

FEBRUARY 2019



KNR Constructions Limited

# Investor Presentation



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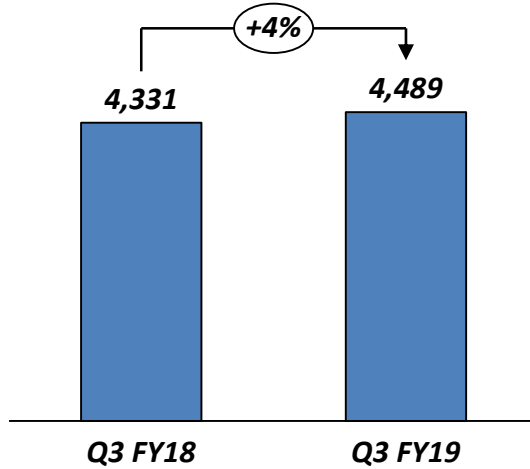
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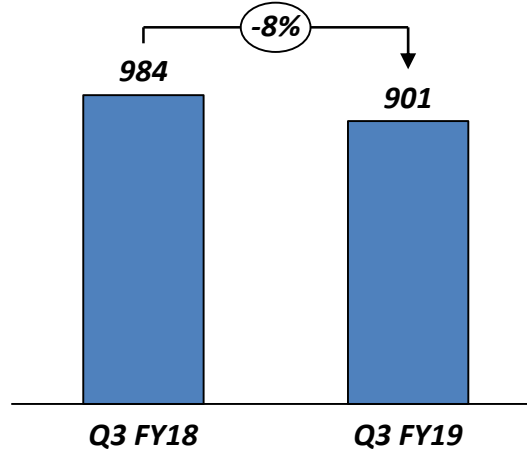
# KEY HIGHLIGHTS & RESULT UPDATE

## Standalone Financial Highlights

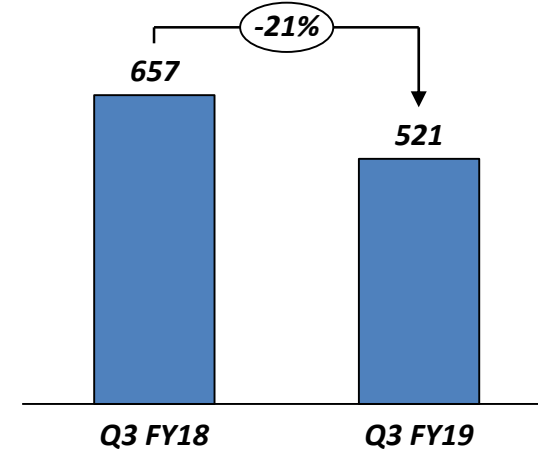
**Revenue (Rs. Million)\***



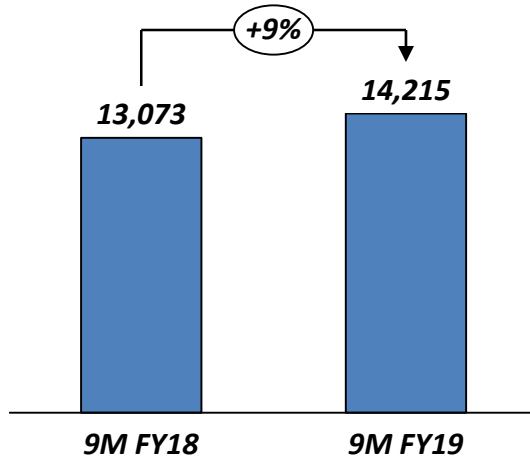
**EBITDA (Rs. Million)**



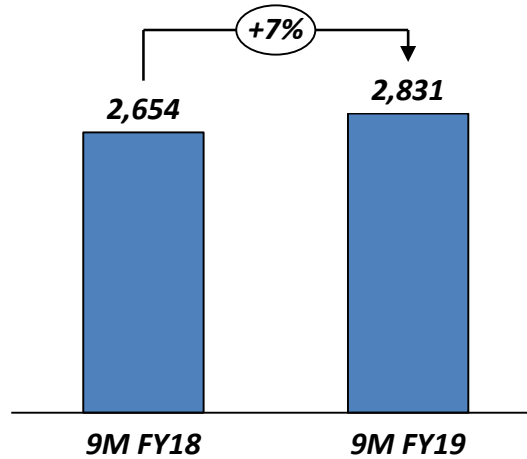
**PAT (Rs. Million)**



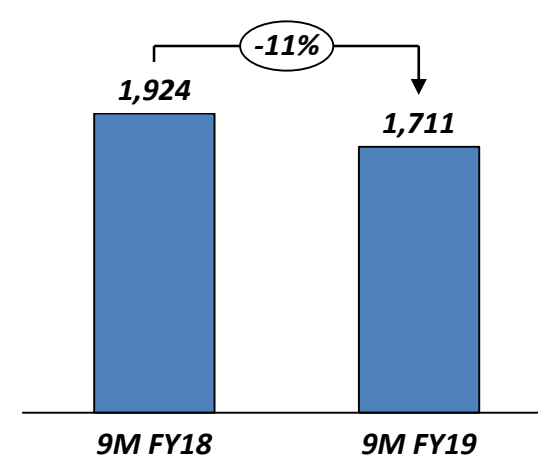
**Revenue (Rs. Million)\***



**EBITDA (Rs. Million)**



**PAT (Rs. Million)**



\* Revenue from operations for the nine months ended 31<sup>st</sup> December, 2017 includes Rs. 168 million from the claims received by two Joint Ventures

## Standalone Financial Results

Rs. Million	Q3 FY19	Q3 FY18	YoY	9M FY19	9M FY18	YoY
Net Sales	4,459.9	4,276.8		14,074.2	12,823.5	
Other Operating Income *	29.0	55.1		141.2	249.3	
<b>Total Revenue</b>	<b>4,488.9</b>	<b>4,331.9</b>	<b>4%</b>	<b>14,215.4</b>	<b>13,072.8</b>	<b>9%</b>
Operating Expenses	2,803.6	2,781.9		9,018.8	8,734.0	
Employees Expenses	235.7	180.8		680.9	521.5	
Other Expenditure	548.5	385.4		1,684.6	1,163.4	
<b>EBITDA</b>	<b>901.2</b>	<b>983.8</b>	<b>-8%</b>	<b>2,831.2</b>	<b>2,654.0</b>	<b>7%</b>
<b>EBITDA margin</b>	<b>20.1%</b>	<b>22.7%</b>		<b>19.9%</b>	<b>20.3%</b>	
Other Income	216.7	60.8		482.4	210.3	
Depreciation	450.0	371.4		1,202.7	850.4	
Interest	72.6	49.0		218.7	143.5	
<b>PBT</b>	<b>595.3</b>	<b>624.3</b>	<b>-5%</b>	<b>1,892.2</b>	<b>1,870.4</b>	<b>1%</b>
<b>Tax</b>	74.2	-32.7		181.1	-53.1	
Current Tax	132.6	37.2		379.8	85.7	
Prior Period Tax	3.6	5.0		3.6	3.2	
Deferred Tax	-62.0	-74.8		-202.2	-142.0	
<b>Profit After Tax</b>	<b>521.1</b>	<b>656.9</b>	<b>-21%</b>	<b>1,711.1</b>	<b>1,923.5</b>	<b>-11%</b>
<b>PAT margin</b>	<b>11.6%</b>	<b>15.2%</b>		<b>12.0%</b>	<b>14.7%</b>	
Other Comprehensive Income	-3.2	-2.4		-9.5	0.1	
<b>Total Comprehensive Income</b>	<b>517.9</b>	<b>654.6</b>	<b>-21%</b>	<b>1,701.6</b>	<b>1,923.5</b>	<b>-12%</b>

\* Other Operating Income includes Rs. 168 million from the claims received by two Joint Ventures in 9M FY18

## Standalone Balance Sheet

ASSETS (Rs. Millions)	Sept-18	Mar-18
<b>Non-Current Assets</b>		
Property, plant and equipment	3,421.0	3,313.7
Capital work-in-progress	6.0	0.2
Investment property	625.0	620.4
Other Intangible assets	1.5	1.5
Financial Assets		
Investments	178.5	176.5
Other Investments	5,275.2	4,923.4
Loans	13.7	16.3
Other financial assets	22.1	25.5
Deferred tax assets (Net)	1,581.6	1,407.6
Non current tax assets (Net)	94.0	76.1
Other non-current assets	961.4	824.1
<b>Total Non-current assets</b>	<b>12,180.0</b>	<b>11,385.4</b>
<b>Current assets</b>		
Inventories	841.4	711.8
Financial assets		
Other Investments	1,380.5	256.1
Trade receivables	1,070.7	2,319.8
Cash and cash equivalents	507.6	370.6
Bank Balances	67.8	67.8
Loans	173.3	263.1
Other financials assets	1,836.0	1,539.2
Current tax assets (Net)	28.8	89.3
Other current assets	2,571.0	2,655.2
<b>Total Current assets</b>	<b>8,477.1</b>	<b>8,273.0</b>
<b>TOTAL ASSETS</b>	<b>20,657.1</b>	<b>19,658.4</b>

EQUITY & LIABILITIES (Rs. Millions)	Sept-18	Mar-18
<b>Equity</b>		
Equity Share capital	281.2	281.2
Other equity	12,413.0	11,297.1
<b>Total equity</b>	<b>12,694.2</b>	<b>11,578.3</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	2,242.1	2,118.5
Trade Payables	82.7	82.7
Other financial liabilities	27.2	27.2
Provisions	48.8	42.2
Other non-current liabilities	132.5	132.5
<b>Total non-current liabilities</b>	<b>2,533.3</b>	<b>2,403.0</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	-	-
Trade Payables	1,718.6	2,101.7
Other financial liabilities	1,271.2	1,171.3
Provisions	144.7	142.1
Current Tax Liability (net)	2,286.0	2,244.0
Other current liabilities	9.0	18.0
<b>Total current liabilities</b>	<b>5,429.5</b>	<b>5,677.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20,657.1</b>	<b>19,658.4</b>

## Key Updates

- 📍 **Received Appointed Date for KNR Tirumala Infra Private Limited (HAM project) on 4th January 2019**
- 📍 **Received Financial closure for the following projects**
  - KNR Srirangam Infra Private Limited
  - KNR Chidambaram Infra Private Limited
  - KNR Shankarampet Projects Private Limited
- 📍 **Signed Concession Agreement for KSHIP HAM project on 18<sup>th</sup> January 2019 and Financial Closure is under process**
- 📍 **Entered into Share Purchase Agreement with Cube Highways and Infrastructure III Pte. Ltd for the following SPVs (HAM projects)**
  - KNR Srirangam Infra Private Limited
  - KNR Chidambaram Infra Private Limited
  - KNR Tirumala Infra Private Limited
- 📍 **The Company's credit ratings was revised from A+ Stable to A+ Positive by India Ratings**
- 📍 **The Company has been Ranked as "486" of Fortune 500 Companies by Fortune India Magazine 2018**



# BUSINESS OVERVIEW



## Business Overview

### 📍 One of the leading companies providing Engineering, Procurement and Construction (EPC) services

Major Projects in Roads & Highways – one of the fast growing sector

Established presence in Irrigation and Urban Water Infrastructure Management

### 📍 20 years of experience of project execution

Successfully executed more than ~6,000 lane km Road Projects

Projects executed across 12 states in India

### 📍 Portfolio of BOT Projects

778 lane Kms Projects in the state of Telangana, Karnataka, Kerala & Bihar

2 Annuity based Projects & 2 Toll based projects completed

Achieved Financial Closure for 4 HAM projects & Financial Closure under process for KSHIP HAM project

### 📍 Strong EPC Order-book

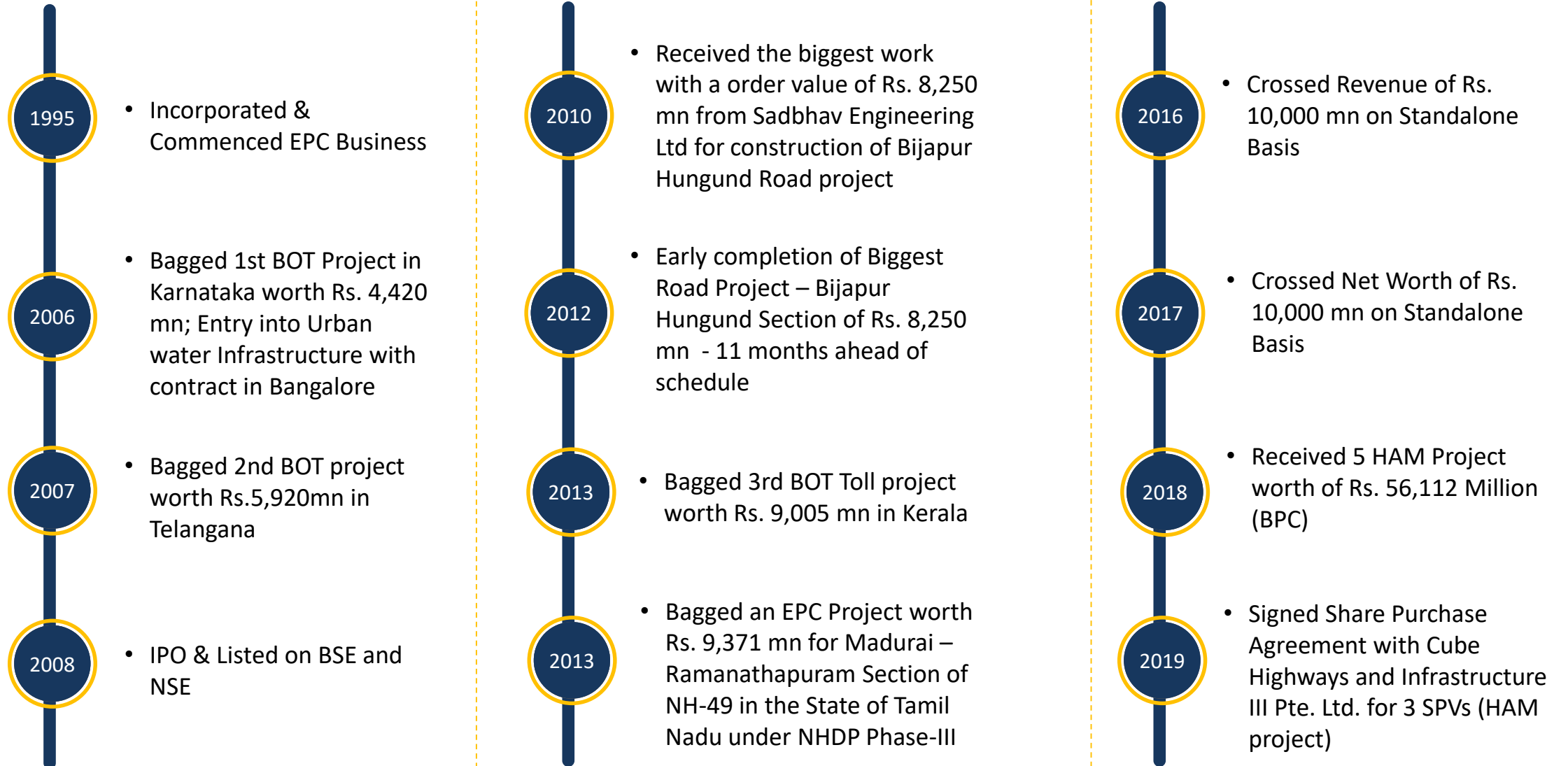
Rs. 15,408 mn as on 31<sup>st</sup> December, 2018 comprising of Rs. 12,194 mn in Roads sector, Rs. 3,199 mn in Irrigation and Rs.15 mn in others



#### VISION

- 📍 To develop KNRCL as a Centre of excellence in the field of Infrastructure.
- 📍 To add more business verticals to the organization in the fields of construction of Elevated Metro Rail and Railway Projects

## Transformation



## Management



**Mr. K. Narasimha Reddy –**  
*Founder Promoter & Managing Director*

- 📍 Over 50 years of experience in the Highway sector
- 📍 Started career in 1968 and engaged in the business of undertaking civil and mechanical contracts
- 📍 Extensive knowledge and experience in multi project planning Scheduling, cost controls in addition to overall construction and multi project management & driving force in taking the company towards greater heights



**Mr. K. Jalandhar Reddy –**  
*Promoter & Executive Director*

- 📍 Over 25 years of experience in the Highway and infrastructure sector
- 📍 Started his career with the organisation as a project Manager and was elevated to Executive Director on April 1, 1997
- 📍 Heads the tendering and bidding activities and is in charge of most of the projects

## Supported by Professional Team

### Mr. T.L. Verma (Vice President - Projects)

- 📍 A Bachelor of Engineering (BE) from MITS Gwalior (MP) with Over 35 years of total experience with ~20 years of experience in Highway sector
- 📍 Working with the company since 2006 on various projects i.e. Bridges and Highways, including construction of Concrete Roads

### Mr. S Vaikuntanathan (VP - Finance)

- 📍 A Fellow Member of the Institute of Chartered Accountants of India with 39 years of experience in the areas of finance, accountancy and taxation
- 📍 Has the overall responsibility for the finalization of corporate accounts, taxation, finance and related jobs

### Mr. D. Tirupathi Reddy (GM – Projects)

- 📍 Over 24 years of rich experience in various fields of Civil Engineering
- 📍 Working with the company since 14 years as contract specialist and tendering & procurement expert

### Mr. M.V. Venkata Rao (Company Secretary)

- 📍 A Fellow Member of the Institute of Company Secretaries of India
- 📍 Working with the company since 2007 and has the overall responsibility towards compliance of Rules & Regulations laid down by various authorities



# KEY BUSINESS STRENGTHS

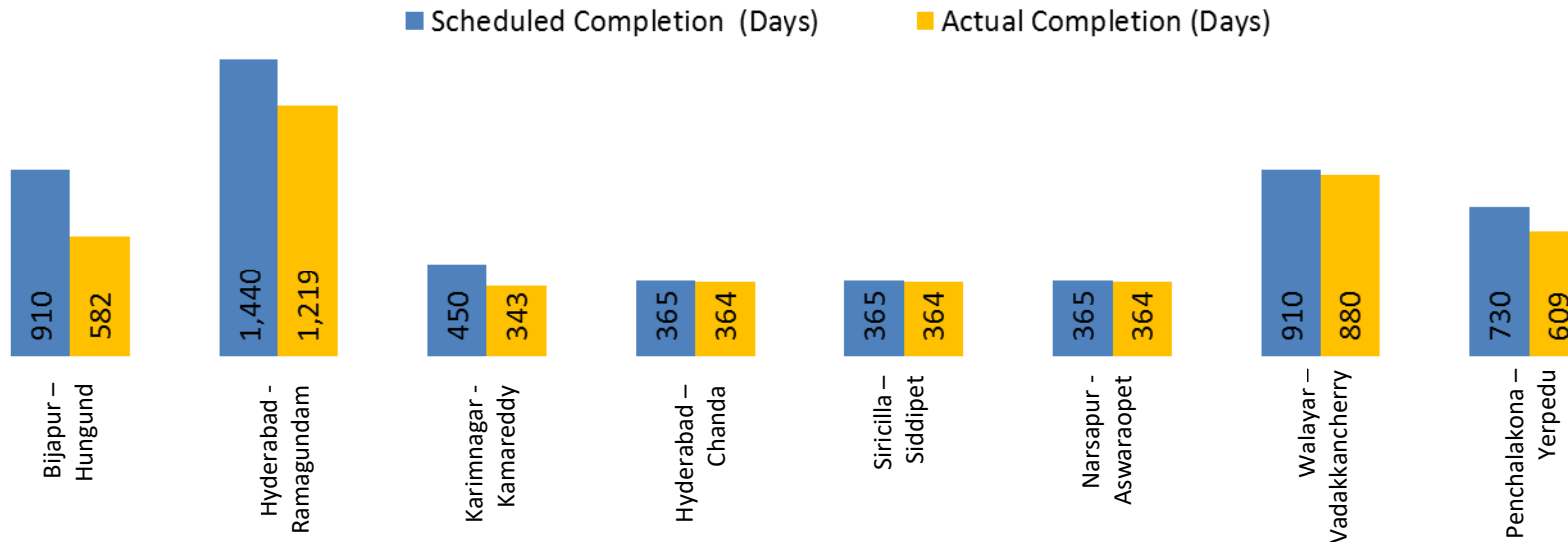
## Project Execution

### Top management’s active involvement at all stages of Project execution

- Selection of Major Raw Material
- Selection of construction Camp location

### Faster Decision making to ensure project completion on schedule

### Received Bonus for completion of construction ahead of schedule



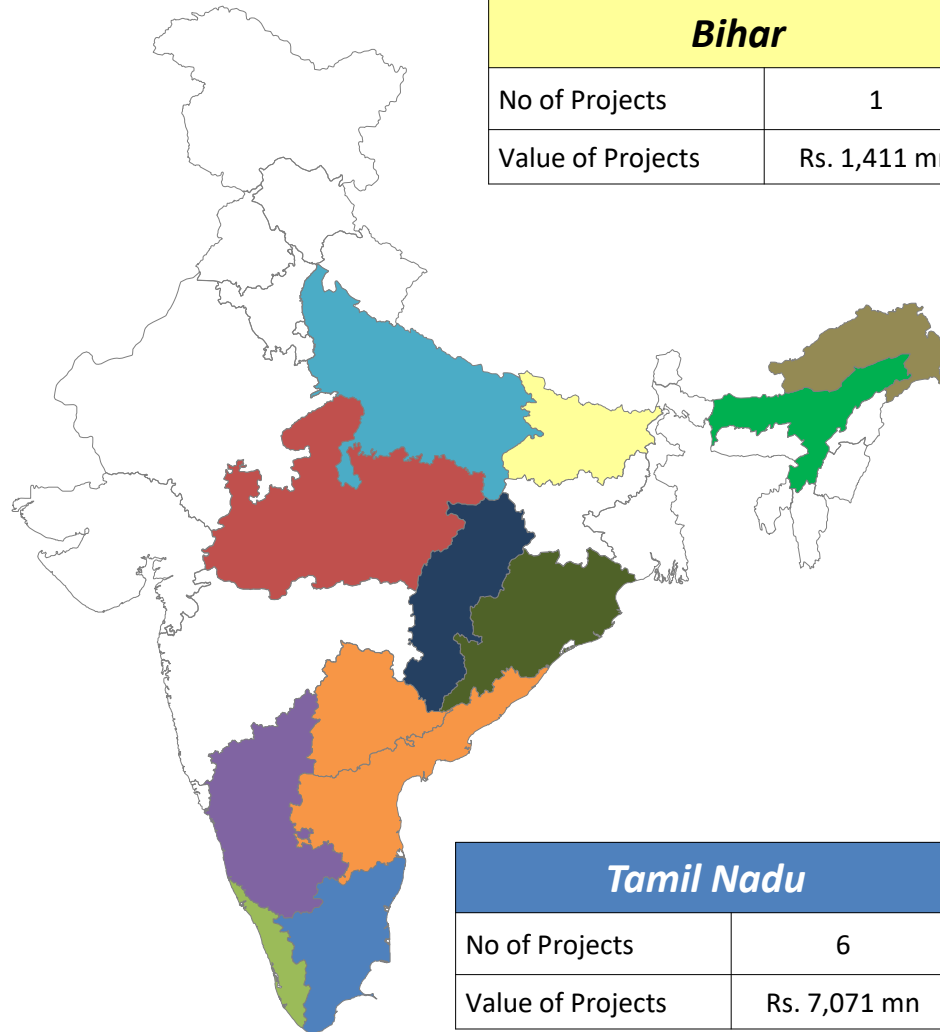
# Pan India Project Execution\* Capability

<b>Uttar Pradesh</b>	
No of Projects	4
Value of Projects	Rs. 1,704 mn

<b>Madhya Pradesh</b>	
No of Projects	5
Value of Projects	Rs. 7,941 mn

<b>Karnataka</b>	
No of Projects	14
Value of Projects	Rs. 21,084 mn

<b>Kerala</b>	
No of Projects	3
Value of Projects	Rs. 7,905 mn



<b>Bihar</b>	
No of Projects	1
Value of Projects	Rs. 1,411 mn

<b>Arunachal Pradesh</b>	
No of Projects	1
Value of Projects	Rs. 920 mn

<b>Assam</b>	
No of Projects	2
Value of Projects	Rs. 1,913 mn

<b>Chhattisgarh</b>	
No of Projects	1
Value of Projects	Rs. 264 mn

<b>Odisha</b>	
No of Projects	1
Value of Projects	Rs. 2,313 mn

<b>Tamil Nadu</b>	
No of Projects	6
Value of Projects	Rs. 7,071 mn

<b>AP &amp; Telangana</b>	
No of Projects	8
Value of Projects	Rs. 15,771 mn

**Disclaimer:** Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

\* Projects executed in last 5 years

## Project Execution Highlights

### 📍 Cement Concrete Road

- Completed Widening to 4/6 lanes and Strengthening of Existing two lane carriageway of NH – 5 in the State of Orissa for a length of 56.0 Kms with total contract value of work is Rs 2,310 mn
- Existing road was widened & strengthened with flexible pavement but, new 2- lane road was constructed with concrete (PQC)
- Concrete road was paved for a width of 8.75m with G&Z slip form paver having automatic device for placement of tie bars and dowel bars at fixed interval
- Concreted Batching Plant was installed with a capacity compatible with the paving capacity of G&Z paver for better quality control of PQC Road

### 📍 Hard Rock Excavation

- 2.6 Millions Cubic Meters deep hard rock excavation was done in the work of four laning of Islam Nagar (KM 230.00) to Kadtal (KM 278.00) of Nagpur –Hyderabad Section on NH-7 in the State of Telangana



## In-house Construction Equipment

Sl. No.	Name Of The Machinery	Qty
1	Tippers & Tankers	901
2	Excavators	275
3	Compactors	99
4	Concrete Mixers And Pumps	117
5	Loaders	60
6	Pavers	36
7	Crushers	24
8	Graders	52
9	Tractors	33
10	Cranes	41
11	Trailers	19
12	Rollers	21
13	Batching Plants	39
14	Hot Mix Plants	10
15	Drillers & Breakers	61
16	Dozers	23
17	Wet Mix Plants	11
18	Drum Mix Plants	6
19	Generators	173
20	Sprayers	4
21	Weigh Bridges	30
22	Curblaying Machine	6
23	Compressors	20
24	Sweeping Machines	7
25	Transformers	15
26	Light Soures	18
<b>Gross Block of Plant &amp; Machinery *</b>		<b>8,880.8</b>



**250 TPH Nawa Crushing Plant**



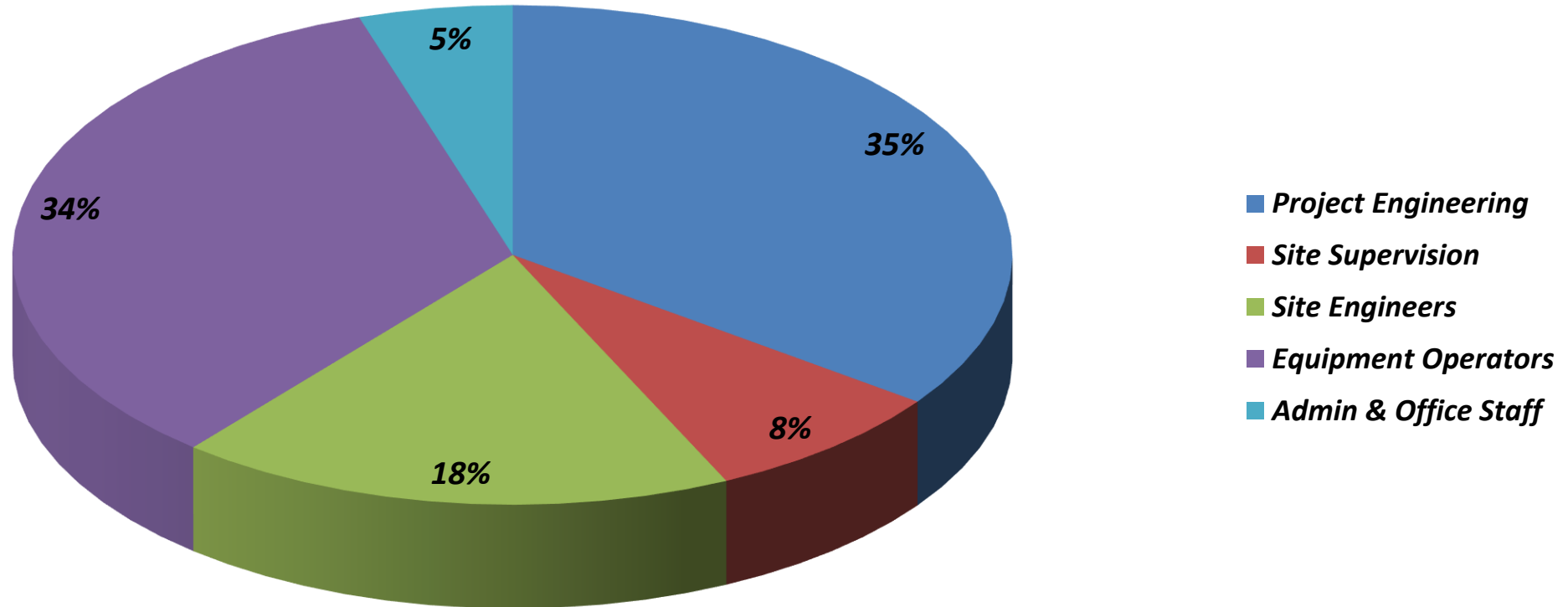
**240 TPH D & G Hot Mix Plant**

\* as at 31.12.2018



### 3 IN-HOUSE TEAM OF 1,325 QUALIFIED AND EXPERIENCED EMPLOYEES LED BY PROVEN MANAGEMENT TEAM

#### In-house Execution Team



## Reputed Clientele



National Highways Authority of India (NHAI)



Andhra Pradesh Road Development Corporation (APRDC)



Ministry of Road Transport & Highways (MoRTH)



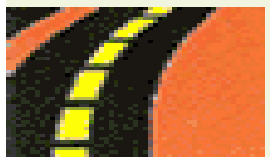
Hyderabad Growth Corridor Limited (HGCL)



Karnataka State Highway Improvement Project (KSHIP)



Karnataka Road Development Corporation (KRDCL)



Madhya Pradesh Road Development Corporation Limited (MPRDCL)



Bruhat Bangalore Mahanagara Palike (BBMP)



Uttar Pradesh State Highways Authority (UPSHA)



NMDC Limited



A.P. Irrigation (Government of Andhra Pradesh)



GMR Projects Private Limited



Engineers India Limited (Government of India Undertaking)



Sadbhav Engineering Limited



Public Works Department (Government of Arunachal Pradesh)



Oriental Structural Engineers Pvt. Ltd.



# BOT PORTFOLIO

**BOT Portfolio – Annuity Projects**

	Particulars	Patel KNR Infrastructures limited (PKIL)	Patel KNR Heavy Infrastructures Limited (PKHIL)
<b>Project Details</b>	Stake	40%	40%
	Project Type	Road-Annuity	Road-Annuity
	State	Karnataka	Telangana
	JV Partner	PEL	PEIL
	Client	NHAI	NHAI
	Length (KM)	60.00	53.00
<b>Terms</b>	Concession Start Date	26 <sup>th</sup> March 2007	2 <sup>nd</sup> March 2008
	Concession Period	20 Years	20 Years
	COD	21 <sup>st</sup> December 2009	11 <sup>th</sup> June 2010
<b>Financials</b>	Project Cost (Rs. mn)	4,420.00	5,920.00
	Equity (31.12.2018) (Rs. mn)	370.00	648.70
	Debt (31.12.2018) (Rs. mn)	2,517.20	4,040.30
	Securitized	Yes*	Yes**
	Semi-Annuity - 36 Instalments (Rs. mn)	329.4	443.7

\* PKIL securitized its project loan through issuance of non-convertible debentures to LIC of India & raised Rs. 4,090 mn in April 2010. The said proceeds were used to retire the existing high cost project loan and unsecured loans of promoters and to meet the issue expenses.

\*\*PKHIL securitized its project loan through issuance of non-convertible debentures to L&T Infrastructures Finance Company Limited and raised Rs 4000 mn in Sept. 2013. The said proceeds were used to retire the existing high cost project loans (Other than the ECB of USD 25 Millions availed from the Standard Chartered Bank , London) and unsecured loans of promoters and to meet the issue expenses.

## BOT Portfolio – Toll Projects

	Particulars	KNR Walayar Tollways Private Limited	KNR Muzaffarpur Barauni Tollway Private Limited
<b>Project Details</b>	Stake	100%	51%
	Project Type	Road-Toll	Road-Toll
	State	Kerala	Bihar
	JV Partner	-	JKM Infra Project Ltd
	Client	NHAI	NHAI
	No of Lanes	Two to Four	Two
	Length(KM)	54	108
<b>Terms</b>	Concession Start Date	18th May 2013	8th July 2012
	Concession Period	20 Years	21 Years
	Scheduled COD	15th Nov. 2015	9th July 2014
	Actual Scheduled COD	31st Oct. 2015	3rd June 2016
	Revenue Sharing	Grant	Premium
<b>Financials</b>	Project Cost (Rs. mn)	9,005.1	3,596.8 / (Revised: 4,588.6)
	Equity (31.12.2018) (Rs. mn)	3,974.1*	1,771.5
	Debt (31.12.2018) (Rs. mn)	1,590.8	3,090.8
	Status	100% COD issued on 31st Oct. 2015	100% PCOD issued on 24th August 2017
	Toll Revenue – Q3FY19 & 9M FY19 (Rs. mn)	Q3 FY19: 162.98 9M FY19: 454.88	Q3 FY19: 181.52 9M FY19: 539.92

\* incl. additional quasi equity of Rs. 2,615.0 mn towards repayment of loans

## Walayar –Vadakkancherry Project

- 📍 KNR Walayar Tollways Private Limited is a wholly owned subsidiary of KNR Constructions Limited, incorporated as an SPV for execution of Walayar Road Project
- 📍 Completion Certificate for 100% of Project length has been issued for the project on 31st October 2015
- 📍 Caters to commercial traffic towards Kochi Port and Kochi International Container Transshipment Terminal
- 📍 The project road serves as an arterial link to most of the important southern cities such as Salem, Erode, Coimbatore, Trissur, Palakkad, Kochi, Alappuzha, Kollam, Thiruvananthapuram and Nagercoil
- 📍 Major industries like Wise Park, HP Gas Plant, ITI, BPL, UB, Instrumentation Limited, Percot Meridan, BEML etc. are located in this section

**The work is completed one month ahead of scheduled date of completion**

## Muzaffarpur - Barauni Project

- 📍 KNR Muzaffarpur Barauni Tollway Private Limited is a Step down subsidiary of KNR Constructions Limited, incorporated as an SPV for execution of Muzaffarpur -Barauni Road project on BOT (Toll) basis
- 📍 Provisional Completion Certificate for 75% of Project length has been issued for the project on 3<sup>rd</sup> June 2016
- 📍 Provisional Completion Certificate for 100% of Project length has been received for the project on 24<sup>th</sup> August 2017 & 100% Toll Collection has commenced from 1<sup>st</sup> October 2017
- 📍 Project starts at Muzaffarpur and ends at Barauni. The project corridor is located in the state of Bihar and passes through three districts namely Muzaffarpur, Samastipur and Begusarai
- 📍 Muzaffarpur is an important place for wholesale cloth trade and the largest city of northern Bihar while Barauni city is situated on holy river Ganga and also an important industrial city of Bihar having major industrial units such as IOC refinery, Barauni Thermal Power Plant, Hindustan Fertilizers Corporation and Barauni Dairy



## HAM Portfolio

	Particulars	Trichy to Kallagam	Meensurutti to Chidambaram	Chittor to Mallavaram	Ramsanpalle to Mangloor	Magadi to Somwarpeth
Project Detail	SPV Name	KNR Srirangam Infra Private Limited	KNR Chidambaram Infra Private Limited	KNR Tirumala Infra Private Limited	KNR Shankarampet Projects Private Limited	KNR Somwarpeth Infra Private Limited
	Stake	100%**	100%**	100%**	100%	100%
	Project Type	Hybrid Annuity	Hybrid Annuity	Hybrid Annuity	Hybrid Annuity	Hybrid Annuity
	State	Tamil Nadu	Tamil Nadu	Andhra Pradesh	Telangana	Karnataka
	Client	NHAI	NHAI	NHAI	NHAI	KSHIP
	No of Lanes	Four	Two	Six	Four	Two
	Length(KM)	38.7	31.5	61.1	46.8	166.0
	Concession Period	17 Years	17 Years	17.5 Years	17 Years	9 Years
Financials	Bid Project Cost (Rs. mn)	10,206.0	4,820.4	17,300.7	12,340.0	11,445.0
	Total Project Cost (Rs. mn)	9,099.8	4,316.4	14,555.0	10,456.2	10,152.7*
	Grant (Rs. mn)^	4,317.5	2,041.4	7,392.5	5,244.9	7,485.0*
	Estimated Equity (Rs. mn)	962.3	455.0	1,432.5	1,042.3	533.5*
	Estimated Debt (Rs. mn)	3,820.0	1,820.0	5,730.0	4,169.0	2,134.2*
	Status	FC Achieved on 4 <sup>th</sup> Jan 2019	FC Achieved on 4 <sup>th</sup> Jan 2019	AD received on 4 <sup>th</sup> Jan 2019	FC Achieved on 4 <sup>th</sup> Oct 2018	Signed CA on 18 <sup>th</sup> Jan 2019

\*subject to Financial Closure

\*\* - Share Purchase Agreement signed with Cube Highways and Infrastructure III Pte. Ltd.

^Grant includes estimated Price Index Multiple of Rs. 1,129.5 mn

1. FC – Financial Closure 2. AD – Appointed Dated 3. CA - Concession Agreement

## Details of SPA with Cube<sup>^</sup>

Particulars	Total Equity Investment (Rs. mn)	Equity Investment – Cube’s Share (49%) (Rs. mn)	Equity Investment – KNR’s Share (51%) (Rs. mn)	Consideration for KNR’s 51% stake (Rs. mn)*
KNR Srirangam Infra Pvt Ltd (SPA Signed: 28 <sup>th</sup> Jan’19)	962.3	471.5	490.8	736.1 1.5 times
KNR Chidambaram Infra Pvt Ltd (SPA Signed: 11th Feb’19)	455.0	223.0	232.1	364.6 1.57 times
KNR Tirumala Infra Pvt Ltd (SPA Signed: 11th Feb’19)	1,432.5	701.9	730.6	1,520.6 2.08 times

<sup>^</sup> Cube Highways and Infrastructure III Pte. Ltd.

\* The amount may undergo some changes at the time of COD

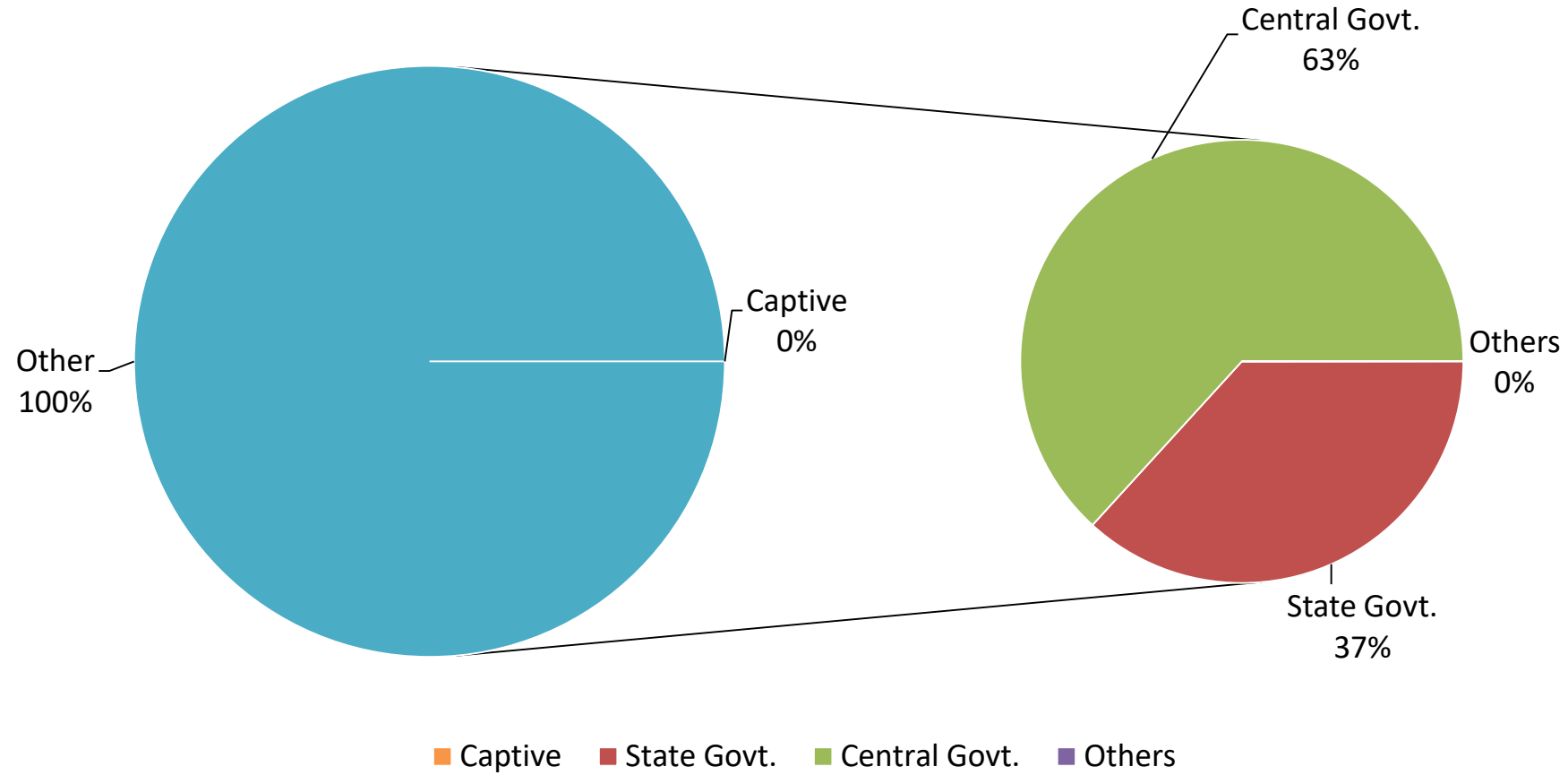
## Salient Features of the Deal

- 📍 Entered into Share Purchase Agreement with Cube for the above mentioned 3 SPV's (100% wholly owned subsidiary the Company)
  
- 📍 The Company in a phased manner will sell to Cube its entire shareholding in the SPV
  - 📍 Sale is subject to the shareholding transfer restrictions set out in the concession agreement executed between NHAI and the SPV's and various regulatory and lender's approvals
  
- 📍 The transaction is contemplated to be completed in two stages
  - First Stage scheduled to be completed after achievement of the Commercial Operation Date (the "COD") as per Concession Agreement
  - Second Stage scheduled to be completed after expiry of mandatory lock-in period as per the Concession Agreement



# ORDER BOOK & BUSINESS STRATEGY

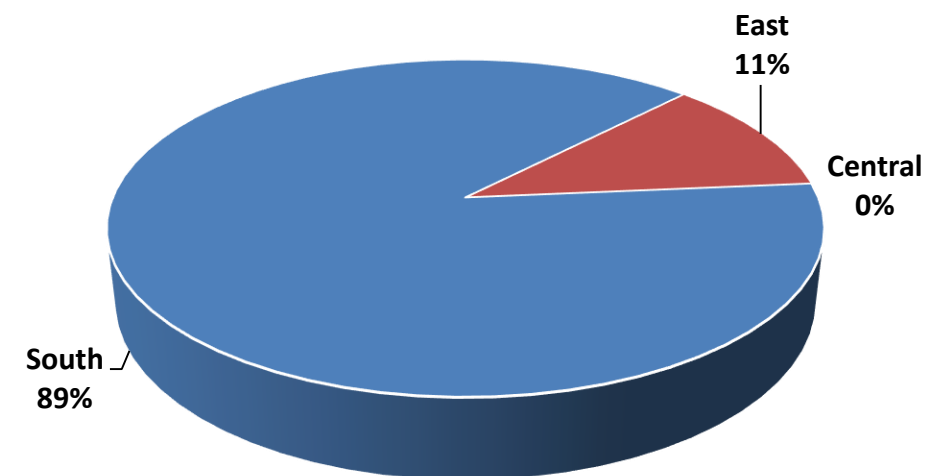
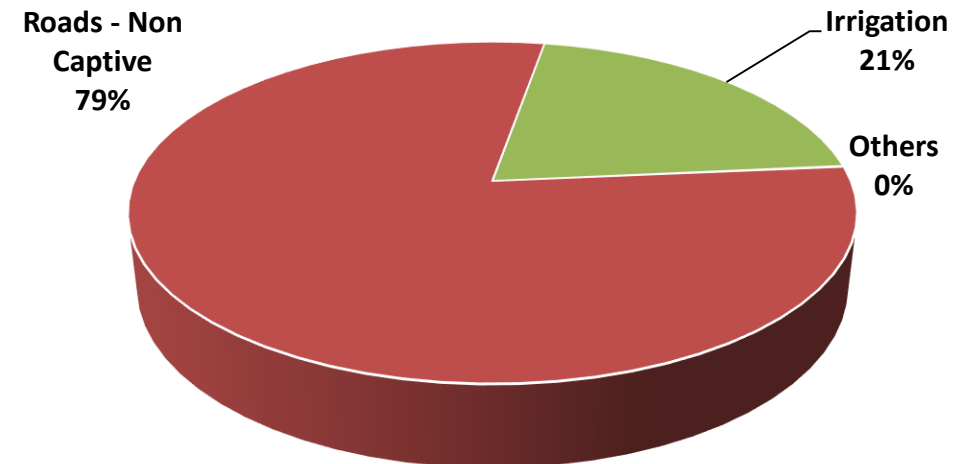
## Order-book Break-up



**ORDER BOOK OF RS. 15,408  
MILLION AS ON  
31ST DECEMBER 2018**

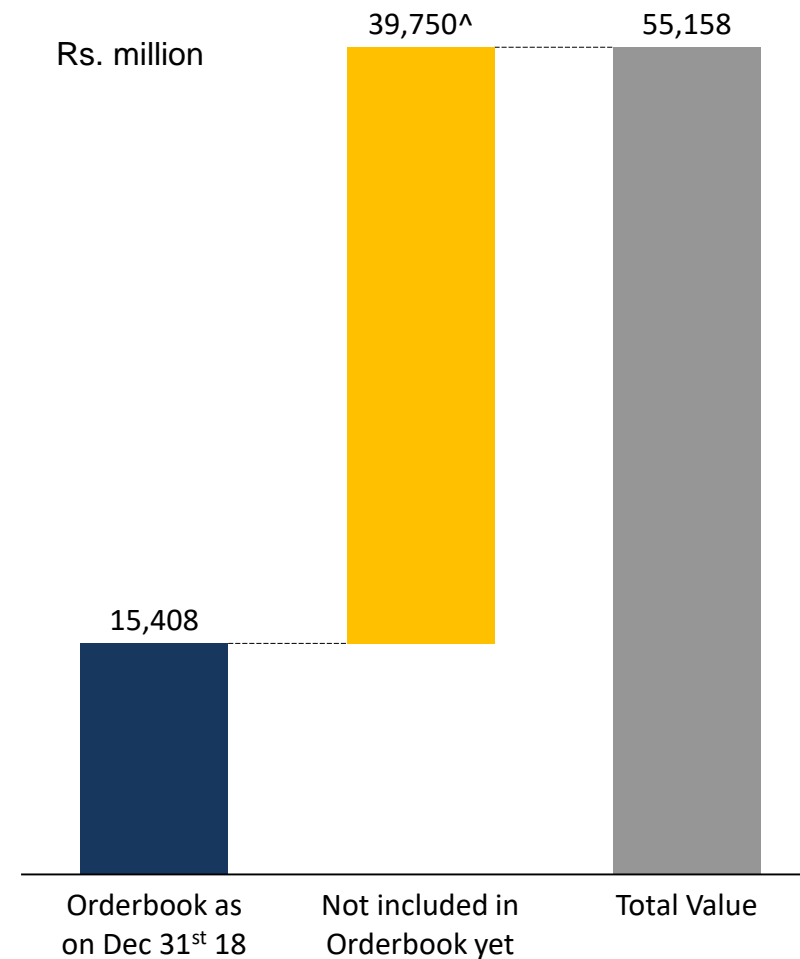
## Order-book Highlights

Key Projects	Rs. Mn
Hubli – Hospet Section of NH - 63	4,637
Thiruvananthapuram Bypass	1,741
State Road from Gobuk – Mariyang – Sijhon Nallah in Arunachal Pradesh	1,740
Dindigul-Bangalore Road (Pollachi to Coimbatore Section)	1,077
Construction of Two Tier Flyover in Salam City	1,007
<b>Top 5 Road Projects</b>	<b>10,202</b>
Other Road Projects	1,992
<b>Irrigation Projects</b>	<b>3,199</b>
Other Projects	15
<b>Total</b>	<b>15,408</b>



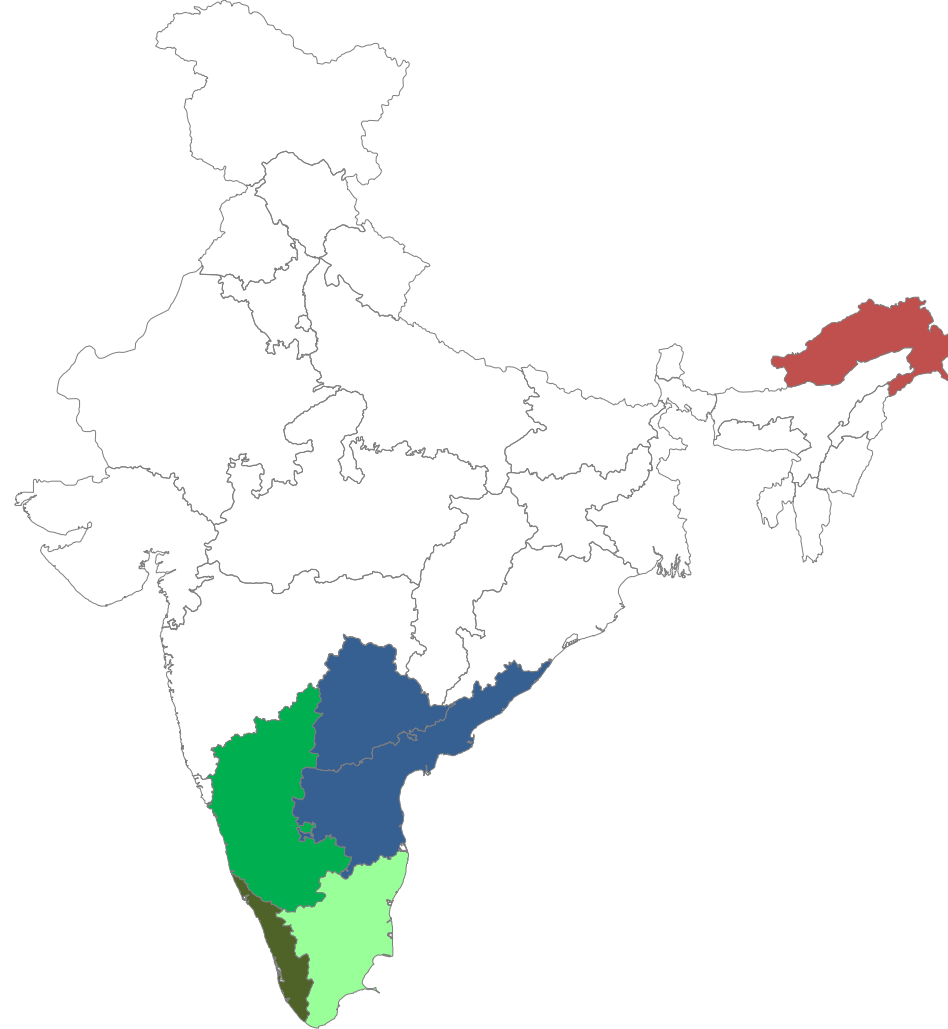
## HAM Projects Won

HAM Order Wins	Bid Project Cost (Rs. mn)
4 Laning of Trichy to Kallagam Section of NH-227 under Bhartmala Pariyojana (Residual Project under NHDP) in the state of Tamil Nadu	10,206.0
2 Laning with Paved Shoulder of Meensurutti to Chidambaram Section of NH-227 under Bhartmala Pariyojana, Phase I (Residual Project under NHDP) in the state of Tamil Nadu	4,820.4
6 Laning of Chittor to Mallavaram section of NH-140 from under Bhartmala Pariyojana in the state of Andhra Pradesh	17,300.7
4 laning of Ramsanpalle to Mangloor section of NH-161 under Bharatmala Pariyojana in the State of Telangana	12,340.0
Two laning with paved shoulders of Magadi to near Somwarpeth In the State of Karnataka	11,445.0
<b>Total</b>	<b>56,112.10</b>



<sup>^</sup> - Estimated EPC Value subject to Financial Closure of 1 KSHIP HAM Projects - Not included in orderbook yet

## Order-book: State-wise



<b>Karnataka</b>	
No of Projects	9
Balance Value	Rs. 5,510 mn

<b>Kerala</b>	
No of Projects	3
Balance Value	Rs. 1,758 mn

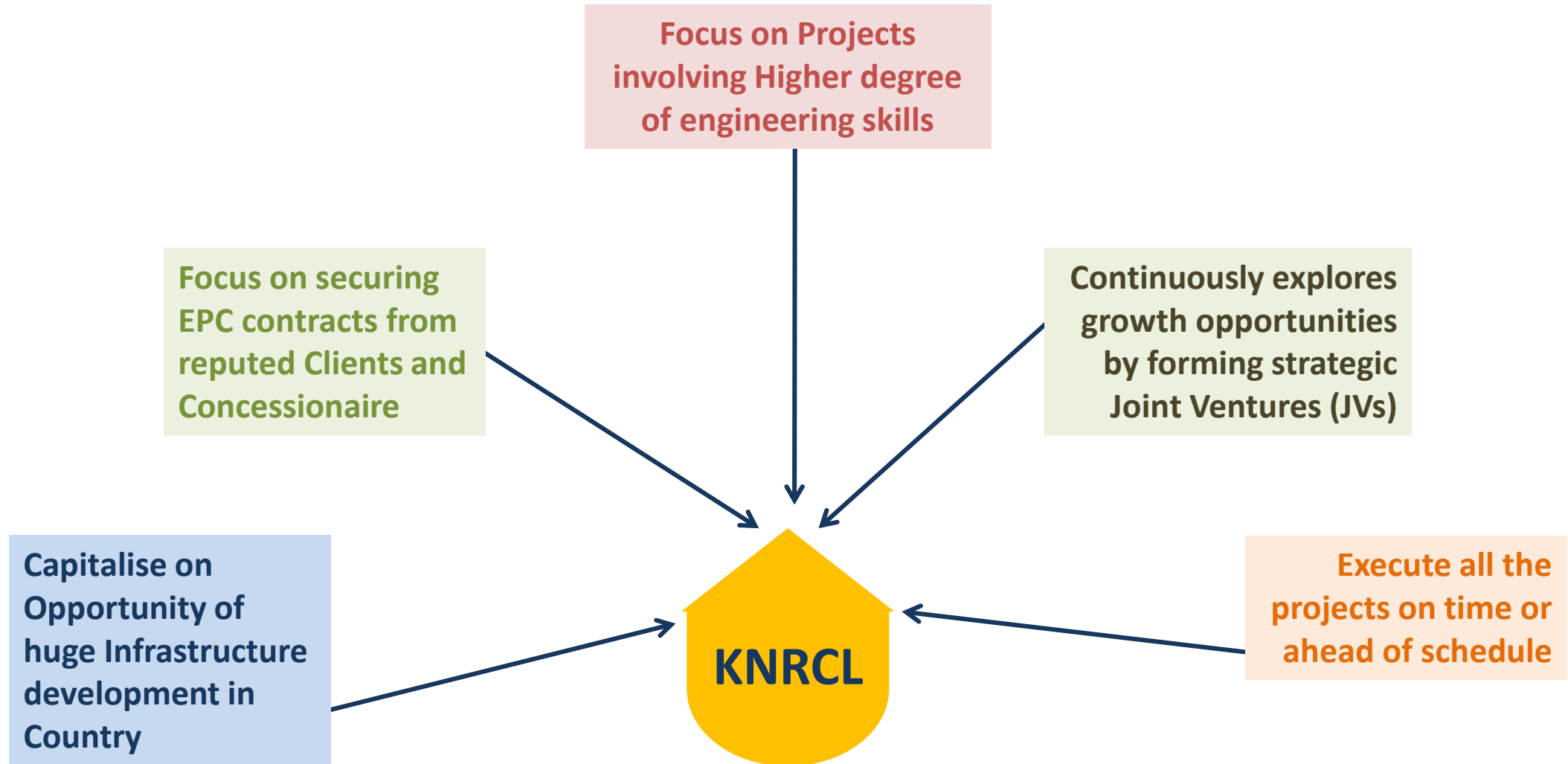
<b>Arunachal Pradesh</b>	
No of Projects	1
Balance Value	Rs. 1,740 mn

<b>AP &amp; Telangana</b>	
No of Projects	6
Balance Value	Rs. 3,255 mn

<b>Tamil Nadu</b>	
No of Projects	7
Balance Value	Rs. 3,145 mn



## Business Strategy





# FINANCIAL HIGHLIGHTS

## Standalone Financial Results

Rs. Million	FY18	FY17	YoY
Net Sales	18,756.4	15,325.4	
Other Operating Income *	560.2	85.1	
<b>Total Revenue</b>	<b>19,316.6</b>	<b>15,410.5</b>	<b>25%</b>
Operating Expenses	12,854.4	11,145.1	
Employees Expenses	721.2	552.4	
Other Expenditure	1,879.7	1,417.3	
<b>EBITDA</b>	<b>3,861.3</b>	<b>2,295.8</b>	<b>68%</b>
<b>EBITDA margin</b>	<b>20.0%</b>	<b>14.9%</b>	
Other Income	393.1	302.8	
Depreciation	1,341.5	638.7	
Interest	231.4	219.0	
Exceptional Items	-	108.7	
<b>PBT</b>	<b>2,681.5</b>	<b>1,632.2</b>	<b>64%</b>
<b>Tax</b>			
Current Tax	195.8	120.9	
Prior Period Tax	-1.9	-0.2	
Deferred Tax	-233.2	-61.0	
<b>Profit After Tax</b>	<b>2,720.9</b>	<b>1,572.5</b>	<b>73%</b>
<b>PAT margin</b>	<b>14.1%</b>	<b>10.2%</b>	
Other Comprehensive Income	-12.7	5.1	
<b>Total Comprehensive Income</b>	<b>2,708.2</b>	<b>1,577.6</b>	<b>72%</b>
<b>Adjusted PAT**</b>	<b>2,720.9</b>	<b>1,681.2</b>	<b>62%</b>
<b>Adjusted PAT Margin</b>	<b>14.1%</b>	<b>10.9%</b>	

\* Other Operating Income includes Rs. 168 million from the claims received by two Joint Ventures in Q1FY18

\*\* Adjusted PAT = PAT + Exceptional Items

## Standalone Balance Sheet

ASSETS (Rs. Millions)	Mar-18	Mar-17
<b>Non-Current Assets</b>		
Property, plant and equipment	3,313.7	2,606.9
Capital work-in-progress	0.2	15.3
Investment property	620.4	614.8
Other Intangible assets	1.5	0.2
Financial Assets		
Investments	176.5	174.5
Other Investments	4,923.4	4,623.0
Loans	16.3	31.3
Other financial assets	25.5	138.4
Deferred tax assets (Net)	1,407.6	815.5
Non current tax assets (Net)	76.1	405.9
Other non-current assets	824.1	275.4
<b>Total Non-current assets</b>	<b>11,385.4</b>	<b>9,701.1</b>
<b>Current assets</b>		
Inventories	711.8	573.6
Financial assets		
Other Investments	256.1	553.4
Trade receivables	2,319.8	1,639.6
Cash and cash equivalents	370.6	164.4
Bank Balances	67.8	82.0
Loans	263.1	317.7
Other financials assets	1,539.2	1,316.0
Current tax assets (Net)	89.3	47.5
Other current assets	2,655.2	1,784.1
<b>Total Current assets</b>	<b>8,273.0</b>	<b>6,478.2</b>
<b>TOTAL ASSETS</b>	<b>19,658.4</b>	<b>16,179.3</b>

EQUITY & LIABILITIES (Rs. Millions)	Mar-18	Mar-17
<b>Equity</b>		
Equity Share capital	281.2	281.2
Other equity	11,297.1	8,673.5
<b>Total equity</b>	<b>11,578.3</b>	<b>8,954.7</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	2,118.5	1,302.8
Trade Payables	82.7	82.7
Other financial liabilities	27.2	32.1
Provisions	42.2	17.3
Other non-current liabilities	132.5	182.4
<b>Total non-current liabilities</b>	<b>2,403.0</b>	<b>1,617.3</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	-	-
Trade Payables	2,101.7	1,343.9
Other financial liabilities	1,171.3	1,784.5
Provisions	142.1	128.1
Current Tax Liability (net)	2,244.0	2,350.8
Other current liabilities	18.0	-
<b>Total current liabilities</b>	<b>5,677.1</b>	<b>5,607.3</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19,658.4</b>	<b>16,179.3</b>

Long Term Bank Loan Facilities are rated as A+ 'Positive' and Short Term Bank Loan Facilities are rated as A1+ by Crisil Ratings

## Consolidated Financial Results

Rs. Million	FY18	FY17	YoY
<b>Total Revenue</b>	<b>20,696.0</b>	<b>16,795.9</b>	<b>23%</b>
Operating Expenses	13,390.5	11,893	
Employees Expenses	739.6	586	
Other Expenditure	2,081.1	1,678	
<b>EBITDA</b>	<b>4,484.76</b>	<b>2,639.62</b>	<b>70%</b>
<b>EBITDA margin</b>	<b>21.7%</b>	<b>15.7%</b>	
Other Income	557.9	329.6	
Depreciation	1,936.0	1,156.3	
Interest	825.0	726.7	
Exceptional Item*	-	108.7	
Share of Profit / (loss) of associates	0.6	79.8	
<b>PBT</b>	<b>2,282.2</b>	<b>1,057.3</b>	<b>116%</b>
<b>Tax</b>			
Current Tax	219.2	131.1	
Prior Period Tax	-2.3	-0.2	
Deferred Tax	-224.2	-61.0	
<b>Profit After Tax</b>	<b>2,289.5</b>	<b>987.5</b>	<b>132%</b>
<b>PAT margin</b>	<b>11.1%</b>	<b>5.9%</b>	
Other Comprehensive Income (Net of Tax)	-12.3	4.8	
<b>Total Comprehensive Income</b>	<b>2,277.2</b>	<b>992.3</b>	<b>129%</b>

\*During FY17, the Company has entered a Share Purchase Agreement for sale of its equity in two BOT annuity projects and correspondingly impairment in value of investment has been provided.

## Consolidated Balance Sheet

ASSETS (Rs. Millions)	Mar-18	Mar-17
<b>Non-current assets</b>		
Property, plant and equipment	3,336.9	2,630.9
Capital work-in-progress	11.5	26.6
Investment property	650.1	644.5
Other Intangible assets	9,426.4	9,009.0
Intangible assets under development	-	886.0
Financial Assets		
Investments	351.1	281.6
Other financial assets	25.5	138.4
Deferred tax assets (Net)	1,407.7	826.0
Non-current tax assets (Net)	121.4	474.5
Other non-current assets	877.0	320.2
<b>Total Non-current assets</b>	<b>16,207.7</b>	<b>15,237.7</b>
<b>Current assets</b>		
Inventories	750.5	805.4
Financial assets		
Other Investments	175.5	454.3
Trade receivables	2,691.4	1,816.9
Cash and cash equivalents	449.9	252.3
Bank Balances	69.9	85.9
Loans	263.1	317.7
Other financials assets	1,606.4	1,325.0
Current tax assets (Net)	199.3	116.8
Other current assets	3,666.0	2,010.0
<b>Total Current assets</b>	<b>9,872.0</b>	<b>7,184.2</b>
<b>TOTAL ASSETS</b>	<b>26,079.8</b>	<b>22,421.9</b>

EQUITY & LIABILITIES (Rs. Millions)	Mar-18	Mar-17
<b>Equity</b>		
Equity Share capital	281.2	281.2
Instruments Entirely Equity in nature	85.0	85.0
Other equity	10,111.4	7,773.0
Non-controlling Interests	500.6	645.9
<b>Total equity</b>	<b>10,978.3</b>	<b>8,785.2</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	7,419.3	6,981.6
Trade Payables	82.7	82.7
Other financial liabilities	3.8	8.6
Provisions	173.3	60.4
Other non-current liabilities	132.5	182.3
<b>Total non-current liabilities</b>	<b>7,811.5</b>	<b>7,315.7</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	-	-
Trade Payables	2,476.2	1,646.2
Other financial liabilities	1,594.4	2,039.2
Provisions	216.3	128.1
Current Tax Liability (net)	2,985.1	2,507.0
Other current liabilities	18.0	0.6
<b>Total current liabilities</b>	<b>7,290.0</b>	<b>6,321.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>26,079.8</b>	<b>22,421.9</b>

## Standalone Financial Highlights\*

Financial Year	2010	2011	2012	2013	2014	2015	2016 <sup>^</sup>	2017 <sup>^</sup>	2018 <sup>^</sup>
Turnover	Rs. 7,125	Rs. 7,930	Rs. 7,505	Rs. 6,921	Rs. 8,348	Rs. 8,761	Rs. 9,025	Rs. 15,411	Rs. 19,317
	\$118.6	\$132.0	\$125.0	\$115.2	\$139.0	\$140.0	\$136.1	\$238.3	\$296.9
EBITDA	Rs. 1,121	Rs. 1,356	Rs. 1,338	Rs. 1,164	Rs. 1,258	Rs. 1,261	Rs. 1,529	Rs. 2,296	Rs. 3,861
	\$18.7	\$22.6	\$22.3	\$19.4	\$20.9	\$20.1	\$23.1	\$35.5	\$59.3
Profit before Tax (PBT)	Rs. 826	Rs. 897	Rs. 784	Rs. 670	Rs. 669	Rs. 723	Rs. 1,291	Rs. 1,632	Rs. 2,682
	\$13.8	\$14.9	\$13.1	\$11.2	\$11.1	\$11.6	\$19.5	\$25.2	\$41.2
Profit after Tax (PAT)	Rs. 503	Rs. 568	Rs. 528	Rs. 521	Rs. 610	Rs. 730	Rs. 1,611	Rs. 1,573	Rs. 2,721
	\$8.4	\$9.5	\$8.8	\$8.7	\$10.2	\$11.7	\$24.3	\$24.3	\$41.8
EPS	Rs. 3.58	Rs. 4.04	Rs. 3.75	Rs. 3.71	Rs. 4.34	Rs. 5.19	Rs. 11.45	Rs. 11.18	Rs. 19.35
	\$0.05	\$0.06	\$0.06	\$0.06	\$0.07	\$0.08	\$0.18	\$0.17	\$0.30
Net Worth	Rs. 3,008	Rs. 3,520	Rs. 4,024	Rs. 4,521	Rs. 5,106	Rs. 5,837	Rs. 7,377	Rs. 8,955	Rs. 11,578
	\$50.1	\$58.6	\$67.0	\$75.3	\$85.0	\$93.3	\$111.2	\$138.5	\$177.9
Debt	Rs. 740	Rs. 735	Rs. 555	Rs. 710	Rs. 867	Rs. 963	Rs. 1,125	Rs. 1,303	Rs. 2,118
	\$12.3	\$12.2	\$9.2	\$11.8	\$14.4	\$16.0	\$16.9	\$20.2	\$32.5
Debt to Equity	0.25	0.21	0.14	0.16	0.17	0.17	0.15	0.14	0.18

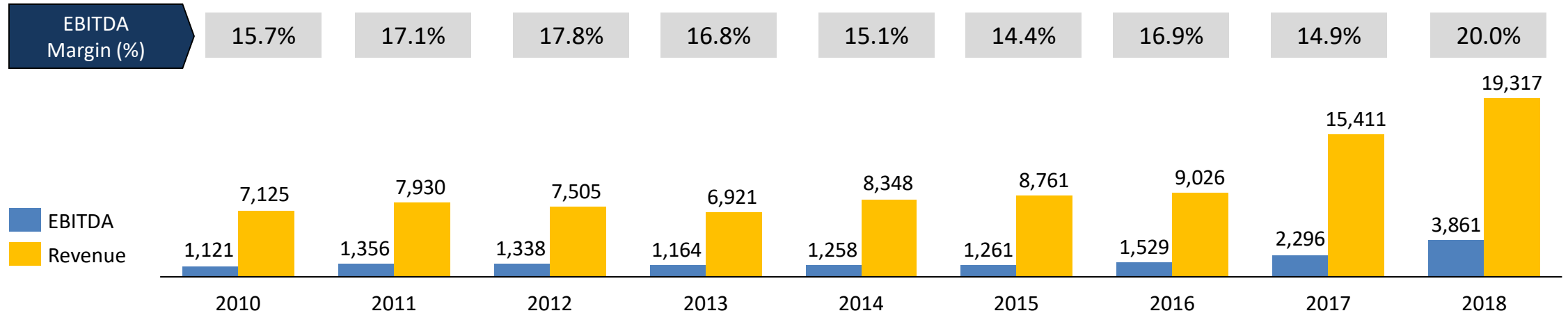
From FY10 to FY14 1 USD = Rs. 60.059  
 FY15 – 1USD = Rs. 62.58; FY16-1 USD = Rs. 66.32; FY17-Rs. 64.66; FY18-Rs. 65.07

\* Above financials are based on I GAAP  
<sup>^</sup> Based on IndAS

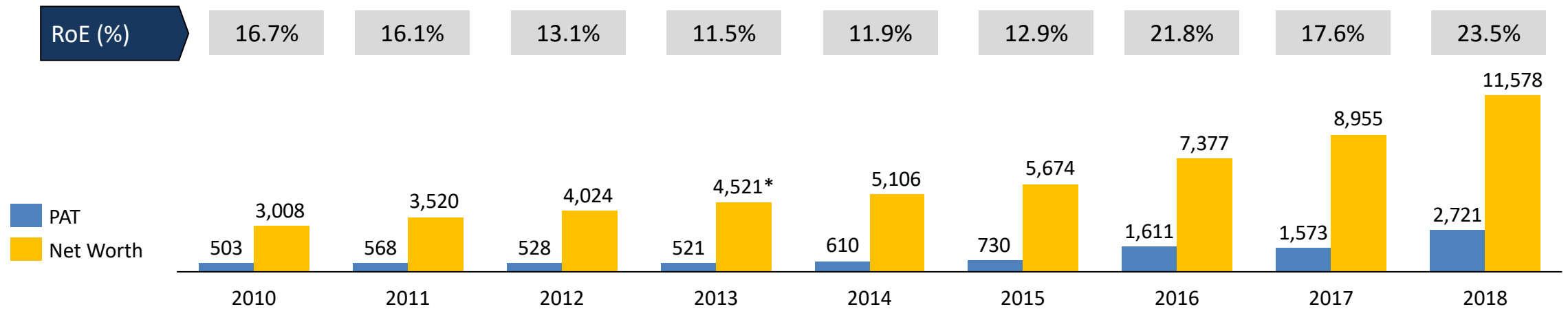
All figures in Rupees million except EPS & Debt to Equity

## Standalone Financial Highlights

### Revenue & EBITDA (Margin %)

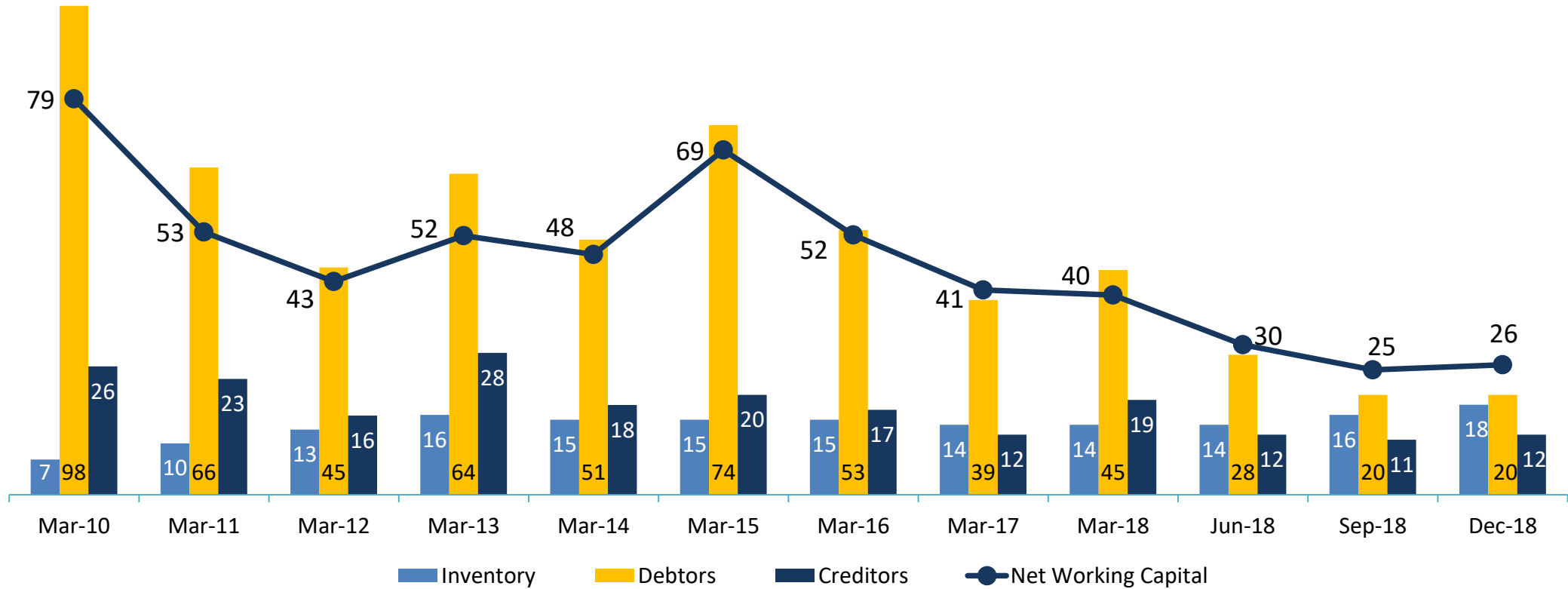


### Net Profit & Net Worth (RoE)

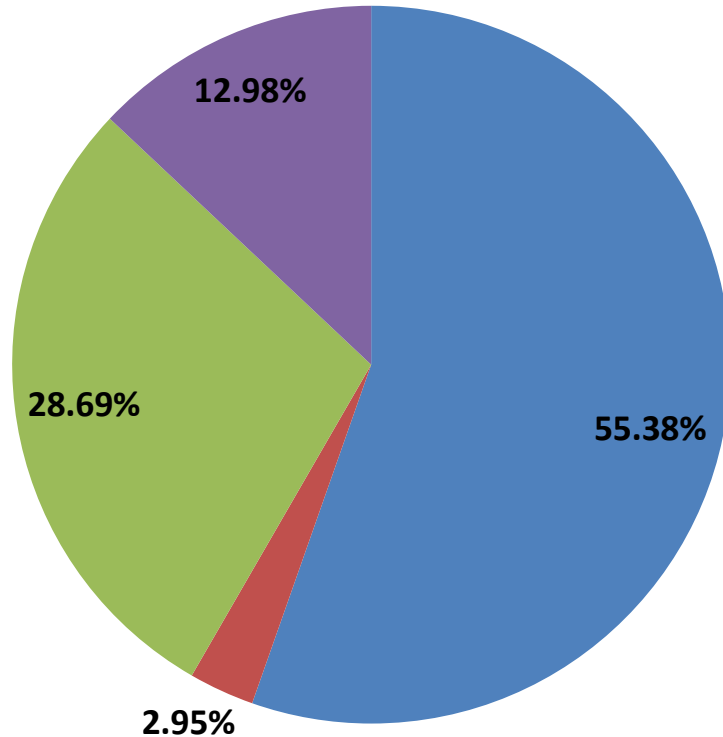




## Standalone Net Working Capital Days



## Shareholding Pattern as on 31<sup>st</sup> December 2018



- **PROMOTERS**
- **FOREIGN INST. INVESTORS**
- **MUTUAL FUNDS & FIs**
- **PUBLIC & OTHERS**

### Shareholders Holding more than 1% of the Equity (Other than Promoters)

	<b>% to Equity</b>
HDFC Mutual Fund	6.40%
ICICI Mutual Fund	7.05%
DSP Blackrock Mutual Fund	6.15%
L&T Mutual Fund	2.22%
Tata Mutual Fund	1.71%
Franklin Mutual Fund	1.73%
Tata AIA Life Insurance	1.55%

**Total** **26.81%**

## Other Businesses

- 📍 Strong growth opportunity in development of Agricultural Infrastructure
- 📍 Execution of Irrigation & Water Supply Projects with Joint Venture Partners
- 📍 Executed 3 Projects in Telangana & 1 Project in Bihar
- 📍 Executed an Urban Water Infrastructure project in the State of Karnataka

**Irrigation & Water Management Projects  
And  
Urban Water Infrastructure Management**



# PROJECT GALLERY

## Completed Projects

KNR Walayar Toll Road



Eturunagaram Bridge over river Godavari



## Completed Projects

Walayar Toll plaza



Muzaffarpur-Barauni Road Project



# Under-Construction Projects

Coimbatore Flyover



Coimbatore Flyover



# Under-Construction Projects

## Salem Flyover



## Flyover in Madurai - Ramanathpuram Section





## Equipments

Salem work yard



Tippers on site



## Irrigation Projects

### Palamurru lift Irrigation



## Irrigation Projects

### Palamurru lift Irrigation



For further information, please contact

Company :	Investor Relations Advisors :
<p>KNR Constructions Ltd. CIN: L74210TG1995PLC130199</p> <p>Mr. K. Venkata Ram Rao (GM - Finance &amp; Accounts)</p> <p><a href="mailto:venkatram@knrcl.com">venkatram@knrcl.com</a></p> <p><b>Registered Office Address:</b> KNR Constructions Limited KNR House, 3rd &amp; 4th Floors, Plot NO. 114, Phase - I, Kavuri Hills, Hyderabad – 500033</p> <p><a href="http://www.knrcl.com">www.knrcl.com</a></p>	<p>Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285</p> <p><b>Mr. Jigar Kavaiya / Mr. Rohan Adhiya</b></p> <p>+91-9920602034 / +91 9833219522</p> <p><a href="mailto:Jigar.kavaiya@sgapl.net">Jigar.kavaiya@sgapl.net</a> / <a href="mailto:rohan.adhiya@sgapl.net">rohan.adhiya@sgapl.net</a></p> <p><a href="http://www.sgapl.net">www.sgapl.net</a></p>