



A well-established name in **ROAD & HIGHWAY** construction





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### Introduction

KNR constructions Limited (from now written as “KNRCL”) is an ISO 9001:2008 Certified company and listed in Bombay StockExchange Limited (BSE) and National Stock Exchange of India Limited (NSE). KNRCL is a multidomain infrastructure project development company providing engineering, procurement and construction (EPC) services across various fast growing sectors namely roads & highways, irrigation and urban water infrastructure management. Our project execution strength primarily is in road transportation engineering projects namely construction and maintenance of roads, highways, flyovers and bridges wherever integral to the projects undertaken.

KNRCL incorporated in 1995 by professionals having experience in the field of infrastructure development. In 1997, KNRCL acquired at their book values the assets and liabilities of M/s K. Narasimha Reddy & Co. (“partnership firm”) started by Shri K. Narasimha Reddy who is a promoter of KNRCL & this partnership firm was engaged in the business of undertaking civil contract works since 1979.

In the year 2008 KNRCL had opened up for Initial Public Issue and raised Rs.1338.67 millions and got itself listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

KNRCL have been executing infrastructure projects independently as well as through joint ventures under EPC, PPP models in India covering Uttar Pradesh, Madhya Pradesh, Assam, Andhra Pradesh, Karnataka, Tamil Nadu, Orissa, Bihar etc. KNRCL has the ability to bid, execute and implement medium and large size projects across various infrastructure segments.

The estimated unexecuted order book position as on April, 2010 is Rs. 17306 millions.

KNRCL is planning forays into new business areas while strengthening existing business activities and investing in infrastructure.

### Transformation - Shaping the future now.

Over the years, KNRCL has developed a significant and diversified presence across the construction and infrastructure domains in India. With a unique combination of expertise drawn from wealth of experience and a consistent track record of performance, the company has emerged to be the most trusted name in the Industry.

Transformation being the key to gaining the cutting edge of leadership in an increasingly complex infrastructure landscape, the company is poised to bring a transformation and impart an increasingly effective role to all related business activities, thereby reinforcing its position of leadership in the future.

Client satisfaction would continue to be the guiding principle of the company's strategy for growth.



## About Us

### Our Vision

To develop KNRCL as a centre of excellence in the field of Infrastructure Services by striving continuously to provide eco-friendly solutions, adopting state-of-the-art practices and commitment to quality through motivated human resources.

### Our Strengths

KNRCL has the following competitive strengths:

1. Significant experience and strong track record in, timely and successful execution of projects
2. Repeated orders received on continuous basis
3. Good clientele base
4. Qualified and experienced employees led by a proven management team
5. Expertise in sourcing and maintaining supply chain for raw material
6. Timely completion of projects
7. Solely depends on in house team in execution of projects rather depends on sub contracts
8. Induction of latest equipment and use of right tool for right work
9. World class construction equipment in hand and optimization of Machinery
10. Top Management involvement in selection of major raw materials and selection of construction camp locations

### Our Business Strategy

KNRCL intend to achieve growth objectives by adopting the following strategies :

1. Maintain performance and competitiveness of existing business to capitalize on huge investments expected to be made in infrastructure development, especially in segments where KNRCL presently operates
2. Focus on BOT based projects in the infrastructure sector
3. Focus on projects involving higher degree of engineering skills
4. Leverage our business growth by identifying and forming strategic joint venture relationships for mutual benefit through sharing of resources and business skills for entering into other fields of business



Major Events

Year	Particulars
1995	Incorporation of our Company as “KNR Constructions Limited” on July 11, 1995 under the Companies Act, 1956
1997	Acquisition of assets and liabilities of partnership firm M/s K Narasimha Reddy & Co.
2002	Achieved a consolidated turnover of over Rs. 1,000 million
2004	Successful completion of project worth Rs.2,550 million namely rehabilitation and upgrading of Surat - Manor section of NH-8
2005	Diversified into Irrigation and Water Supply projects and secured the first irrigation project worth Rs.1,494 million with our joint venture partner Backbone Projects Limited
2006	Secured the first BOT project with our joint venture partner Patel Engineering Limited in the State of Karnataka worth Rs. 4,420 million  Diversified into urban water infrastructure management by securing contract from Bangalore Mahanagara Palike worth Rs. 452 million
2007	Achieved a consolidated turnover of over Rs. 3,000 million  Secured the second BOT project worth Rs. 5,180 million with our joint venture partner Patel Engineering Limited in the State of Andhra Pradesh
2008	Initial Public Issue of the Company and listed at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE)  Achieved a Consolidated turnover of Rs.5,474.20 million
2009	Achieved a Consolidated turnover of Rs.7,686.50 million
2010	Achieved a consolidated turnover of Rs. 8,991.70 million  Received highest single work order value of Rs. 8,250 million



### Business Operations

KNRCL is an infrastructure project development company. The execution strength of KNRCL lies in road transportation engineering projects and has further diversified into other related segments like irrigation, water supply and urban water infrastructure management.

Presently we are executing contracts spread over various states in the country. Execution of all our projects is systematically planned in terms of material, manpower, machinery and finance. Top management of KNRCL is actively involved and closely monitors all the projects on a regular basis thereby ensuring quick decisions and timely availability of all resources for timely completion. As a normal business practice, we undertake contracts either solely on our own or as a main contractor or EPC contractor.

### (A) Road Transportation Engineering Projects

List of the few major projects which have been awarded and currently under execution by our Company are summarized as follows:

- 1. Lumbding – Lanka Project (Package AS-15)** worth Rs. 1,439.68 million This project involves the widening and strengthening of 18 km stretch of Lumbding - Lanka National Highway from single lane to 4 lanes in the State of Assam. The contract amounting to Rs. 1,439.68 million was awarded to our 50:50 joint venture Patel – KNR (JV) by NHAI.
- 2. Nagaon- Dharamtul Project (Package AS-18)** worth Rs. 2,387.25 million. This project involves the widening and strengthening of Nagaon- Dharamtul National Highway from 2 lanes to 4 lanes in the State of Assam. The contract amounting to Rs. 2,387.25 million was awarded to our 50:50 joint venture Patel – KNR (JV) by NHAI.
- 3. Expressway as Outer Ring Road to Hyderabad City** worth of Rs. 5763.83 million. This project involves construction of Eight Lane Access Controlled Express way as Outer Ring Road to Hyderabad City in the Sate of Andhra Pradesh, in the stretches from Patenacheru – Shamirpet from Km 23.700 to Km 61.700 (Northern Arc) (package – 3 from Km 46.000 to Km 61.700 Dundigal – Shamirpet)The Contract was awarded to our 51:49 joint venture KNR-GVR JV by Hyderabad Growth Corridor Limited.
- 4. Ganjam-Sunakhala Project (Package-OR VII)** Widening to 4/6 lanes and strengthning of existing 2 lane carriageway of NH-5 in the State of Orissa from Km 284.000 to Km 338.000 (Ganjam-Sunakhala) costing Rs. 2312.90 million to M/s. KNRCL by NHAI.
- 5. Bijapur-Hungund Project(Package-KNT-05)** 4 Laning of Bijapur-Hungund Section of NH-13 from Km 102.00 to Km 202.00 in the State of Karnataka under NHDP Phase-III costing Rs. 8250.00 million by SPV Viz. Bijapur-Hungund Tollway Pvt. Ltd., through M/s. Sadbhav Engineering Ltd., under EPC contract to M/s. KNRCL.
- 6. Madurai-Kanyakumari Project(Package NS-32)** Widening to 4/6 lanes of NH-7 of Madurai-Kanyakumari section in the State of Tamil Nadu from Km 203 to Km 234.690. The contract amounting to Rs. 2060.00 million was awarded to our 50:50 jointing venture Patel-KNR(JV) by NHAI.

### BOT projects

In order to further diversify our operations and generate better margins, we have forayed into road projects to be executed on BOT basis through an alliance with our joint venture partner Patel Engineering Limited. Our joint venture Patel-KNR (JV) has been awarded 2 (two) annuity based road projects, details of which are as under:

- a. Project KNT-1 in the State of Karnataka** (Package No. NS-2/BOT/KNT-1) This project has been awarded by NHAI to our joint venture Patel-KNR (JV) and involves the following:

Design, Construction, development, finance operation and maintenance of km 463.6 km (AP/Karnataka border) to km 524.0 (Avathi Village) and Improvement, Operation and Maintenance of km 524 (Avathi Village) to km 527 (Nandi Hills Crossing) and km 535 (Devanhalli Village) to km 539 (Meenakunte Village) on NH-7 in the State of Karnataka under North-South Corridor (NHDP Phase II) on BOT (Annuity) Basis.

We have formed a SPV by the name M/s. Patel KNR infrastructures Pvt. Ltd., where KNRCL has a 40% shareholding. Estimated value of the contract is Rs. 4,428.70 million. Further, SPV has awarded the EPC contract to M/s. KNRCL. The work is completed.

The SPV shall be eligible to receive a semi-annuity amount of Rs.329.40 million in 36 equal instalments.

- b. Project AP-7 in the State of Andhra Pradesh (Package No. Ns2/BOT/AP-7)** This project has been awarded by NHA to our joint venture Patel-KNR (JV) and involves the Design, Construction, development, finance, operation and maintenance of Islam Nagar (km 230.00) to Kadthal km 278.00 of Nagpur-Hyderabad section on NH-7 in the State of Andhra Pradesh, under North-South Corridor (NHDP Phase II) on BOT (Annuity) Basis.

We have formed a SPV by the name M/s Patel KNR Heavy Infrastructures Private Limited, wherein our shareholding is 40%, The value of the project is estimated at Rs. 5920.00 million. The work is completed.

The SPV shall be eligible to receive a semi-annuity amount of Rs.443.70 million in 36 equal installments.



### (B) Irrigation And Water Management Projects

Irrigation projects have been given impetus by various states in India and predominantly by the State Governments of Andhra Pradesh, Gujarat, Maharashtra and Rajasthan. With the growing opportunity in developing agricultural infrastructure, we have entered into execution of irrigation and water supply projects, primarily in the State of Andhra Pradesh. By adopting this strategy, we intend to replicate our expertise in road transportation engineering projects in this sector also. We are currently executing 4 (four) irrigation projects with our joint venture partners M/s Sri Laxmi Engineering Company [KNR-SLEC (JV)], M/s Backbone Projects Limited [KNR-BPL (JV)] and M/s. JKM Infra Projects Pvt. Ltd. & Kamala Constructions(KNR-JKM-Kamala JV)

List of the projects which are currently under execution are summarized as follows:

#### 1. Shankara Samudram Balancing Reservoir in the State of Andhra Pradesh (Package 27)

This project is on an EPC basis and involves the investigation, design, estimation of left main canal, distributory system including construction of CM&CD works from Shankara Samudram Balancing Reservoir, Mahaboobnagar District to feed 49,000 acres of irrigable land. The contract amounting to Rs. 1,494.00 million was awarded to our 49:51 joint venture KNR-BPL (JV) by the Irrigation and CAD Department, Government of Andhra Pradesh which was further fully sub-contracted by the said joint venture to our Company.

#### 2. Reservoir Across Mathadivagu in the State of Andhra Pradesh (Package 9)

This project is on an EPC basis and involves the following :

- a) Design, estimation and construction of reservoir across Mathadivagu, Adilabad District, in the State of Andhra Pradesh;
- b) Construction of earthen dam, spillway to dispose off 1968 cumecs (69500 cusecs) including fabrication, supply and erection of gates, gate operation equipment, all accessories, painting to gates and electrification etc; and
- c) Construction of head regulator for letting out water into left canal, excavation of left irrigation channel with lining, distributory system and field channels to irrigate an ayacut of 8500 acres, including its maintenance.

The contract amounting to Rs. 378.00 million was awarded to our 60:40 joint venture KNR-SLEC (JV) by the Irrigation and CAD Department, Government of Andhra Pradesh. The work is completed.

#### 3. Budpur Balancing Reservoir in the State of Andhra Pradesh (Package 20)

This project is on an EPC basis and involves the following:

- a) Investigation, design, estimation and execution of Budpur balancing reservoir, Mahaboobnagar District, State of Andhra Pradesh
- b) Construction of earthen dam, spill way; and
- c) Construction of head regulators to let water into Left & Right main canal.

The contract amounting to Rs. 369.80 million was awarded to our 60:40 joint venture KNR-SLEC (JV) by the Irrigation and CAD Department, Government of Andhra Pradesh . The work is completed.

**4. Eastern Kosi Canal system in Bihar.** All works (Including Canal System & Buildings) under E.R.M(Extension, Renovation & Modernisation)of Eastern Kosi Canal System under Chief Engineer, Water Resources Department, Purnea costing Rs. 2252.73 million awarded to our 50:25:25 Joint Venture KNR-JKM-Kamala JV.

### (C) Urban Water Infrastructure Management

We are currently executing an urban water infrastructure management project aggregating to Rs. 451.91 million in the State of Karnataka.

#### 1. Challaghatta Main Valley Project (Package CVD II)

This project involves the remodelling of primary and secondary storm drains, bridges/culverts and related works in Challaghatta Main Valley Bangalore City.

This project was awarded to our Company by the Bangalore Mahanagara Palike.

Some of the Major Projects completed by KNRCL are as under :

Name and Nature of the project	Client	Location	Contract value in Rs. Million	KNRCL Share	Date of Completion
Four laning of NH-24 from Km 27.643 to 48.638 and construction of Hapur Bypass	NHAI, New Delhi	Uttar Pradesh	1,153.61	49%	26.09.2002
Rehabilitation and upgrading of Surat - Manor section of NH-8, SMTP-II	PEL Mumbai	Gujarat	2,550.00	100%	07.02.2004
Widening to 4 lanes and Rehabilitation of Existing 2-lane carriageway of Krishnagiri - Vaniyambadi section of NH-46 (Package KR-1)	NHAI, New Delhi	Tamil Nadu	1,714.25	50%	31.03.2005
Widening to 4/6 lanes and Strengthening of the existing 2-lane carriageway from km 178.00 to 222.00 (Nellore - Kavali) of NH-5 (Package AP-11)	NHAI, New Delhi	Andhra Pradesh	1,612.19	51%	31.05.2005
Rehabilitation and Strengthening of (i) Morena – Sabalgarh Section SH-2 and (ii) Sabalgarh - Shampur Section SH-23	MPRDC Bhopal	Madhya Pradesh	848.10	100%	30.11.2008
Widening and Strengthening of 42 kms stretch of Madurai Kanyakumari NH-7 section from 2 lanes to 4 lanes. (Package NS-43)	NHAI, New Delhi	Tamil Nadu	2,014.10	50%	04.08.2009
Widening the two laning to four laning and Strengthening of 48 km stretch of Madurai-Kanyakumari NH-7 section. (Package NS-39)	NHAI, New Delhi	Tamil Nadu	3,148.40	54%	28.08.2009



## Management of KNRCL

KNRCL is managed by Managing Director Shri K. Narasimha Reddy, who is the promoter of the Company and the Board of KNRCL is headed by an independent director Shri B. V Rama Rao who is a retired IAS officer and Chief Secretary to the Government of Andhra Pradesh. The Board of KNRCL consists of 8 Directors, 4 Directors being Executive Directors and 4 Directors being Non-Executive Independent Directors.

The details of Board of Directors are as follows:

S. No.	Name of Director	Designation and Nature of Directorship
1.	Shri B. V. Rama Rao	Chairman (Non-Executive and Independent)
2.	Shri L. B Reddy	Director (Non-Executive and Independent)
3.	Shri D. Ramaiah	Director (Non-Executive and Independent)
4.	Shri J S R Chandra Mouli	Director (Non-Executive and Independent)
5.	Shri K. Narasimha Reddy	Managing Director (Executive and Non-Independent)
6.	Shri K. Jalandhar Reddy	Executive Director (Executive and Non-Independent)
7.	Shri J. V. Panindra Reddy	Executive Director (Executive and Non-Independent)
8.	Shri M. Rajesh Reddy	Executive Director (Executive and Non-Independent)



**Mr. B. V. Rama Rao**  
Non Executive and independent Chairman



**Mr. K. Jalandhar Reddy**  
Executive Director



**Mr. J. V. Panindra Reddy**  
Executive Director



**Mr. M. Rajesh Reddy**  
Executive Director



**Mr. K. Narasimha Reddy**  
Managing Director



**Mr. D. Ramaiah**  
Independent Director



**Mr. L.B. Reddy**  
Independent Director



**Mr. J. S. R. Chandra Mouli**  
Independent Director

ISO 9001 : 2008 Certificate



# Certificate of Registration

This is to certify that :

## KNR CONSTRUCTIONS LIMITED

12TH SQUARE BUILDING, 3RD FLOOR, ROAD NO. 12, BANJARA HILLS, HYDERABAD-500034,  
ANDHRA PRADESH, INDIA

Has been assessed by International Certification Registrar Ltd., in respect of their  
Quality Management Systems and found to comply with

### ISO 9001:2008

Approval is hereby granted for registration providing the rules and conditions  
relating to certification are observed at all times.

Certification Scope :

DESIGN, ENGINEERING, CONSTRUCTION  
OF CIVIL & MECHANICAL WORKS

Certificate Issue Date : 29<sup>th</sup> July 2008  
Expiration Date : 28<sup>th</sup> July 2011

Certificate No. : Q17633/08

The Seal of ICR Limited was here to affixed  
in the presence of :



President



This certificate is intellectual property of ICR and can be maintained through surveillance and renewal audits  
If you can not maintain the certification, this certificate shall be returned to ICR  
You can verify the authenticity of this certificate on Certification Confirms at [www.icrqa.com](http://www.icrqa.com)

ICR International Certification Registrar is a certification body directly registered to ANAB and it is verified at the ANAB website ([www.anab.org](http://www.anab.org))

Certificate of Incorporation



  
 भारत गणराज्य  
 Form I.R.  
 निगमन का प्रमाण-पत्र  
**CERTIFICATE OF INCORPORATION**

क्र. 01-21016 of 19-95-96

मैं निम्नलिखित प्रमाणित करता हूँ कि आर.

कम्पनी अधिनियम, 1956 (1956 का 1) के अधीन निगमन की गई है और वह कम्पनी संरक्षित है।

I hereby certify that **KNR CONSTRUCTIONS LIMITED**

is this day incorporated under the Companies Act, 1956 (No 1 of 1956) and that the Company is limited.

मैं इसका मेरे हाथ में ..... को दिया गया है।

Given under my hand at **Hyderabad** this **11th** day of **July** One thousand nine hundred and **Ninety Five** (20th Aashda 1917 Saka)

  
 3 मसूमा - 1  
 J.S.C.-1.

  
**(B. KOTESWARA RAO)**  
 सहायक निगमन  
 Asst. Registrar of Companies  
 Andhra Pradesh.

Certificate of Commencement of Business



Company No. 01- 21016

  
**Certificate of Commencement of Business.**  
 Pursuant of section 149(3) of the Companies Act, 1956.

I hereby certify that the **KNR CONSTRUCTIONS LIMITED**

which was incorporated under the Companies Act, 1956, on the **11th** day of **July, 95** and which has this day filed a duly verified declaration in this prescribed form that the conditions of section 149 (1) (a) to (d)/149 (2) (a) to (c) of the said Act, have been complied with is entitled to commence business.

Given under my hand at Hyderabad this **9th** day of **AUGUST** one thousand nine hundred and **Ninety Five.**



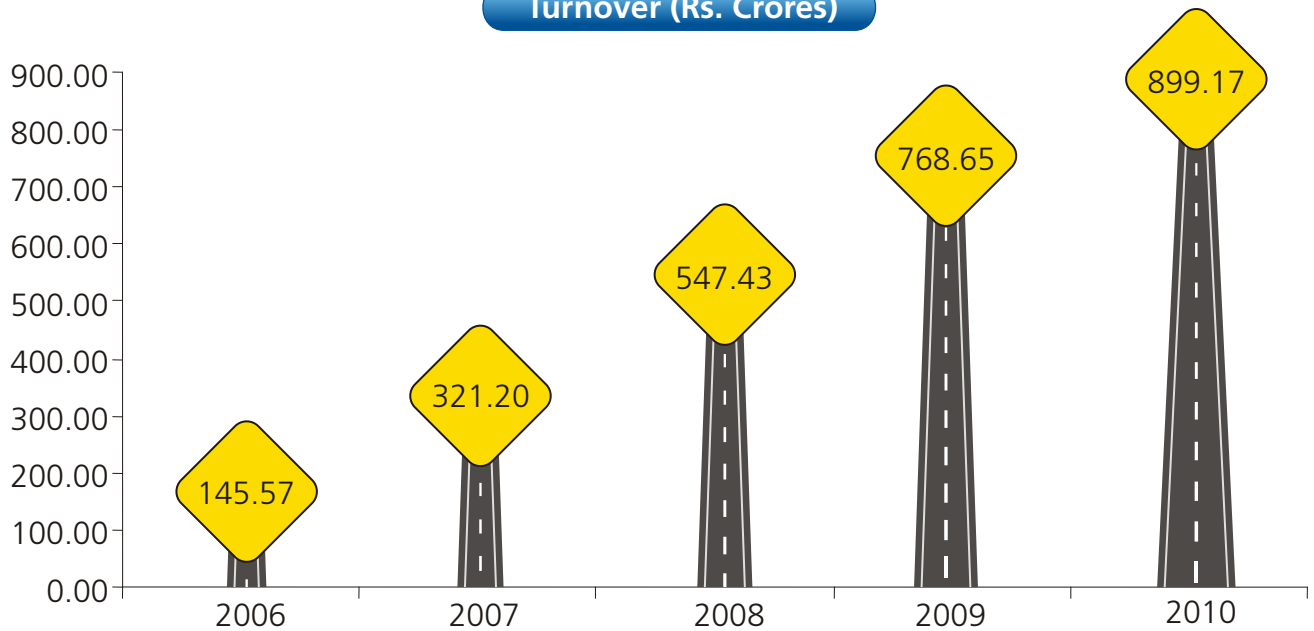
  
**(S.N. JEYA)**  
 REGISTRAR OF COMPANIES  
 ANDHRA PRADESH, HYDERABAD

## Financial Highlights of KNRC for the last 5 Years

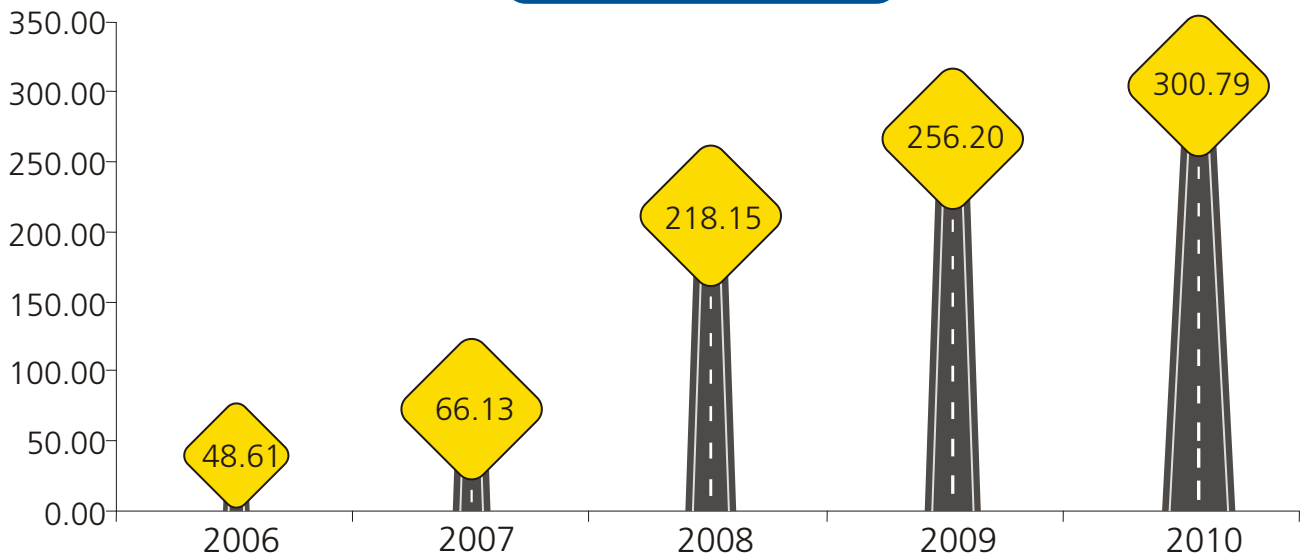
Amount in Rupees Crores except otherwise mentioned

Particulars	2006	2007	2008	2009	2010
Turnover (including other income)	145.57	321.20	547.43	768.65	899.17
Profit before Tax (PBT)	24.60	26.85	46.95	66.37	82.62
Profit after Tax (PAT)	15.37	19.88	29.55	43.66	50.28
EPS in Rs.	7.59	9.82	13.83	15.52	17.88
Net Worth	48.61	66.13	218.15	256.20	300.79

### Turnover (Rs. Crores)



### Net worth (Rs. Crores)



### Details of Plant and Machinery

S. No.	Particulars	Quantity
1.	Batching Plants(Concrete)	11
2.	Compactors & Rollers	68
3.	Compressors and Drillers	37
4.	Concrete Pumps	4
5.	Cranes	14
6.	Crushers	24
7.	Concrete Boom Placers	2
8.	Dozers	9
9.	Drum Mix Plants	9
10.	Excavators	90
11.	Generators	54
12.	Graders	18
13.	Hot Mix Plants	6
14.	Kurb laying / Slope pavers	10
15.	Loaders and Loader cum excavators	27
16.	Pavers	27
17.	Rock Breakers	6
18.	Sprayers and Tankers	29
19.	Tippers and Mini Trucks	404
20.	Transit Mixers	14
21.	Tractors	26
22.	Weigh Bridges	10
23.	Wet Mix Plants	11



### Details of Manpower\*

As on 1.4.2010

S. No.	Designation	No. of Employees
1	Managing Director	1
2	Executive Directors	3
3	Vice President	1
4	Company Secretary	1
5	General Managers	3
6	AGM / Project Managers	7
7	DGM / Sr. Manager / Project Co. Ordinators	5
8	Managers / Dy. Project Managers	11
9	Asst. Managers / Engineers	73
10	Sr. Accountants	6
11	Jr. Accountants	18
12	Store Keepers	18
13	Liaison Officers	3
14	Mechanics	19
15	Electricians	21
16	Operators	128
17	Drivers	195
18	Others	62
Total		575

\* The above list is in regard to employees on permanent basis. Apart from the above, project specific staff are being employed.



240 TPH D & G Hot mix plant at Bangalore, Karnataka



250 TPH Nawa Crushing Plant at KNT-01 Package, Karnataka



Cat excavators & rock drilling machines in mining operation



100MT Cranes in operation in Urban Infrastructure work near Bangalore



Completed river bridge (430 Metres Length) in NS-39 Package, Tamil Nadu



Lo Drill-DH-60 Piling Machine



Rig Putzmeister concrete boom placer



Completed Highway junction in NS-39 Package, Tamil Nadu



Completed stretch of 4 laning of AP-11 Package, Andhra Pradesh



Completed stretch of 4 laning of NS-43 Package, Tamil Nadu



Completed Rigid pavement in AS-18 Package, Assam



Completed Section & Toll Plaza in AP-07 Package, Andhra Pradesh



**Some of Completed Major Projects**

1. Madurai-NS-39-TN-NH7
2. Tirunelveli-Panagudi-NS-43-TN-NH7
3. Krishnagiri-Vaniyambadi-KR-01-TN-NH46
4. Nellore-Kavali-AP-11-NH5
5. Hapur Bypass-UP-NH24
6. Morena-Sabalgarh-Shampur-MP-SH2&23
7. Surath-Manor ,SMTP-II-NH8

**Some of On Going Major Projects**

8. Bijapur-Hungund-KNT-05-NH13
9. Hyderabad-Outer Ring road
10. Nagaon-Dharamtul-AS-18-NH36/37
11. Ganjam-Sunakhala-OR-VII-NH5
12. Panagudi-Kanyakumari-NS-32-NH7
13. Lumding-Lanka-AS-15-NH54

**Major BOT Projects**

14. AP/KR Border-Avati-KNT-01-NH7
15. Islam nagar - Kadtal-AP7-NH7



**KNR Constructions Limited.**

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