loans vary from 12% -12.25% per annum on an average.

iv) Project Loan of Rs.25,000.00 Lakhs sanctioned by Banks to fellow subsidiary company i.e., KNR Muzaffarpur Barauni Tollways Private Limited and as on 31.03.2015 the subsidiary company availed an amount of Rs.22,281.94 Lakhs

Terms of Security of Project Loan

1 Mortgage /charge over the company's immovable and movable properties (other than project assets but including all receivables) both present and future;

2 Charge/assignment of revenues receivables

3 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).

4 Assignment of insurance policies, interest, benefits, claims, guarantees ,performance bonds and liquidated damages;

5 Pledge of 51% of the fully paid up Equity share capital of the company;

The aforesaid charge will rank Pari - Passu with the mortgages and charges created/to be created in favour of participating institutions/banks.

Terms of Repayment of Project Loan

The above loan is repayable in fifty quarterly unequal installments ranging from 0.16 crores to 10.94 crores beginning from 1st January , 2016 to 1st April, 2028. The numbers of balance installments as on 31st March, 2015 are 50. The interest charged by the lenders is in the range of 12% to 12.50%.Interest is payable monthly.

5.2 Term Loans from Other Parties

Secured by hypothecation of specific assets purchased out of loan, comprising Plant & Machinery and Construction equipment.

The details of rate of interest and repayment terms of term loans are as under

Sl. No.	Particulars	Number Of Loans Outstanding As At		"Outstanding Balance As At (₹ In Lakhs)		Interest Range % Per Annuam	Installments of Outstanding Installments As At		Frequency of Installments	Commencing From - To
		31-03-2015	31-03-2014	31-03-2015	31-03-2014		31-03-2015	31-03-2014		
i)	L&T Finance Ltd.,	2	2	581.36	3,496.24	11.33% to 11.35%	2 to 3	14 to 15	Monthly	January 05, 013 to june 10, 2015
ii)	TML Financial Service Ltd.,	Nil	2	-	85.55	11% to 10.23%	Nil	5	Monthly	October 21, 2011 to August 21, 2014

6 DEFERRED TAX LIABILITIES / (NET)

Particulars	As at 31-03-2015	As at 31-03-2014
Deferred Tax Liability / (Asset)		
Deferred Tax Liabilities	(2,467.01)	(1,255.08)
TOTAL	**(2,467.01)**	**(1,255.08)**

7 OTHER LONG TERM LIABILITIES

Particulars	As at 31-03-2015	As at 31-03-2014
Others		
Mobilization Advance	3,429.98	1,189.90
Machinery Advance	49.56	1,056.84
Security Deposits	1,343.98	889.05
Retention Deposits and Withheld Amount	3,610.04	3,816.47
TOTAL	**8,433.56**	**6,952.26**

8 LONG TERM PROVISIONS

Particulars	As at 31-03-2015	As at 31-03-2014
Provision for employee benefits		
Gratuity	171.82	113.80
TOTAL	**171.82**	**113.80**

8.1 In accordance with the Payment of Gratuity Act, 1972 the Company provides for gratuity covering employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India (LIC) and balance is provided on the basis of valuation of the liability by an independent actuary as at the year end. The management understands that LIC overall portfolio of assets well diversified and as such, the long term return on the policy is expected to be higher than the rate of return of Central Government bonds.

9 SHORT TERM BORROWINGS

Particulars	As at 31-03-2015	As at 31-03-2014
SECURED LOANS		
LOANS REPAYABLE ON DEMAND		
FROM BANKS		
Working capital Demand Loan (Refer note 9.1)	400.00	-
Cash Credit (Refer Note 9.1)	5,604.61	4,584.87
Sub- total	**6,004.61**	**4,584.87**
UN-SECURED LOANS	-	-
LOANS AND ADVANCES FROM RELATED PARTIES		
From Directors	2,800.00	400.46
From Others	-	29.40
(There is no specific agreement with the above parties)		
Sub- total	**2,800.00**	**429.86**
TOTAL	**8,804.61**	**5,014.73**

9.1 Working Capital Facilities: Cash Credit facilities from consortium of banks are secured by:

1 Hypothecation of entire current assets on pari passu basis with other participating banks,

2 First pari passu charge on equitable mortgage of land & buildings, the market value of which is Rs 12.87 crores as on 20-03-2012

3 First pari passu charge on equitable mortgage of 5 acres of agricultural land of approximate value of Rs 2.76 Crores

4 First pari passu charge on equitable mortgage of industrial factory buildings without machinery, the market value of which is Rs. 23.28 crores

5 Hypothecation of certain equipments of written down value as on 31.03.2013 is Rs 38.77 Crores

6 Personal guarantee of Directors.

7 First pari passu charge on equitable mortgage of property in the name of Company and Director of approximate value of Rs 25.40 Crores

9.2 The interest rate for working capital demand loan and cash credit facilities varies from 10.9% to 12.75 % per annum

9.3 The company availed short term un-secured loans from directors, which are repayable on demand and carries interest at 11% per annum.

10 TRADE PAYABLES

Particulars	As at 31-03-2015	As at 31-03-2014
Sundry Creditors (Suppliers/Service/)	2,523.76	1,986.16
Bills Payable (Sub-contractors/Labour)	5,020.52	5,822.74
TOTAL	**7,544.28**	**7,808.90**

10.1 There are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes on account of principal amount together with interest and accordingly, no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

11 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2015	As at 31-03-2014
Current maturities of long-term borrowings (Refer Note 5)		
Term Loans		
From Banks		
Rupee Loans	246.51	263.13
From Other parties		
Rupee Loans	581.36	3,000.43
	827.87	**3,263.56**
Interest accrued but not due on borrowings;	239.60	30.78
Interest accrued and due on borrowings;	619.55	154.82
Due to Customers	12,235.30	8,283.29
Unclaimed dividends and IPO Refund	3.68	3.33
Other Payables		
Others	972.16	1,570.90
Outstanding Expenses	1,092.97	686.86
Retention Deposits and Withheld Amount	200.99	337.93
Security Deposits	0.18	-
Material Advance received from clients	2,873.19	3,011.65
Statutory dues	1,512.10	1,578.45
TOTAL	**20,577.59**	**18,921.57**

12 SHORT TERM PROVISIONS

Particulars	As at 31-03-2015	As at 31-03-2014
PROVISION FOR EMPLOYEE BENEFITS		
Gratuity	12.70	9.54
Sub- total	**12.70**	**9.54**
OTHERS		
Provision for Income Tax	2,578.61	4,652.68
Provision for Wealth Tax	4.13	4.15
Proposed Dividend	281.23	281.23
Provision for Dividend Tax	57.25	47.80
Provision for Labour Cess	1,056.43	626.40
Sub- total	**3,977.65**	**5,612.26**
TOTAL	**3,990.35**	**5,621.80**

13 FIXED ASSETS

(₹ in Lakhs)

Sl No	PARTICULARS	GROSS BLOCK AT COST				Accumulated Depreciation / Amortisation				NET BLOCK	
		As at April 1, 2014	Additions	Deductions/ Adjustments	As at March 31, 2015	As at April 1, 2014	For the period	Deductions/ Adjustments	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
I	**Tangible Assets**										
	"Land - Free Hold * (Including Lease Hold)"	6,691.71	683.94	6.88	7,368.77	6.58	-	6.58	-	7,368.77	6,685.13
	Buildings	2,013.88	43.45	102.73	1,954.60	269.15	281.16	34.36	515.95	1,438.65	1,744.73
	Plant and Equipment	43,279.41	2,178.63	333.41	45,124.63	25,174.19	6,210.53	311.94	31,072.78	14,051.85	18,105.22
	Furniture and Fixtures	257.29	9.42	6.80	259.91	133.70	38.44	5.47	166.67	93.24	123.59
	Vehicles	1,037.51	250.69	129.14	1,159.06	579.26	192.18	90.77	680.67	478.39	458.25
	Office equipment	134.50	20.43	9.88	145.05	58.81	53.63	7.88	104.56	40.49	75.69
	Computers & Accessories	102.44	17.85	1.52	118.77	79.29	21.79	1.34	99.74	19.03	23.15
	Ships	2.43	-	-	2.43	0.97	0.33	-	1.30	1.13	1.46
	Sub-total	**53,519.17**	**3,204.41**	**590.36**	**56,133.22**	**26,301.95**	**6,798.06**	**458.34**	**32,641.67**	**23,491.55**	**27,217.22**
II	**Intangible Assets**										
	Computer software	11.89	0.88	0.07	12.70	9.75	2.32	0.07	12.00	0.70	2.14
	Goodwill	1.83	-	-	1.83	-	-	-	-	1.83	1.83
	Sub-total	**13.72**	**0.88**	**0.07**	**14.53**	**9.75**	**2.32**	**0.07**	**12.00**	**2.53**	**3.97**
III	**Capital Work In Progress**									**383.44**	**164.01**
	Sub-total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**383.44**	**164.01**
IV	**Intangible Assets Under Development**									**110,442.55**	**58,369.25**
	Sub-total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**110,442.55**	**58,369.25**
	TOTAL	**53,532.89**	**3,205.29**	**590.43**	**56,147.75**	**26,311.70**	**6,800.38**	**458.41**	**32,653.67**	**134,320.07**	**85,754.45**
	Previous Year	**51,456.86**	**3,580.15**	**1,504.12**	**53,532.89**	**21,843.04**	**5,777.14**	**1,308.48**	**26,311.70**	**85,754.45**	

* Land includes Rs. 1615.12 (P.Y Rs. Rs. 1615.12) held in the name of Directors, relatives of Directors for and on behalf of the Company.

** Accumulated depreciation includes an amount of Rs. 1374.72 lakhs for the assets having no useful life after retaining residual value as required under the Companies Act, 2013.

14 NON-CURRENT INVESTMENTS

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/Controlled Entity / Others	Nature of the Share	Face value of the share No. of	Shares/ Units		Quoted / Unquoted	Partly Paid/ Fully paid	Extent of Holding (%)		Amount in Lakhs		"Whether stated at Cost Yes / No"	"If Answer to Column (14) is 'No' - Basis of Valuation"
					31-03-15	31-03-14			31-03-15	31-03-14	31-03-15	31-03-14		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
I	TRADE INVESTMENTS													
	A Investment in Equity Instruments													
	Patel-KNR Infrastructures Ltd.	Associate	Equity	10	14800000	14800000	Unquoted	Fully Paid	40%	40%	1,480.00	1,480.00	Yes	
	Add: Share of profit from reserves										(54.60)	(76.08)		
											1,425.40	1,403.92		
	Patel-KNR Heavy Infrastructure Ltd	Associate	Equity	10	9529500	9529500	Unquoted	Fully Paid	40%	40%	952.95	952.95	Yes	
	Add: Share of profit from reserves										(34.23)	188.74		
											918.72	1,141.69		
II	OTHER INVESTMENTS													
	A Investments in Government or Trust securities													
	National Savings Certificates	Others									1.12	1.12	Yes	
	Kisan Vikas Patra	Others									0.15	0.15	Yes	
B	Investments in Mutual Funds													
	SBI Infrastructure Fund	Others		10	50,000	50,000	Quoted	Fully Paid			5.00	5.00	Yes	
	SBI Magnum Comma Fund	Others		10	50,000	50,000	Quoted	Fully Paid			5.00	5.00	Yes	
	SBI PSU Fund	Others		10	50,000	50,000	Quoted	Fully Paid			5.00	5.00	Yes	
	SBI Equity Opportunities Fund - Series I	Others		10	40,000	-	Quoted	Fully Paid			4.00	-	Yes	
	Total (I+II)										2,364.39	2,561.88		

Aggregate amount of investments		Amount in Lakhs	
		31-03-15	31-03-14
a)	Aggregate Value of Quoted Investment		
	- Cost	19.00	15.00
	- Market Value	27.80	17.48
b)	Aggregate Value of Unquoted Investment	2,345.39	2,546.88

15 LONG TERM LOANS AND ADVANCES

Particulars	As at 31-03-2015	As at 31-03-2014
UNSECURED, CONSIDERED GOOD;		
Capital Advance	1,727.44	1,580.03
Deposits	1,530.37	1,272.10
Loan and advances to related parties (refer note no 39)		
Associate Companies	1,036.79	1,034.42
Other Loans and Advances		
Others	149.14	136.78
Mobilization Advances paid to Sub-contractors	701.53	798.94
TOTAL	**5,145.27**	**4,822.27**

16 OTHER NON-CURRENT ASSETS

Particulars	As at 31-03-2015	As at 31-03-2014
UNSECURED, CONSIDERED GOOD;		
Long Term Trade Receivables (including trade receivables on deferred credit terms)		
Retention Money and Withheld Amounts	7,161.24	7,006.69
Other		
IPO Expenses (Unamortized) - Miscellaneous Asset	183.76	267.90
TOTAL	**7,345.00**	**7,274.59**

17 INVENTORIES

Particulars	As at 31-03-2015	As at 31-03-2014
Inventory in Hand		
Raw materials	2,808.47	2,461.50
Goods-in transit	69.86	113.56
	2,878.33	**2,575.06**
Stores and spares	630.59	876.86
Goods-in transit	127.06	-
	757.65	**876.86**
Work in Progress	1,936.60	1,775.62
Goods-in transit	-	-
	1,936.60	**1,775.62**
Stock In Trade	-	74.41
Goods-in transit	-	-
	-	**74.41**
TOTAL	**5,572.58**	**5,301.95**

The above inventories are valued at weighted average cost or net relisable value whichever is less

18 TRADE RECEIVABLE

Particulars	As at 31-03-2015	As at 31-03-2014
UNSECURED, CONSIDERED GOOD		
Outstanding for more than six month from the due date	3,092.16	1,436.36
Other Debts	7,921.13	6,110.08
TOTAL	**11,013.29**	**7,546.44**

19 CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2015	As at 31-03-2014
Cash and Bank Balances (refer note 20.3)		
Balance with Banks		
In Current Accounts	2,694.34	1,335.66
In Deposit Accounts with maturity less than three months	177.00	3,618.97
Cash on hand (Refer Note 20.1)	**75.10**	**63.33**
Sub- total	**2,946.44**	**5,017.96**
Other Bank Balances (including interest there on)		
Margin Money deposits (Refer note 20.2)	722.74	657.49
Long Term Deposits more than three months maturity	-	50.19
Sub- total	**722.74**	**707.68**
Earmarked balances with Banks		
Un-claimed Dividend	3.61	3.19
Un-Claimed IPO Refund	-	0.09
Long Term Deposits	681.79	-
Sub- total	**685.40**	**3.28**
TOTAL	**4,354.58**	**5,728.92**

19.1 Cash on Hand includes Rs. 3.61 lakhs (P.Y Rs. 0.94 lakhs) held in Foreign Currency

19.2 Margin Money Deposits have been lodged with Banks against Guarantees / Letters of credit issued by them.

19.3 Balances meet the definition of " Cash and Cash Equivalents" as per AS-3 'Cash Flow Statements'.

20 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31-03-2015	As at 31-03-2014
OTHERS		
UNSECURED, CONSIDERED GOOD		
Advances to Sub-contractors, Labour	4,790.04	7,166.73
Advances to Suppliers and others (Other than capital advances)	869.66	757.71
Staff Imprest and Salary Advances	97.31	268.11
Advance Taxes paid (including Wealth Tax)	8,077.35	7,979.95
MAT Credit	673.50	-
WCT Receivable	1,512.08	597.02
Prepaid Expenses	197.19	183.83
Advance for Land Lease	-	0.23
Loan to Other Parties	1,051.26	617.35
TOTAL	**17,268.39**	**17,570.93**

21 OTHER CURRENT ASSETS

Particulars	As at 31-03-2015	As at 31-03-2014
Unsecured, Considered Good		
Interest Receivable / Interest accrued but not received	48.59	13.86
Due from Customers / Unbilled Revenue	8,626.55	7,482.77
Receivables from Others	151.35	-
Preliminary Expenses not Written off	-	4.81
Sub- total	**8,826.49**	**7,501.44**
Deposits and Other Receivables		
Unsecured, Considered Good	2,487.44	126.58
Considered Doubtful	769.11	27.57
	3,256.55	154.15
Less: Provision for Doubtful Deposits	769.11	27.57
Sub- total	**2,487.44**	**126.58**
Less: Provision for Doubtful Deposits	769.11	27.57
TOTAL	**11,313.93**	**7,628.02**

22 REVENUE FROM OPERATIONS

Particulars	As at 31-03-2015	As at 31-03-2014
Work Contract Revenue	93,085.52	89,450.23
Sale of Goods (Domestic)	13.68	-
Other Operating Revenues		
Hire Charges Received	19.65	53.00
TOTAL	**93,118.85**	**89,503.23**

23 OTHER INCOME

Particulars	As at 31-03-2015	As at 31-03-2014
Interest Income	466.10	1,078.60
Other non-operating income		
Profit on Sale of Asset	264.52	196.07
Scrap Sales	33.86	22.85
Rental Income	0.09	0.14
Discount Received from suppliers	19.53	7.95
Liabilities no longer required Written Back	378.22	251.09
Insurance Claim Received	51.43	52.66
Forex Gains	(1.34)	0.01
Miscellaneous Income	76.38	108.85
TOTAL	**1,288.79**	**1,718.22**

24 COST OF MATERIALS CONSUMED

Particulars	As at 31-03-2015	As at 31-03-2014
Opening Stock	3,526.33	3,085.25
Add: Net Purchases	33,919.69	29,508.06
	37,446.02	32,593.31
Less: Closing Stock	3,635.98	3,526.33
TOTAL	**33,810.04**	**29,066.98**

25 OTHER CONSTRUCTION EXPENSES

Particulars	As at 31-03-2015	As at 31-03-2014
Work Contract Expenses		
Sub-contract Expenses	21,134.01	27,649.74
Spreading & Assortment Exp.	9,924.91	6,194.76
Power and Fuel	75.11	182.44
Seigniorage charges / Royalty	815.44	466.91

Particulars	As at 31-03-2015	As at 31-03-2014
Transport, Loading & Un Loading Charges	1,711.66	2,179.00
Recoveries by Clients (Including Labour Welfare Cess & Other Tax)	346.23	845.66
Sales Tax / VAT	2,679.37	2,582.15
Repairs to Buildings & Others	84.82	94.57
Repairs to Machinery	313.84	166.32
Repairs to Vehicles	121.09	147.73
Miscellaneous expenses	1,476.01	1,364.64
TOTAL	**38,682.49**	**41,873.92**

26 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS

Particulars	As at 31-03-2015	As at 31-03-2014
Opening Balance of WIP	1,775.62	1,582.11
Less: Closing Balance of WIP	1,936.60	1,775.62
TOTAL	**(160.98)**	**(193.51)**

27 EMPLOYEE BENEFITS EXPENSE

Particulars	As at 31-03-2015	As at 31-03-2014
Salaries, Wages and Other Benefits	3,332.71	3,135.60
Directors Remuneration	310.00	240.00
Contribution to Provident and Other Funds	96.66	91.72
Staff welfare Expenses	83.56	53.60
TOTAL	**3,822.93**	**3,520.92**

28 FINANCE COSTS

Particulars	As at 31-03-2015	As at 31-03-2014
Interest Expense on		
Working Capital Demand Loans and Cash Credit	486.26	731.70
Term Loans	261.39	525.18
Loan from Directors	200.79	3.87
Other advances	136.21	204.63
	1,084.65	**1,465.38**
Less: Interest received from Banks & Others	78.05	52.94
	1,006.60	**1,412.44**
Other Borrowing Costs		
Bank Charges	19.68	10.44
Processing Charges	68.98	102.57
BG / LC Charges	200.35	247.43
Net gain/loss on foreign currency transactions and translation	6.60	15.79
TOTAL	**1,302.21**	**1,788.67**

29 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	As at 31-03-2015	As at 31-03-2014
Depreciation & Amortizaton	5,423.58	5,769.19
Issue Expense Written off	93.19	89.19
TOTAL	**5,516.77**	**5,858.38**

30 OTHER EXPENSES

Particulars	As at 31-03-2015	As at 31-03-2014
Travelling & Conveyance (Including Boarding & Lodging Expenses)	186.99	157.82
Postage & Telegrams and Telephones	73.44	63.94
Business Promotion Expenses	9.52	5.80
Advertisement and publicity	27.47	18.18
Legal & Professional Charges	287.64	382.64
Insurance	237.56	288.90
Rates and taxes excluding taxes of Income	354.10	510.33
Payments to the auditor		
for Audit	7.70	2.14
for taxation matters	1.00	1.00
for other services	2.00	2.00
Prior period items (Net off Expenses / Income)	1,666.17	20.34
Printing & Stationery	64.94	56.60
Tender Expenses	55.54	61.96
Office Maintenance	38.17	48.09
Rent Expenses	171.62	142.75
Electricity Charges	224.66	109.68
Directors Sitting Fees	14.80	6.00
Loss on sale of Assets / Discarded	4.92	15.99
Bad Debts / Advances/ Debit Bal. Written Off	23.96	45.01
Provision for Doubtful Advances and Deposits	757.80	27.37
Donation	13.71	5.83
Miscellaneous Expenses	50.82	125.50
CSR Expenses	12.31	-
TOTAL	**4,286.84**	**2,097.87**

31 TAX EXPENSE

Particulars	As at 31-03-2015	As at 31-03-2014
A - Current Tax		
Current tax on profits for the year	1,560.28	1,339.86
Adjustments in respect of prior years	112.10	133.29
MAT credit entitlement	(488.14)	-
Sub-Total	**1,184.24**	**1,473.15**
B - Deferred Tax		
Deferred Tax Liability / (Asset) due to timing difference	(1,211.94)	(819.42)
Sub-Total	**(1,211.94)**	**(819.42)**
TOTAL	**(27.70)**	**653.73**

32. Contingent liabilities and commitments (to the extent not provided for)

Sl. No.	Particulars	₹ in lakhs 2014-15	₹ in lakhs 2013-14
I – Contingent Liabilities			
a.	**Claims against the company not acknowledged as debt**		
	1 - Disputed Income Tax and Interest on TDS	1752.46	2161.47
	2 - Disputed Sales Tax / VAT / Entry Tax	1549.33	1002.10
	3 - Disputed Service Tax	223.12	223.12
	4 - Others (Civil cases)	173.73	662.86
b.	**Guarantees**		
	- for Joint Ventures	2380.18	1779.31
	Corporate guarantees given to banks and financial institutions for financial assistance extended to Subsidiaries, Associates and Joint Ventures - for Joint Ventures	5000.00	5000.00
c.	**Other money for which the company is contingently liable**		
	Joint and several liabilities in respect of joint venture projects and liquidated damages in respect of delays in completion of projects.	Amount not ascertainable	Amount not ascertainable

The Finance Act (2), 2009 has amended Section 80IA (4) of the Income Tax Act, 1961 by substituting an explanation to Section 80IA with retrospective effect from 01-04-2000. On the basis of legal opinion and decided cases, the Company has continued to claim deduction under Section 80-IA(4) of the Act on eligible projects and consequently the Company considers it appropriate not to create a liability for provision for Income Tax .However ,an amount of income tax of ₹ 1568.44 Lakhs (net of advance tax & TDS) for the current year and of ₹ 1,394.68 Lakhs (net of advance tax & TDS) for the earlier years since FY 2013-14 has been disclosed as contingent liability.

II - Commitments		
a. Estimated amount of contracts remaining to be executed on capital account and (net of advances) not provided for	**14024.02**	**49886.42**
b. Other commitments		
Estimated amount of committed funding by way of equity/loans to subsidiary companies	3600.00	-
Future Export commitments on account of import of machinery and equipment at concessional rate of duty under EPCG scheme	1651.59	1651.59

33. Earning Per Share

Sl. No.	Particulars	₹ in lakhs 2014-15	₹ in lakhs 2013-14
a.	Net Profit for the year after tax	6975.94	6045.81
		Nos.	Nos.
b.	Weighted Average number of equity shares for basic EPS (in lakhs)	281.23	281.23
c.	Face Value per share	10	10
d.	Basic and Diluted EPS	24.80	21.50

34. The details of Subsidiaries, Jointly Controlled Entities and Associate Companies considered in the consolidated financial statements are given below:

Name of the Entity	Country of Incorporation	Proportion of Ownership Interest	
		Current Year	Previous Year
Subsidiaries of the Company			
KNR Agrotech & Beverages Pvt. Ltd.,	India	100%	100%
KNR Constructions LLC	Sultanate of Oman	65%	65%
KNRCL – FZE	UAE	100%	100%
KNR Infrastructure Projects Pvt. Ltd.,	India	100%	100%
KNR Energy Ltd.,	India	100%	100%
KNRC Holding and Investment Pvt. Ltd.,	India	100%	100%
KNR Muzaffarpur-Barauni Tollway Pvt. Ltd.,	India	0.83%	0.83%
KNR Walayar Tollways Pvt. Ltd.,	India	100%	100%

Subsidiaries of KNRC Holdings and Investment Pvt. Ltd.,			
KNR Muzaffarpur Holdings Pvt Ltd.,	India	100%	100%
Mesmeric Software Solutions Pvt. Ltd.,	India	100%	100%
Nag Talent Ventures & Infotech Pvt. Ltd.,	India	100%	100%
Roche Polymers and Additives Pvt. Ltd.,	India	100%	100%
Gradient Estates Pvt. Ltd.,	India	100%	100%
Gradient Realty Ventures Pvt. Ltd.,	India	100%	100%
Asara Construction & Projects Pvt. Ltd.,	India	100%	100%
Subsidiaries of KNR Muzaffarpur Holdings Pvt. Ltd.,			
KNR Muzaffarpur-Barauni Tollway Pvt. Ltd.,	India	50.17%	50.17%
Associates of the Company			
Patel KNR Infrastructures Ltd.,	India	40%	40%
Patel KNR Heavy Infrastructures Ltd.,	India	40%	40%
Jointly Controlled Entities of the Company			
Patel-KNR JV	India	50%	50%
KNR-Patel JV	India	51%	51%
KNR-SLEC JV	India	60%	60%
KNR-BPL JV	India	49%	49%
NCC-KNR JV	India	Project wise	Project wise
KNR-GVR JV	India	51%	51%
KNR-JKM-KAMALA JV	India	50%	50%
KNR-JKM JV	India	51%	51%
KNR-SLMI JV	India	60% & 51%	60%
KNR-TBCPL-JV	India	51%	Nil
SEL-KNR-JV	Bangladesh	49%	Nil

35. The Company has not received any intimation from 'Suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

36. Segmental Reporting

The Company's operations consist of construction activities. Hence, there are no reportable segments under Accounting Standard – 17. During the year under report, the company has engaged in business in India only and not in any other Country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

37. Financial Reporting of Foreign Subsidiary , Associates and Joint Ventures

The financial statements of the foreign subsidiary, M/s. KNR Constructions LLC are drawn up to 31st December 2014 and are un-audited. The financial statements of M/s KNR-Patel-JV, and M/s. Patel-KNR-JV are also un-audited. There are no significant transactions between the reporting dates of the said subsidiary and the parent company necessitating adjustments to its accounts.

(₹ in Lakhs)

38. Related Party Transactions

A. Following is the list of related parties and relationships:

Sl.No	Particulars	Sl.No	Particulars
A)	**Direct Subsidiaries**	E)	**Key Management Personnel**
	KNR Agrotech & Beverages Pvt. Ltd.,		Sri K.Narasimha Reddy , M.D
	KNR Constructions LLC, Oman		Sri K.Jalandhar Reddy, E.D & CFO
	KNRCL – FZE		Sri M.Rajesh Reddy, E.D **
	KNR Infrastructure Projects Pvt. Ltd.,		Sri. M.V.Venkata Rao, C.S
	KNR Energy Ltd.,		Sri. G.Sravana Kumar, G.M (F&A)
	KNRC Holding and Investment Pvt. Ltd.,		
	KNR Muzaffarpur-Barauni Tollway Pvt. Ltd., *		
	KNR Walayar Tollways Pvt. Ltd.,		
B)	**Step-Down Subsidiaries of KNRC Holding and Investment Pvt. Ltd.,**	F)	**Relatives of Key Management Personnel**
	KNR Muzaffarpur Holdings Pvt. Ltd.,		
	Mesmeric Software Solutions Pvt. Ltd.,		-
	Nag Talent Ventures & Infotech Pvt. Ltd.,		
	Roche Polymers and Additives Pvt. Ltd.,		
	Gradient Estates Pvt. Ltd.,		
	Gradient Realty Ventures Pvt. Ltd.,		
	Asara Construction & Projects Pvt. Ltd.,		
C)	**Joint Ventures**	G)	**Enterprises owned or significantly influenced by key management personnel or their relatives**
	KNR-Patel JV		Yuvashakthi Enterprises (Firm) ***
	Patel - KNR JV		Vishnu Publicity Solutions Pvt. Ltd.,
	NCC-KNR JV		Trapezoid Software Solutions Pvt. Ltd.,
	KNR-LEC JV		Siriadhvaitha Agrotech Pvt. Ltd.,
	KNR-BPL JV		Tagline Traders Pvt. Ltd.,
	KNR-GVR JV		Narsimha Landscape Pvt. Ltd.,
	KNR-JKM-KAMAL JV		Siriadhvaitha Agro Developers Pvt. Ltd.,
	KNR-JKM JV		Siriadhvaitha Agro Solutions Pvt. Ltd.,
	KNR-SLMI JV		Smitha Agro Developers Pvt. Ltd.,
	KNR-TBCPL-JV		Smitha Reality Pvt. Ltd.,
			Yashoda Landscape Pvt. Ltd.
			Yashoda Medows Pvt. Ltd.
D)	**Associates**		
	Patel KNR Infrastructures Ltd.,		
	Patel KNR Heavy Infrastructures Ltd.,		

* KNR Constructions Limited indirectly with its subsidiary i.e., KNR Muzzffarpur Holdings Pvt. Ltd holds 51% in the equity share capital of KNR Muzaffarpur Barauni Tollway Private Limited .

** Sri. M. Rajesh Reddy has resigned as Executive Director w.e.f 12.01.2015

*** Sri. K. Narasimha Reddy, resigned as a partner in M/s. Yuvashakthi Enterprises w.e.f 27-09-2014. The company issued work order to M/s Yuvashakthi Enterprises dated: 03-01-2015 for sub-contract work on back to back basis of DLRB-Medak work value of Rs. 9,82,71,362/- and Koppal Flyover Rs.4,00,00,000/- During the F.Y 14-15 sub-contract bills of Rs. 1,80,22,730/- in DLRB-Medak Project and Rs. 1,53,23,463/- in Koppal Flyover Project are certified by the company. The company received interest amount of Rs. 43,346/- from the above sub-contractor on 31-03-15.

B. Related party transactions during the year ended 31st March 2015 are as follows:

(Previous year's figures are given in brackets below the current year figures) (₹ in Lakhs)

Sl. No.	Particulars	Associates	Joint Ventures	Key Management Personnel	Enterprises owned or significantly influenced by Key Management Personnel or their relatives
1	Un-secured loan given	-317.64	-	-	-
		(-2441.26)	(-)	(-)	(-)
2	Un-secured loan received - Rupee	-	-	4747.13	-
		(-)	(-)	(400.00)	(-)
3	Un-secured loan re-paid - Rupee	-	-	2342.13	-
		(-)	(-)	(6.59)	(-)
4	Fixed Assets Purchased from Patel-KNR-JV	-	-	-	-
		(-)	(135.66)	(-)	(-)
5	Sub-Contract Jobs given	-	-	-	-
		(-)	(36.63)	(-)	(-)
6	Sub-Contract / (EPC) Jobs received	948.50	3899.08	-	-
		(903.18)	(2658.89)	(-)	(-)
7	Remuneration paid (including other benefits and contribution to Provident Fund by Employer)	-	-	355.47	-
		(-)	(-)	(278.51)	(-)
8	Land Lease and Office Rent Paid	-	-	26.62	-
		(-)	(-)	(43.63)	(-)
9	Interest Paid	-	-	200.79	-
		(-)	(-)	(3.87)	(-)
10	Directors Sitting Fees	-	-	2.20	-
		(-)	(-)	(-)	(-)
11	Dividend paid	-	-	188.96	-
		(-)	(-)	(207.85)	(-)
12	BG Commission received	-	-	-	-
		(-)	(0.17)	(-)	(-)
13	Professional Charges Received from Patel-KNR-JV by Directors	-	-	-	-
		(-)	(-)	(-)	(-)

14	Sale of Fixed Assets	-	-	-	-
		(-)	(-)	(25.85)	(-)
		(214.94)	(1558.52)	(25.85)	(-)
15	Debit balances outstanding as on 31st March, 2015				
	Patel-KNR- Infrastructure Ltd.,	4.75	-	-	-
		(177.37)	(-)	(-)	(-)
	Patel KNR Heavy Infrastructure Ltd.,	39.67	-	-	-
		(37.57)	(-)	(-)	(-)
	Patel-KNR-JV	-	1038.78	-	-
		(-)	(1038.78)	(-)	(-)
	KNR-BPL-JV	-	111.71	-	-
		(-)	(95.29)	(-)	(-)
	KNR-SLMI-JV	-	846.23	-	-
		(-)	(424.45)	(-)	(-)
	Sri. J.V. Panindra Reddy	-	-	-	-
		(-)	(-)	(25.85)	(-)
16	Credit balances outstanding as on 31st March,2015				
	Patel-KNR- Infrastructure Ltd.,	320.00	-	-	-
		(-)	(-)	(-)	(-)
	Patel-KNR-JV	-	205.50	-	-
		(-)	(301.36)	(-)	(-)
	KNR-SLMI-JV	-	82.66	-	-
		(-)	(247.11)	(-)	(-)
	KNR-BPL-JV	-	199.04	-	-
		(-)	(161.02)	(-)	(-)
	Sri. K. Narasimha Reddy	-	-	1503.28	-
		(-)	(-)	(402.80)	(-)
	Sri. K. Jalandhar Reddy	-	-	710.64	-
		(-)	(-)	(6.27)	(-)
	Sri. K. Yashoda	-	-	600.00	-
		(-)	(-)	(-)	(-)
	Sri. M. Rajesh Reddy	-	-	-	-
		(-)	(-)	(4.26)	(-)

Note: The amounts mentioned above in the case of M/s. KNR Constructions LLC, PATEL KNR JV, and KNR PATEL JV are based on the un-audited financial statements of the respective entities.

C. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

₹ in Lakhs

Particulars	F.Y 2014-15	F.Y 2013-14
Net advance given / (received)		
- Patel KNR Infrastructure Pvt. Ltd.,	320.00	0.00
Un-secured loan received		
- K. Narasimha Reddy	2662.13	400.00
- K. Jalandhar Reddy	1485.00	0.00
- K. Yashoda	600.00	0.00
Un-secured loan re-paid		
- K. Narasimha Reddy	1557.13	5.00
- K. Jalandhar Reddy	785.00	0.00
Fixed Assets purchased		
- PATEL-KNR-JV	0.00	135.66
Sale of fixed assets		
- Sri. J.V. Panindra Reddy	0.00	25.85
Sub-Contract work received		
- KNR Walayar Tollways Pvt. Ltd.,	40945.31	35612.29
- KNR-SLMI-JV	9161.11	5469.18
Remuneration paid (including other benefits and contribution to Provident Fund by Employer)		
- K. Narasimha Reddy	173.00	123.04
- K. Jalandhar Reddy	90.01	63.96
- M. Rajesh Reddy	58.30	63.60
Land Lease and Office Rent Paid		
- K. Jalandhar Reddy	26.62	25.87
Dividend Paid		
- K. Narasimha Reddy	107.99	113.59
- K. Jalandhar Reddy	45.35	49.98
- K. Yashoda	19.62	20.96
Interest Paid		
- K. Narasimha Reddy	147.72	3.87
- K. Jalandhar Reddy	31.73	0.00
- K. Yashoda	21.34	0.00
Interest Received		
- KNR-SLMI-JV	2.65	0.00
Directors Sitting Fee		
- K. Yashoda	2.20	0.00

39. There was no impairment Loss on fixed assets on the basis of review carried out by the management in accordance with Accounting Standard-28 issued by the Institute of Chartered Accountants of India. Further during the review of assets of the company, those assets which were found having no market value have been written off in the accounts.

40. Debit and credit balances of parties are subject to confirmation by the respective parties.

41. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

"FORM AOC-1

42. Statement containing salient features of the financial statement of subsidiaries/associate companies /joint ventures

Part "A" : Subsidiaries

(₹ In Lakhs)

Name of the subsidiary	Reporting period	Exchange rate as on the last date of the financial year	Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of shareholding
	1	2	3	4	5	6	7	8	9	10	11	12	13
KNR Agrotech & Beverages Pvt Ltd.,	31.03.2015	N.A	1.00	(36.30)	394.41	429.71	-	13.68	(36.30)	-	(36.30)	-	100%
KNR Constructions LLC, Oman	31.12.2014	INR 161.911 / Rials	206.07	(21.32)	383.99	201.13	-	-	-	-	-	-	65%
KNR – FZE, Dubai	31.03.2015	INR 16.973 / AED	62.53	(45.84)	19.63	2.94	-	-	(72.91)	-	(72.91)	-	100%
KNR Infrastructure Projects Pvt Ltd.,	31.03.2015	N.A	1.00	(2.22)	7.46	8.68	-	-	(4.01)	-	(4.01)	-	100%
KNR Energy Ltd.,	31.03.2015	N.A	5.00	-	367.57	362.57	-	-	-	-	-	-	100%
KNRC Holding and Investment Pvt. Ltd.,	31.03.2015	N.A	1.00	(3.58)	304.06	306.64	-	-	(0.36)	-	(0.36)	-	100%
KNR Muzaffarpur-Barauni Tollway Pvt. Ltd., *	31.03.2015	N.A	5,500.00	(9.77)	33,672.86	28,182.63	-	-	(5.17)	-	(5.17)	-	0.83%
KNR Walayar Tollways Pvt. Ltd.,	31.03.2015	N.A	90.00	21,466.06	83,631.31	62,075.25	-	-	(4.01)	-	(4.01)	-	100%
KNR Muzaffarpur Holdings Pvt. Ltd.,	31.03.2015	N.A	2,760.10	(26.18)	3,611.99	878.07	2,759.10	-	(0.42)	-	(0.42)	-	100%
Mesmeric Software Solutions Pvt. Ltd.,	31.03.2015	N.A	1.00	-	22.83	21.83	-	-	-	-	-	-	100%
Nag Talent Ventures & Infotech Pvt. Ltd.,	31.03.2015	N.A	1.00	(1.20)	33.63	33.83	-	-	(1.17)	0.17	(1.34)	-	100%
Roche Polymers and Additives Pvt. Ltd.,	31.03.2015	N.A	1.00	-	1.45	0.45	-	-	-	-	-	-	100%
Gradient Estates Pvt. Ltd.,	31.03.2015	N.A	1.00	(0.92)	26.02	25.94	-	-	(0.26)	-	(0.26)	-	100%
Gradient Realty Ventures Pvt. Ltd.,	31.03.2015	N.A	1.00	(0.92)	0.58	0.50	-	-	(0.26)	-	(0.26)	-	100%
Asara Construction & Projects Pvt. Ltd.,	31.03.2015	N.A	1.00	(0.83)	56.32	56.15	-	-	(0.26)	-	(0.26)	-	100%

* KNR Constructions Ltd., holds 0.83% and KNR Muzffarpur Holdings Pvt. Ltd., a 100% subsidiary of KNR Constructions Ltd., holds 50.17%

"FORM AOC-1

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Ventures

Part "B" : Jointventures

(₹ In Lakhs)

Name of Associates / Joint Ventures	Latest audited Balance Sheet date	Shares of Associates / Joint Ventures held by the Company on th year end			Description of how there is significant influence	Reason why the Joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit/Loss for th year	
		i) Number	ii) Amount of Investment in Joint Venture	iii) Extend of Holding %				i) Considered in consolidation	ii) Not considered in Consolidation
I - Associates									
Patel KNR Infrastructure Ltd.,	31.03.2015	14800000	1,480.00	40%	SPV Agreement	Consolidated	1,425.40	21.61	32.41
Patel KNR Heavy Infrastructure Ltd.,	31.03.2015	9529500	952.95	40%	SPV Agreement	Consolidated	918.72	(222.98)	(334.46)
II - Joint Ventures									
Patel-KNR JV *	31.03.2015	N.A	874.06	50%	J V Agreement	Consolidated	874.06	(99.40)	(99.40)
KNR-Patel JV *	31.03.2015	N.A	(415.47)	51%	J V Agreement	Consolidated	(415.47)	(0.47)	(0.45)
KNR-SLEC JV	31.03.2015	N.A	(32.39)	60%	J V Agreement	Consolidated	(32.39)	(0.13)	(0.09)
KNR-BPL JV	31.03.2015	N.A	1.93	49%	J V Agreement	Consolidated	1.93	-	-
NCC-KNR JV	31.03.2015	N.A	(68.92)	100%	J V Agreement	Consolidated	(68.92)	(0.71)	-
KNR-GVR JV	31.03.2015	N.A	-	51%	J V Agreement	Consolidated	-	-	(0.67)
KNR-JKM-KAMALA JV	31.03.2015	N.A	125.03	50%	J V Agreement	Consolidated	125.03	25.89	25.89
KNR-JKM-KAMALA JV	31.03.2015	N.A	51.34	51%	J V Agreement	Consolidated	51.34	50.83	48.84
KNR-SLMI JV	31.03.2015	N.A	24.41	60% & 51%	J V Agreement	Consolidated	24.41	16.52	15.61
KNR-TBCPL-JV	31.03.2015	N.A	(261.11)	51%	J V Agreement	Consolidated	(261.11)	-	(3.76)

As per our report of even date attached
For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)

Sd/-
C.Sukumar Babu
Partner
Membership No: 024293

Place : Hyderabad
Date : 30-05-2015

For and on behalf of the Board

Sd/-
K.Narasimha Reddy
Managing Director

Sd/-
K. Jalandhar Reddy
Executive Director&CFO

Sd/-
G.Sravana Kumar
General Manager (F&A)

Sd/-
M.V.Venkata Rao
Company Secretary

KNR CONSTRUCTIONS LIMITED

(CIN : L74210DL1995PLC238364)

Registered Office: C-125, Anand Niketan, New Delhi - 110021

E-mail : investors@knrcl.com. www.knrcl.com

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of KNR Constructions Limited.

I hereby record my presence at the 20th Annual General Meeting of the shareholders of KNR Constructions Limited on Wednesday, the 30th of September, 2015 at 11.00 A.M. at Hotel Mapple Emerald, NH – 8, Rajokri, New Delhi - 110 038

DP ID*	Reg. Folio No.
Client ID*	No. of Shares

* Applicable if shares are held in electronic form

Name & Address of Member

Signature of Shareholder/Proxy/
Representative(Please Specify)

KNR CONSTRUCTIONS LIMITED

(CIN : L74210DL1995PLC238364)

Registered Office: C-125, Anand Niketan, New Delhi - 110021

E-mail : investors@knrcl.com. www.knrcl.com

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN :	L74210DL1995PLC238364
Name of the company :	**KNR Constructions Limited**
Registered office :	C-125, Anand Niketan, New Delhi - 110021
Name of the member(s) :	
Registered Address :	
Email Id :	
Folio No / Client ID :	DP ID :

I /We, being the member(s) of_____ shares of the above named company, hereby appoint

1. Name		
Address	Signature	
E-mail Id		
or failing him		
2. Name		
Address	Signature	
E-mail Id		

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 20th Annual General Meeting of the company, to be held on Wednesday, the 30th day of September, 2015 at 11.00 A.M. at Hotel Mapple Emerald, NH – 8, Rajokri, New Delhi - 110 038 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolutions	For	Against
1. Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. Re-appointment of Shri. K. Jalandhar Reddy who retires by rotation		
4. Appointment of Auditors and fixing their remuneration		
5. Approval of the Remuneration of the Cost Auditors		

Affix Revenue Stamp

Signed this ..... day of ..... 2015.

Signature of shareholder : _____Signature of Proxy holder(s) : _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

If undelivered, please return to:

KNR Constructions Limited
CIN: L74210DL1995PLC238364
"KNR House", 3rd & 4th Floors, Plot No. 114,
Phase I, Kavuri Hills, Hyderabad - 500 033.

www.knrcl.com