



KNR Constructions Limited.

Date: 29th May 2023

Ref: KNRCL/SD/2023/569&570

To, The Manager BSE Limited, P J Towers, Dalal Street, Fort, Mumbai – 400001 Scrip code: 532942	To, The Manager, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051. Scrip Code: KNRCON
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Dear Sir/Madam,

Sub: - Outcome of Board Meeting held on 29th May 2023

Ref: Regulation 30 read with Regulation 33 of SEBI (LODR) Regulations, 2015

We refer to the above captioned subject, we herewith intimate to the Exchanges that the Board of Directors at their meeting held today, i.e, Monday, 29th May 2023 has interalia considered, approved/noted the following:

- a) Audited financial statements (Standalone and Consolidated) of the Company for the year ended 31st March 2023, as reviewed and recommended by the Audit Committee, along with the auditors' report (standalone and consolidated) as on that date (enclosed herewith). A copy of the declaration signed by the Vice-President (Finance & Accounts) of the Company stating that the audit report is with unmodified opinion is also enclosed herewith.
- b) Declaration of final dividend of Rs. 0.25/- per equity share of Rs. 2/- each for the financial year ended 31st March 2023, subject to the approval by the shareholders at the ensuing Annual General Meeting. Record date for the purpose of final dividend will be intimated in due course of time.
- c) The related party transactions report for the half year ended 31st March 2023 pursuant to Regulation 23(9) of SEBI (LODR) Regulations, 2015. (enclosed herewith)
- d) Re-appointment of M/s KP Rao & Co. Chartered Accountants as Internal Auditors of the Company for the FY 2023-24.
- e) Re-appointment of M/s Dendukuri & Co., Cost Accountants as Cost Auditors of the Company for the FY 2023-24.
- f) Re-appointment of M/s VCSR & Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for the FY 2023-24.

Regd.Office : 'KNR House',3rd & 4th Floor, Plot No.114,Phase-I,Kavuri Hills,
Hyderabad -500 033 Phone.:+91-40-40268759 ,40268761/ 62, Fax : 040- 40268760 ,

E-mail : info@knrcl.com, Web : www.knrcl.com

CIN: L74210TG1995PLC130199



KNR Constructions Limited.

Kindly note that the meeting was commenced at 04.00PM and concluded at 07.00 PM.

This is for your information and records, please.

Thanking you,
Yours truly
For **KNR Constructions Limited**

Haritha Varanasi
Company Secretary

KNR CONSTRUCTIONS LIMITED
CIN: L74210TG1995PLC130199

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

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rupees In Lakhs, except share data)

SI. No.	PARTICULARS	Quarter ended					
		March 31		December 31		March 31	
		2023	2022	2022	2023	2022	2023
		Audited	Unaudited	Audited	Audited	Audited	Audited
1.	Revenue from Operations (Refer note : 5, 6 & 10)	1,17,558.53	83,021.23	1,01,074.42	3,74,379.62	3,27,259.17	
2.	Other Income (Refer note : 10)	956.57	587.36	1,851.10	3,208.72	4,168.27	
3.	Total income (1+2)	1,18,515.10	83,608.59	1,02,925.52	3,77,588.34	3,31,427.44	
4.	Expenses						
	a) Cost of materials consumed	40,999.34	33,623.97	30,672.38	1,49,474.47	1,18,071.56	
	b) Sub contract expenses	13,659.49	5,076.55	18,860.12	33,423.64	34,021.53	
	c) Spreading & Assortment expenses	27,093.07	17,822.39	20,964.06	75,056.17	67,627.59	
	d) Employee benefits expense	4,101.76	4,445.95	4,096.53	17,099.19	14,477.01	
	e) Finance Costs (Refer note : 7)	797.11	1,596.10	600.38	3,926.45	2,744.34	
	f) Depreciation and amortization expense	4,005.39	3,809.25	3,986.75	14,743.35	13,458.97	
	g) Other expenses	10,510.81	6,448.88	5,680.92	27,154.21	25,287.85	
	Total Expenses (a to g)	1,01,166.97	72,823.09	84,861.14	3,20,877.48	2,75,688.85	
5.	Profit / (loss) before exceptional items and tax (3 - 4)	17,348.13	10,785.50	18,064.38	56,710.86	55,738.59	
6.	Exceptional Items - Expenses/(Income) (Refer note: 8 & 9)	-	(13,796.61)	-	(13,796.61)	(2,139.95)	
7.	Profit / (loss) before tax (5 - 6)	17,348.13	24,582.11	18,064.38	70,507.47	57,878.54	
8.	Tax Expense						
	Current Tax (Refer note: 6 & 8)	4,420.45	6,053.69	4,757.72	18,052.54	15,304.10	
	Tax relating to earlier years (Refer note : 7)	83.82	2,676.93	1,300.04	3,139.40	1,146.10	
	Deferred Tax	(16.58)	(332.02)	728.07	(567.79)	3,248.70	
	Total Tax Expense	4,487.69	8,398.60	6,785.83	20,624.15	19,698.90	
9.	Net Profit/(Loss) after tax (7 - 8)	12,860.44	16,183.51	11,278.55	49,883.32	38,179.64	
10.	Other Comprehensive Income (OCI)						
	a) Items that will not be reclassified to profit or loss						
	Remeasurements of the defined benefit plans	130.19	(20.97)	(56.96)	67.29	(83.87)	
	Deferred Tax on above items	(32.77)	5.28	14.34	(16.94)	21.11	
	b) Items that will be reclassified to profit or loss	-	-	-	-	-	
11.	Total Comprehensive Income (9+10)	12,957.86	16,167.82	11,235.93	49,933.67	38,116.88	
12.	Paid up equity share capital (Face Value Rs.2/- per share)	5,624.70	5,624.70	5,624.70	5,624.70	5,624.70	
13.	Other Equity				2,67,802.82	2,18,572.24	
14.	Earnings Per Share (EPS)						
	a. Basic EPS Rs.	4.57*	5.75*	4.01*	17.74	13.58	
	b. Diluted EPS Rs.	4.57*	5.75*	4.01*	17.74	13.58	

* Not annualised



K. Reddy



KNR CONSTRUCTIONS LIMITED

CIN: L74210TG1995PLC130199

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

Notes:

1. The above Standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on May 29, 2023.
2. The Board of Directors at its meeting held on May 29, 2023 have recommended a dividend of Rs. 0.25/- per equity share of face value of Rs. 2/- each for the financial year 2022-23, which is subject to approval of the share holders in the ensuing Annual General Meeting.
3. The above Standalone financial results are in compliance with the Indian Accounting Standards (IND AS) specified under the section 133 of the Companies Act, 2013 read with SEBI circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019 & amendments thereto and have been Audited by the Statutory Auditors of the Company.
4. The Standalone figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and March 31, 2022 and unaudited published year to date standalone figures up to nine months ended December 31, 2022 and December 31, 2021 respectively.
5. For the year ended March 31, 2023, the Company has received a bonus of Rs. 725.86 lakhs from one of the HAM Project, which is included in the statement of Standalone profit and loss.
6. For the year ended March 31, 2023, two of Company's JOs i.e. Patel KNR JV & KNR Patel JV have sold their pending Arbitration claims through assignment deed, accordingly the Company has recognised share of revenue of Rs. 2,409.00 lakhs and Rs. 52.00 lakhs respectively and also the resultant tax impact of Rs. 770.78 lakhs and Rs. 19.68 lakhs respectively in the statement of Standalone profit and loss.
7. With respect to the search operation conducted by the Income Tax Department under Section 132 of the Income-tax Act, 1961 in March 2022, we further disclose that as on the date of issuance of these financial results, the Assessing Officer has initiated the proceedings for re assessment of income, as is relevant for each of the financial years from 2016-17 to 2021-22 under the applicable provisions of the Income tax Act, 1961 and further based on the deliberations with the Assessing Officer and as a prudent measure, the Company has made a provision of Rs. 2,475.26 lakhs towards Income tax and Rs. 945.12 lakhs towards interest on Income Tax for the above said years, which has been duly reflected in the Standalone Profit and Loss under the head "tax relating to earlier years" and "finance cost" respectively for the quarter ended December 31, 2022 and year ended March 31 2023.
8. During the quarter ended December 31, 2022 and year ended March 31, 2023, the Company has divested its balance 51% stake in KNR Tirumala Infra Pvt Ltd and KNR Shankarampet Projects Pvt Ltd on October 20, 2022 for a value of Rs. 8,218.54 lakhs and Rs. 5,069.53 lakhs respectively, and 100% stake in KNR Srirangam Infra Pvt Ltd for a value of Rs. 14,655.20 lakhs, which includes repayment of 100% sub debt infused by the Company of Rs. 3,024.41 lakhs to CUBE Highways and Infrastructure III Pte. Ltd., accordingly profit of Rs. 13,796.61 lakhs was shown as exceptional item and tax of Rs. 2,746.72 lakhs on above profit under Current tax in the Statement of Standalone Profit and Loss.
9. For the year ended March 31, 2022 the Company has transferred its 49% stake in two of its 100% wholly owned subsidiaries i.e. KNR Tirumala Infra Pvt Ltd and KNR Shankarampet Projects Pvt Ltd to CUBE Highways and Infrastructure III pte.ltd on December 30, 2021 for a value of Rs. 13,680.97 Lakhs and Rs. 10,851.23 Lakhs respectively, which includes repayment of 100% sub debt infused by the Company of Rs. 8,859.50 Lakhs and Rs. 7,469.50 Lakhs respectively, accordingly profit of Rs. 2,139.95 Lakhs was shown as exceptional item in the Statement of Standalone Profit and Loss.
10. For the Year ended March 31, 2022, the Company has received an arbitration settlement in one of the Joint Venture project, the Company's share of Revenue of Rs. 323.63 lakhs and Company's share of Interest Income of Rs. 759.90 lakhs included in statement of Standalone Profit and Loss.
11. The Company is primarily engaged in "Construction and Engineering activities" and the segment report is reviewed by Chief Operating Decision Maker, accordingly the Company has considered the business as a whole as a single Operating Segment in accordance with Ind AS 108.
12. Figures for the previous year/period have been regrouped/re-classified to confirm to the figures of the current period.



For KNR Constructions Ltd.,

K. Narsimha Reddy
Managing Director
DIN: 00382412



Place : Hyderabad
Date : 29-05-2023

KNR CONSTRUCTIONS LIMITED
CIN: L74210TG1995PLC130199
STATEMENT OF AUDITED STANDALONE ASSETS AND LIABILITIES AS AT MARCH 31, 2023

(Rs. In Lakhs)

PARTICULARS	As At March 31, 2023	As At March 31, 2022
I ASSETS		
1) NON-CURRENT ASSETS		
a) Property, plant and equipment	40,840.51	41,439.22
b) Capital work-in-progress	251.01	2,062.00
c) Right of Use Asset	691.92	930.72
d) Investment property	6,587.97	6,587.97
e) Other Intangible assets	5.12	4.99
f) Financial Assets		
i) Investments	19,745.71	8,505.71
ii) Other Investments	32,693.16	25,629.79
iii) Trade receivables	2,953.00	-
iv) Loans	329.34	312.76
v) Other financial assets	2,774.95	2,521.02
g) Deferred tax assets (Net)	12,293.45	11,825.95
h) Non Current tax assets (Net)	2,674.14	2,562.35
i) Other non-current assets	7,145.95	15,138.43
Total non-current assets	1,28,986.23	1,17,520.91
2) CURRENT ASSETS		
a) Inventories	23,407.34	22,703.98
b) Financial assets		
i) Investments in Associates held for sale	-	14,130.70
ii) Investments	-	9.53
iii) Trade receivables	98,344.38	84,939.34
iv) Cash and cash equivalents	18,557.52	13,670.23
v) Bank balances, other than (iv) above	1,427.43	3,660.19
vi) Loans	11.14	1,009.64
vii) Other financials assets	37,768.35	29,913.89
c) Current tax assets (Net)	-	507.10
d) Other current assets	61,460.10	44,880.24
Total current assets	2,40,976.26	2,15,424.84
TOTAL ASSETS	3,69,962.49	3,32,945.75
II EQUITY AND LIABILITIES		
EQUITY		
a) Equity Share capital	5,624.70	5,624.70
b) Other equity	2,67,802.82	2,18,572.24
Total Equity	2,73,427.52	2,24,196.94
LIABILITIES		
1) NON - CURRENT LIABILITIES		
a) Financial liabilities		
i) Lease Liability	566.07	641.48
ii) Other financial liabilities	-	1.99
b) Provisions	1,150.57	996.55
c) Other non-current liabilities	1,127.75	1,059.59
Total non-current liabilities	2,844.39	2,699.61
2) CURRENT LIABILITIES		
a) Financial liabilities		
i) Borrowings	25.45	-
ii) Trade Payables :		
Dues to Micro & Small Enterprises	167.04	242.75
Dues to other than Micro & Small Enterprises	37,437.04	29,211.83
iii) Other financial liabilities	15,041.80	12,757.01
b) Provisions	1,458.02	2,395.88
c) Other current liabilities	37,993.52	59,407.21
d) Current tax liabilities (Net)	1,567.71	2,034.52
Total current liabilities	93,690.58	1,06,049.20
TOTAL EQUITY AND LIABILITIES	3,69,962.49	3,32,945.75



K. H. Reddy

KNR CONSTRUCTIONS LIMITED
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Audited Standalone Cash Flow Statement for the Year Ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
A) Cash flow from Operating Activities		
Profit before tax	70,507.47	57,878.54
Adjustments for:		
Depreciation and Amortisation Expense	14,743.35	13,458.97
Loss/(Profit) on sale of Property, Plant and Equipment, Investment Property(Net)	(128.06)	(134.69)
Liabilities no longer required written back	(110.89)	(106.31)
Provision for doubtful advances written back	-	(483.93)
Bad Debts / Advances written Off	224.43	361.20
(Gain) / Loss on Mutual Funds	(165.17)	(110.13)
Un winding Interest on Fair Value of Financial Instruments	(763.70)	(245.60)
(Due from)/Due to Customer written off	536.94	(970.04)
Exceptional Item	(13,796.61)	(2,139.95)
Provision for Doubtful Advances and Other receivables	-	59.11
Provision for Foreseeable Losses	-	138.37
Un winding Interest on Lease liability	31.33	33.24
Interest on mobilisation advance	268.90	-
Finance cost	3,626.22	2,711.10
Interest Income	(166.30)	(1,270.43)
Operating profit before working capital changes	74,807.91	69,179.45
Changes in working capital:		
(Increase)/Decrease in Trade and Other Receivables and prepayments	(40,148.14)	(14,549.36)
(Increase)/Decrease in Inventories	(703.36)	(7,905.08)
Increase/(Decrease) in Trade and other Payables	(11,495.95)	5,859.38
Cash generated/ (used) from Operations	22,460.46	52,584.39
Income Taxes (paid) / Refund	(21,173.31)	(18,261.94)
Net Cash flows from / (used in) Operating Activities- (A)	1,287.15	34,322.45
B) Cash flow from Investing Activities		
Proceeds from sale of property, plant and equipment	5,829.31	370.91
Payments for property, plant and equipment and Capital Work-in-Progress	(10,990.62)	(29,759.85)
Interest Received	185.65	1,646.05
Bank Balances not considered as cash and cash equivalents	2,232.76	(2,748.17)
Loans/Advances to Subsidiaries/Associates and others	1,253.62	(22.68)
Investments in Subsidiaries, Associates and Others	9,798.64	2,957.10
TDS on Interest Received	(6.77)	(17.08)
Net Cash flows from / (used in) Investing Activities- (B)	8,302.59	(27,573.72)
C) Cash flow from Financing Activities		
Proceeds from borrowings	25,000.00	10,000.00
Repayment of borrowings	(25,000.00)	(10,000.00)
Increase / (decrease) in short term borrowings	25.45	(71.24)
Finance cost paid	(4,024.81)	(3,124.96)
Dividend Paid	(703.09)	(703.09)
Net Cash Flows from / (used in) Financing Activities- (C)	(4,702.45)	(3,899.29)
Net increase/(decrease) in cash and cash equivalents - (A+B+C)	4,887.29	2,849.44
Cash & Cash Equivalents at the beginning of the year	13,670.23	10,820.79
Cash & Cash Equivalents at end of the year (Refer note)	18,557.52	13,670.23
Note:		
1 Cash & Cash equivalents		
Cash on hand	42.16	35.18
Bank Balance including Deposits and Cheques on Hand - Current Account	18,515.36	13,635.05
Total Cash & Cash equivalents	18,557.52	13,670.23



K. P. RAO
H.N. ANIL
MOHAN R LAVI

K. VISWANATH
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Independent Auditor's Report on Standalone Annual Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) regulations, 2015

**To the Board of Directors of KNR Constructions Limited,
Hyderabad**

Opinion

We have audited the accompanying standalone annual financial results of KNR Constructions Limited (hereinafter referred to as the "Company") which includes the financial information of the entities (comprising of 16 Joint operations consolidated on a proportionate basis) listed in Annexure "A" for the quarter ended and year ended 31 March 2023 ('standalone annual financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). the joint operations, the results of which have been included in the Consolidated Financial Results have been listed in Annexure "A".

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

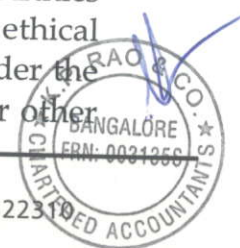
- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other

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ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor' Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material



misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
4. Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.



6. Obtain sufficient appropriate audit evidence regarding the financial results of the entities and its joint operations to express an opinion on the standalone annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the annual financial results of which we are the independent auditors. For the other entities included in the standalone annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

- a) The standalone annual financial results include the audited financial results of 12 Joint operations, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 45,332.64 lakhs as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. 25,026.65 lakhs and Rs. 80,728.28 lakhs, total net profit/(loss) after tax (before consolidation adjustments) of Rs. (24.24) lakhs and Rs. 2,178.08 lakhs, total comprehensive income/(loss) (before consolidated adjustments) of Rs. (24.24) lakhs and Rs. 2,178.08 lakhs for the Quarter and year ended 31st March, 2023 respectively and net cash flow/(outflow) Rs. (5,158.83) lakhs for year ended 31st March 2023, as considered in the standalone financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the standalone annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the standalone annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

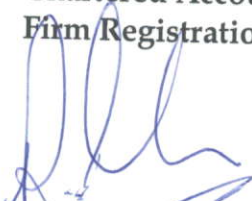


- b) The standalone annual financial results include the unaudited financial results of 4 Joint operations whose financial information reflect total assets of Rs. 893.12 lakhs (before consolidation adjustments) as at 31st March 2023 and total revenues of Rs. Nil lakhs and Rs. 118.23 (before consolidation adjustments), total net profit/(loss) after tax of Rs. (0.01) lakhs and Rs. 5.93 lakhs (before consolidation adjustments) and total comprehensive income/(loss) (before consolidated adjustments) of Rs. (0.01) lakhs and Rs.5.93 lakhs for the Quarter ended and year ended 31st March 2023 and net cash flow/(outflow) Rs. 5.04 lakhs for year ended 31st March 2023, as considered in the standalone financial results, which have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial information are not material to the Group.

Our opinion on the standalone annual financial results is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Board of Directors.

- c) The standalone annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For K P Rao & Co
Chartered Accountants
Firm Registration No: 003135S



Mohan R Lavi
Partner

Membership No. 029340
UDIN: 23029340BGWHVL2451



Place: Hyderabad
Date: 29th May, 2023

Annexure A

Joint Operations

Audited by Other Auditors

1	PATEL- KNR JV
2	KNR -BPL JV
3	KNR -PATEL JV
4	KNR -SLMI JV
5	KNR -JKM JV
6	KNR - TBCPL JV
7	PSK-KNR-GVR-JV
8	KNR-PBEPL-JV
9	KNR-SEW-GVR-JV
10	BSCPL-KNRCL-JV
11	KNR-HES-ACPL-JV
12	KNR-HES JV

Not Audited by other Auditors

1	KNR-SLEC JV
2	KNR- GVR JV
3	KNR -JKM- KAMALA JV
4	KNR - TBCPL JV



KNR CONSTRUCTIONS LIMITED

CIN: L74210TG1995PLC130199

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

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rupees In Lakhs, except share data)

Sl. No.	PARTICULARS	Quarter ended			Year ended	
		March 31	December 31	March 31	March 31	March 31
		2023	2022	2022	2023	2022
		Audited	Unaudited	Audited	Audited	Audited
1.	Revenue from Operations (Refer note : 5 & 9)	1,24,533.24	87,492.63	1,10,208.64	4,06,235.97	3,60,582.24
2.	Other Income (Refer note : 9)	1,009.71	653.30	1,982.50	3,667.67	4,487.49
3.	Total income (1+2)	1,25,542.95	88,145.93	1,12,191.14	4,09,903.64	3,65,069.73
4.	Expenses					
	a) Cost of materials consumed	40,999.34	33,623.97	30,672.38	1,49,474.45	1,18,071.56
	b) Sub contract expenses	13,659.49	5,076.55	18,860.12	33,423.64	34,021.53
	c) Construction cost	3,078.78	224.66	435.61	5,181.41	2,886.81
	d) Spreading & Assortment expenses	27,106.48	17,839.84	20,977.83	75,121.29	67,676.87
	e) Employee benefits expense	4,119.31	4,489.28	4,182.05	17,420.51	14,605.27
	f) Finance Costs (Refer note: 6)	2,055.91	3,337.76	4,330.85	15,307.60	14,811.39
	g) Depreciation and amortization expense	4,824.32	4,648.10	4,782.15	18,070.09	16,492.06
	h) Other expenses	10,972.80	6,559.49	7,193.75	33,883.27	43,454.71
	Total Expenses (a to h)	1,06,816.43	75,799.65	91,434.74	3,47,882.26	3,12,020.20
5.	Profit / (loss) before exceptional items and tax (3 - 4)	18,726.52	12,346.28	20,756.40	62,021.38	53,049.53
6.	Exceptional Items - Expenses/(Income) (Refer note : 7 & 8)	-	(6,184.49)	-	(6,184.49)	(2,139.95)
7.	Profit / (loss) before tax (5 - 6)	18,726.52	18,530.77	20,756.40	68,205.87	55,189.48
8.	Tax Expense					
	Current Tax (Refer note: 5)	4,456.91	6,084.22	4,757.72	18,119.53	15,304.10
	Tax relating to earlier years (Refer note: 6)	83.82	2,676.93	1,300.04	3,139.40	1,146.10
	Deferred Tax	(16.58)	(972.42)	728.07	2,924.83	3,248.70
	Total Tax Expense	4,524.15	7,788.73	6,785.83	24,183.76	19,698.90
9.	Net Profit/(Loss) after tax (7 - 8)	14,202.37	10,742.04	13,970.57	44,022.11	35,490.58
10.	Share of profit / (loss) of associates and joint Controlled Entity	(29.24)	85.34	98.65	(81.17)	1,148.70
11.	Net Profit/(Loss) after tax and share of profit / (loss) of associates and joint controlled entity (9 + 10)	14,173.13	10,827.38	14,069.22	43,940.94	36,639.28
	Attributable to:					
	Shareholders of the Company	14,727.19	10,576.35	13,915.72	45,801.42	38,184.47
	Non-Controlling Interest	(554.06)	251.03	153.50	(1,860.48)	(1,545.19)
12.	Other Comprehensive Income (OCI)					
	a) Items that will not be reclassified to profit or loss					
	Remeasurements of the defined benefit plans	130.66	(20.97)	(54.37)	67.76	(81.23)
	Deferred Tax on above items	(32.77)	5.28	14.34	(16.94)	21.11
	b) Items that will be reclassified to profit or loss	-	-	-	-	-
13.	Total Comprehensive Income (11+12)	14,271.02	10,811.69	14,029.19	43,991.76	36,579.16
	Attributable to:					
	Shareholders of the Company	14,825.08	10,560.66	13,875.69	45,852.24	38,124.35
	Non-Controlling Interest	(554.06)	251.03	153.50	(1,860.48)	(1,545.19)
14.	Paid up equity share capital (Face Value Rs.2/- per share)	5,624.70	5,624.70	5,624.70	5,624.70	5,624.70
15.	Other Equity				2,71,445.29	2,26,296.14
16.	Earnings Per Share (EPS)					
	a. Basic EPS Rs.	5.24*	3.76*	4.95*	16.29	13.58
	b. Diluted EPS Rs.	5.24*	3.76*	4.95*	16.29	13.58

* Not annualised



K. K. Reddy



KNR CONSTRUCTIONS LIMITED

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Ph: 040 -40268759 /61 /62 Fax: 040-40268760; website: knrcl.com; E-mail: investors@knrcl.com**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023****Notes:**

1. The above Consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on May 29, 2023.
2. The Board of Directors at its meeting held on May 29, 2023 have recommended a dividend of Rs. 0.25/- per equity share of face value of Rs. 2 each for the financial year 2021-22, which is subject to approval of the share holders in the ensuing Annual General Meeting.
3. The above consolidated financial results are in compliance with the Indian Accounting Standards (IND AS) specified under the section 133 of the Companies Act, 2013 read with SEBI circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019 & amendments thereto and have been subjected to Limited Review by the Statutory Auditors of the Company.
4. The Consolidated figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and March 31, 2022 and unaudited published year to date consolidated figures up to nine months ended December 31, 2022 and December 31, 2021 respectively.
5. For the year ended March 31, 2023, two of Company's JOs i.e. Patel KNR JV & KNR Patel JV have sold their pending Arbitration claims through assignment deed, accordingly the Company has recognised share of revenue of Rs. 2,409.00 lakhs and Rs. 52.00 lakhs respectively and also the resultant tax impact of Rs. 770.78 lakhs and Rs. 19.68 lakhs respectively in the statement of Consolidated Profit and Loss.
6. With respect to the search operation conducted by the Income Tax Department under Section 132 of the Income-tax Act, 1961 in March 2022, we further disclose that as on the date of issuance of these financial results, the Assessing Officer has initiated the proceedings for re assessment of income, as is relevant for each of the financial years from 2016-17 to 2021-22 under the applicable provisions of the Income tax Act, 1961 and further based on the deliberations with the Assessing Officer and as a prudent measure, the Company has made a provision of Rs. 2,475.26 lakhs towards Income tax and Rs. 945.12 lakhs towards interest on Income Tax for the above said years, which has been duly reflected in the Consolidated Profit and Loss under the head "tax relating to earlier years" and "finance cost" respectively for the quarter ended December 31, 2022 and year ended March 31 2023.
7. During the quarter ended December 31, 2022 and year ended March 31, 2023, the Company has divested its balance 51% stake in KNR Tirumala Infra Pvt Ltd and KNR Shankarampet Projects Pvt Ltd and 100% stake in KNR Srirangam Infra Pvt Ltd (SPV's) to CUBE Highways and Infrastructure III Pte Ltd., The Company has recognised an amount of Rs. 6,184.49 lakhs as a profit on sale of 3 SPV's as purchase consideration is more than the networth of the 3 SPV's, which is shown as exceptional item in the Statement of Consolidated Profit and Loss.
8. For the Year ended March 31, 2022, the Company has transferred its 49% stake in two of its wholly owned subsidiaries i.e. KNR Tirumala Infra Pvt Ltd and KNR Shankarampet Projects Pvt Ltd to CUBE Highways and Infrastructure III pte.ltd on 30.12.2021 for a value of Rs. 13,680.97 Lakhs and Rs. 10,851.23 Lakhs respectively, which includes repayment of 100% sub debt infused by the Company of Rs. 8,859.50 Lakhs and Rs. 7,469.50 Lakhs respectively, accordingly profit of Rs. 2,139.95 Lakhs was shown as exceptional item in the Statement of Consolidated Profit and Loss.
9. For the Year ended March 31, 2022, the Company has received an arbitration settlement in one of the Joint Venture project, the Company's share of Revenue of Rs. 323.63 lakhs and Company's share of Interest Income of Rs. 759.90 lakhs included in statement of Consolidated Profit and Loss.
10. The Group is primarily engaged in "Construction and Engineering activities" and the segment report is reviewed by Chief Operating Decision Maker, accordingly the Group has considered the business as a whole as a single Operating Segment in accordance with Ind AS 108.
11. Figures for the previous year/period have been regrouped/re-classified to confirm to the figures of the current period.

For KNR Constructions Ltd.,

**K.Narsimha Reddy**
Managing Director
DIN: 00382412Place : Hyderabad
Date : 29-05-2023

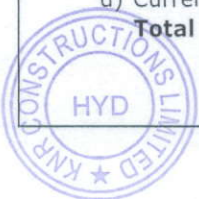
KNR CONSTRUCTIONS LIMITED

CIN: L74210TG1995PLC130199

STATEMENT OF AUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT MARCH 31, 2023

(Rs. In Lakhs)

PARTICULARS	As At March 31, 2023	As At March 31, 2022
I ASSETS		
1) NON-CURRENT ASSETS		
a) Property, plant and equipment	44,803.06	45,794.51
b) Capital work-in-progress	251.01	2,062.00
c) Right of Use Asset	691.92	930.72
d) Investment property	13,272.42	9,037.56
e) Other Intangible assets	30,281.50	33,227.49
f) Financial Assets		
i) Investments	5,702.41	5,783.58
ii) Trade receivables	2,953.00	-
iii) Other financial assets	84,137.06	1,87,038.47
g) Deferred tax assets (Net)	12,293.45	11,825.95
h) Non current tax assets (Net)	3,422.74	6,223.87
i) Other non-current assets	20,473.47	35,485.98
Total non-current assets	2,18,282.04	3,37,410.13
2) CURRENT ASSETS		
a) Inventories	23,422.70	22,740.50
b) Financial assets		
i) Investments	1,532.39	1,541.92
ii) Trade receivables	62,289.70	59,841.46
iii) Cash and cash equivalents	19,097.53	14,737.40
iv) Bank balances, other than (iii) above	2,922.28	11,182.50
v) Loans	11.14	1,009.64
vi) Other financials assets	38,618.04	29,571.62
c) Current tax assets (Net)	1,330.20	533.13
d) Other current assets	66,694.78	48,464.06
Total current assets	2,15,918.76	1,89,622.23
TOTAL ASSETS	4,34,200.80	5,27,032.36
II EQUITY AND LIABILITIES		
EQUITY		
a) Equity Share capital	5,624.70	5,624.70
b) Instruments entirely equity in nature	850.00	850.00
c) Other equity	2,71,445.29	2,26,296.14
Equity attributable to share holders of the company	2,77,919.99	2,32,770.84
Non-Controlling Interests	(3,137.18)	23,144.33
Total Equity	2,74,782.81	2,55,915.17
LIABILITIES		
1) NON - CURRENT LIABILITIES		
a) Financial liabilities		
i) Borrowings	49,162.26	1,37,248.26
ii) Lease Liability	566.07	641.48
iii) Other financial liabilities	418.10	270.74
b) Provisions	1,380.05	6,263.14
c) Other non-current liabilities	1,127.75	1,059.59
Total non-current liabilities	52,654.23	1,45,483.21
2) CURRENT LIABILITES		
a) Financial liabilities		
i) Borrowings	15,477.76	8,464.13
ii) Trade Payables		
Dues to MSM Enterprises	167.04	268.34
Dues to other than MSM Enterprises	38,602.67	30,438.44
iii) Other financial liabilities	15,787.20	14,681.67
b) Provisions	6,200.05	3,138.29
c) Other current liabilities	28,894.34	66,608.59
d) Current tax liabilities (Net)	1,634.70	2,034.52
Total current liabilities	1,06,763.76	1,25,633.98
TOTAL EQUITY AND LIABILITIES	4,34,200.80	5,27,032.36



K.R. Reddy

KNR CONSTRUCTIONS LIMITED

CIN: L74210TG1995PLC130199

Audited Consolidated Cash Flow Statement for the Year Ended March 31, 2023

(Rs. In Lakhs)

PARTICULARS	Year Ended March 31, 2023	Year Ended March 31, 2022
A) Cash Flow from operating Activities		
Profit before tax	68,124.70	56,338.18
Adjustments for :		
Depreciation and Amortisation expense	18,070.09	16,492.06
Liabilities no longer required written back	(110.89)	(106.33)
Provision for Doubtful Advances written back	-	(483.93)
Bad debts/advances written off	224.43	361.20
(Gain)/Loss on sale of property, plant and equipment	(128.06)	(134.69)
(Gain)/Loss on sale of Mutual funds	(165.17)	(111.49)
(Gain) / Loss on Fair value of Financial instruments	(747.12)	(230.36)
(Due from)/Due to Customer Written off	536.94	(1,213.32)
Exceptional Item	(6,184.49)	(2,139.95)
Provision for Doubtful Advances and Other Receivables	-	59.11
Finance Income on Financial Assets	(19,753.32)	(24,575.61)
Provision for Periodic maintenance	848.81	2,876.60
Un winding Interest on Lease liabilities	31.33	33.24
Un Winding Interest on Deferment of NHAI Premium	596.16	529.23
Un Winding Interest on Provision for MMR	357.14	255.10
Un Amortized Processing fee	15.67	26.78
Modification gain/loss	2,484.12	14,035.18
Provision for Foreseeable Losses	-	138.37
Finance costs	14,307.30	13,967.04
Interest Income	(431.66)	(1,308.50)
	9,951.28	18,469.73
Operating profit/(loss) before working capital changes	78,075.98	74,807.91
Working capital adjustments:		
(Increase)/Decrease in Trade and Other Receivables and prepayments	92,171.78	(77,677.73)
(Increase)/Decrease in Inventories	(682.20)	(7,941.60)
Increase/(Decrease) in Trade and other Payables	(30,668.68)	(2,492.03)
Cash generated / (Used in) From Operations	1,38,896.88	(13,303.45)
Share of profit/(loss) of an associate and a joint venture	81.17	(1,148.70)
Income Taxes (paid) / Refunds	(19,564.56)	(19,192.17)
Net Cash Flows from/(used in) Operating Activities - (A)	1,19,413.49	(33,644.32)
B) Cash Flow from Investing Activities		
Proceeds from sale of property, plant and equipment	5,993.02	370.91
Purchase of property, plant and equipment and Capital Work-in-Progress	(15,377.07)	(35,730.41)
Proceeds from Sale/(Purchase) of investments	6,359.19	2,241.91
Interest Received	454.16	1,680.97
Bank Balances not considered as cash and cash equivalents	8,260.22	(9,141.01)
Loans to Joint Venture Partners	998.50	(253.04)
TDS on Interest Received	(6.77)	(17.08)
Net Cash Flow from/ (used in) Investing Activities - (B)	6,681.25	(40,847.75)
C) Cash Flow from Financing Activities		
Proceeds from Borrowings	48,084.00	81,017.70
Increase/(Decrease) from Short term borrowings	25.45	(71.24)
Repayment of Borrowings	(1,29,791.69)	(12,190.91)
Deferred Payment of Liability	(3.99)	-
Finance cost paid	(14,924.26)	(13,958.19)
Payment (to)/from non-controlling interest (net)	(24,421.03)	22,392.26
Dividends paid and Dividend Tax Paid	(703.09)	(703.09)
Net Cash Flow from/ (used in) Financing Activities - (C)	(1,21,734.61)	76,486.53
Net increase/ (decrease) in Cash and Cash Equivalents - (A+B+C)	4,360.13	1,994.46
Cash & Cash Equivalents at the beginning of the year	14,737.40	12,742.94
Cash & Cash Equivalents as at the end of the year (Refer Note 1)	19,097.53	14,737.40
Notes:		
1 Cash & Cash equivalents includes:		
Cash in Hand	58.14	51.39
Bank Balance and Cheques on hand - current account	19,039.39	14,686.01
Total Cash & Cash equivalents	19,097.53	14,737.40



K.R. Reddy



K. P. RAO
H.N. ANIL
MOHAN R LAVI

K. VISWANATH
S. PRASHANTH
P. RAVINDRANATH

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Independent Auditor's Report on Quarterly and Annual Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) regulations, 2015, as amended.

To the Board of Directors of KNR Constructions Limited

Opinion

We have audited the accompanying Consolidated Financial Results of KNR Constructions Limited (hereinafter referred to as the " Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its share of net profit after tax and total comprehensive income of its joint venture and associates for the quarter and year ended 31st March 2023 ("Statement"), which includes joint operations of the group accounted on a proportionate basis, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). The entities and the joint operations, the results of which have been included in the Consolidated Financial Results have been listed in Annexure "A".

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, joint venture, associates, and joint operations, the aforesaid Consolidated Financial Results:

- 1) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- 2) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the quarter and year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") as specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates, and joint venture, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant

Branches

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Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-4271908

Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 24903137 / 45911500



to our audit of the Consolidated financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports along with the consideration of audit reports of the other auditors referred to in the "Other Matters" section below, are sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Results.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group including its associates and a joint venture in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results 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 Results by the Management and the Directors of the Holding Company , as aforesaid.

In preparing the Consolidated Financial Results, the Management and the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations or has no realistic alternative but to do.

The respective Board of Directors of the companies included in the Group and of its associates and the joint venture is responsible for overseeing the financial reporting process of each company.



Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Consolidated Financial Results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in *our* auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group its associates and joint venture to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision, and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision, and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMDI/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- a) The Consolidated Financial Results include the audited financial results of 11 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs.1,65,231.83 lakhs as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. 44,938.03 lakhs and Rs.1,53,714.42 lakhs (including of Rs. Nil lakhs and Rs. 24,917.07 lakhs of 3 subsidiaries divested during the year) and total net profit after tax (before consolidation adjustments) of Rs. 685.98 lakhs and Rs. 1,750.87 lakhs (including of Rs. Nil lakhs and Rs. (727.87) lakhs of 3 subsidiaries divested during the year), total comprehensive income (net) of Rs. 686.45 lakhs and Rs. 1,751.34 lakhs (including of Rs. nil lakhs and Rs. 727.87 lakhs of 3 subsidiaries divested during the year), for the quarter and year ended 31 March 2023 and net cash inflows of Rs. 179.20 lakhs for the year ended 31 March 2023, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The Consolidated Financial Results also include the Group's share of net profit after tax (before consolidation adjustments) of Rs. (85.86) lakhs and Rs. (305.82) lakhs and the Group's share of total comprehensive income (before consolidation



adjustments) of Rs. 48.35 lakhs and Rs. 102.88 lakhs for the quarter and year ended 31 March 2023, as considered in the Consolidated Financial Results, in respect of 2 associates, whose financial statements have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in the paragraph above.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- b) The standalone annual financial results include the audited financial results of 12 Joint operations, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 45,332.64 lakhs as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. 25,026.65 lakhs and Rs. 80,728.28 lakhs, total net profit/(loss) after tax (before consolidation adjustments) of Rs. (24.24) lakhs and Rs. 2,178.08 lakhs, total comprehensive income/(loss) (before consolidated adjustments) of Rs. (24.24) lakhs and Rs. 2,178.08 lakhs for the Quarter and year ended 31st March, 2023 respectively and net cash flow/(outflow) Rs. (5,158.83) lakhs for year ended 31st March 2023, as considered in the standalone financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the standalone annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- c) The standalone annual financial results include the unaudited financial results of 4 Joint operations whose financial information reflect total assets of Rs. 893.12 lakhs (before consolidation adjustments) as at 31st March 2023 and total revenues of Rs. Nil lakhs and Rs. 118.23 (before consolidation adjustments), total net profit/(loss) after tax of Rs. (0.01) lakhs and Rs. 5.93 lakhs (before consolidation adjustments) and total comprehensive income/(loss) (before consolidated adjustments) of Rs. (0.01) lakhs and Rs.5.93 lakhs for the Quarter ended and year ended 31st March 2023 and net cash flow/(outflow) Rs. 5.04 lakhs for year ended 31st March 2023, as considered



in the standalone financial results, which have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial information are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Board of Directors.

- d) The Consolidated financial results also include the Group's share of net profit of Rs. Nil lakhs and Rs. Nil lakhs for the quarter and year ended 31st March 2023, in respect of one joint venture located outside India, whose financials have not been audited, and have been reviewed and certified by the management of the year as the end of the year. In our opinion and according to the information and explanations given to us by the management, the financial information is not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Board of Directors.

- e) The Consolidated Financial Results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For K P Rao & Co

Chartered Accountants

Firm Registration No: 003135S



Mohan R Lavi
Partner

Membership No. 029340

UDIN: 23029340BGWHVM1258



Place: Hyderabad

Date: 29th May, 2023

Annexure A

Subsidiaries-Audited by Other Auditors

SI No.	Company name
1	KNR Agrotech & Beverages Pvt Ltd
2	KNR Infrastructure Projects Pvt Ltd
3	KNR Energy Ltd
4	KNRC Holdings and Investments Pvt Ltd - Consolidated financials
5	KNR Somwarapet Infraproject Pvt. Ltd.,
6	KNR Palani Infra Pvt. Ltd.,
7	KNR Ramanattukura Infra Pvt Ltd
8	KNR Guruvayur Infra Private Limited
9	KNR Ramagiri Infra Pvt Ltd
10	Manjeri City Infrastructures and Developers LLP
11	Benedire Infrastructures and Developers LLP

Joint Operations- Audited by Other Auditors

1	PATEL KNR -JV
2	KNR BPL- JV
3	KNR PATEL- JV
4	KNR JKM- JV
5	KNR PBEPL-JV
6	KNR SEW GVR-JV
7	KNR HES ACPL-JV
8	PSK KNR GVR-JV
9	KNR-NAVAYUGA-NCC-JV
10	KNR-HES-JV
11	BSCPL KNRCL-JV
12	KNR SLMI -JV

Joint Operations-Not Audited by Other Auditors

1	KNR SLEC -JV
2	KNR GVR - JV
3	KNR JKM KAMALA - JV
4	KNR TBCPL - JV



Joint Venture-Not Audited by other auditors

1	SEL-KNR-JV
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Associates- Audited by other auditors

1	Patel KNR Heavy Infrastructures Limited
2	Patel KNR Infrastructures Ltd





KNR Constructions Limited.

Date: 29th May 2023

Ref: KNRCL/SD/2023/569&570

To, The Manager BSE Limited, P J Towers, Dalal Street, Fort, Mumbai - 400001 Scrip code: 532942	To, The Manager, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Scrip Code: KNRCON
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Dear Sir/Madam,

Sub: Declaration in respect of unmodified opinion on Standalone and Consolidated Financial Statements for the financial year ended 31st March 2023.

We refer to the above captioned subject, we herewith declare in terms of SEBI (LODR) Regulations, 2015 that the Audit Report issued by the statutory Auditors M/s K P Rao & Co., Chartered Accountants, on standalone and Consolidated financial statements for the financial year ended 31st March 2023 is unmodified opinion.

This is for the information and records of the Exchanges, please.

Thanking you,

Yours truly

For KNR Constructions Limited

S Vaikuntanathan

Vice- President (Finance & Accounts)

